



AMANI GOLD
LIMITED
and its controlled entities
(ABN 14 113 517 203)

Half Year Report
31 December 2022

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DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity, comprising Amani Gold Limited (the "Company") and its controlled entities (collectively "Amani" or the "Group") for the half year ended 31 December 2022. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of directors who held office during or since the end of the half year and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated.

Klaus Eckhof	Executive Chairman and Managing Director (resigned 10 March 2023)
Conrad Karageorge	Managing Director (appointed 10 March 2023)
Burt Li	Non-Executive Director
Peter Nicholas Huljich	Non-Executive Chairman (appointed to Non-Executive Chairman 10 March 2023)
John Campbell Smyth	Non-Executive Director

Results

The consolidated loss for the half year after tax was \$1,155,898 (2021: \$2,089,415 loss).

Review of Operations

Giro Gold Project

About Giro Gold Project

The Giro Gold Project comprises of two exploration permits covering a surface area of 497km² and lies within the Kilo-Moto Belt of the DRC, a significantly under-explored greenstone belt which hosts the Barrick Gold 17 million-ounce Kibali group of deposits located within 35km of Giro. The nearby Kibali Gold Project produces more than 600,000oz gold per annum.

The Giro Gold Project area is underlain by highly prospective volcano-sedimentary lithologies in a similar structural and lithological setting as the Kibali gold deposits. Both primary and alluvial gold was mined from two main areas, the Giro and Tora areas, during Belgian rule and today. The Giro Gold Project global resource for Kibigada and Douze Match deposits exceeds 4.4Moz contained gold; with a total Indicated and Inferred Mineral Resource Estimate of 132Mt @ 1.04g/t Au, for 4.4Moz gold (0.5g/t Au cut-off grade).

The Kibigada resource followed diamond core drilling results which successfully targeted deeper high-grade sulphide associated gold mineralisation within the central core of the Kibigada deposit. Drillholes GRDD034 and GRDD035 are 240m apart and both outlined high-grade gold mineralisation deeper than previously intersected at the Kibigada deposit. These gold assay results and the current Kibigada MRE indicate the potential for the Kibigada deposit to substantially grow via targeted deeper drilling along the entire strike of the orebody.

Amani Gold undertook a 3,500m diamond drill campaign at the Kibigada deposit. The company completed diamond drilling at the deposit in October 2022. Drilling was intended to target high grade gold mineralization within the existing resource area and depth extensions of the Kibigada central and eastern ore bodies.

Results from the drill program were very encouraging with broad zones of mineralisation confirmed within the resources as well as shallow high grade mineralization.

Preparation were also made for RC drilling at high grade regional prospects within the Giro Project area. RC drilling commenced on September 2022 (see ASX Announcement titled “RC Drilling Commences at Kebigada South-East dated 5 September 2022).

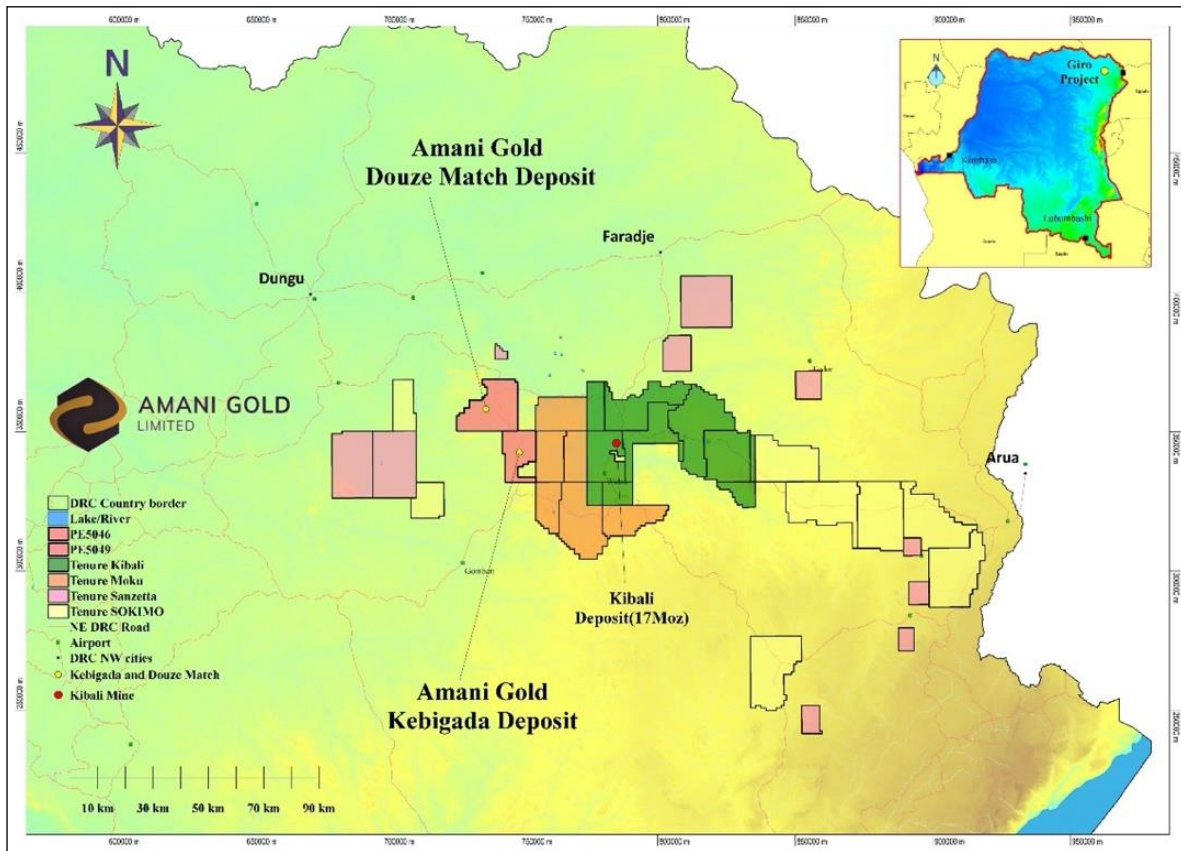


Figure 1 - Map of Haute Uele Province of the Democratic Republic of Congo, showing the location of the Kebigada and Douze Match gold deposits and tenement, Giro Gold Project.

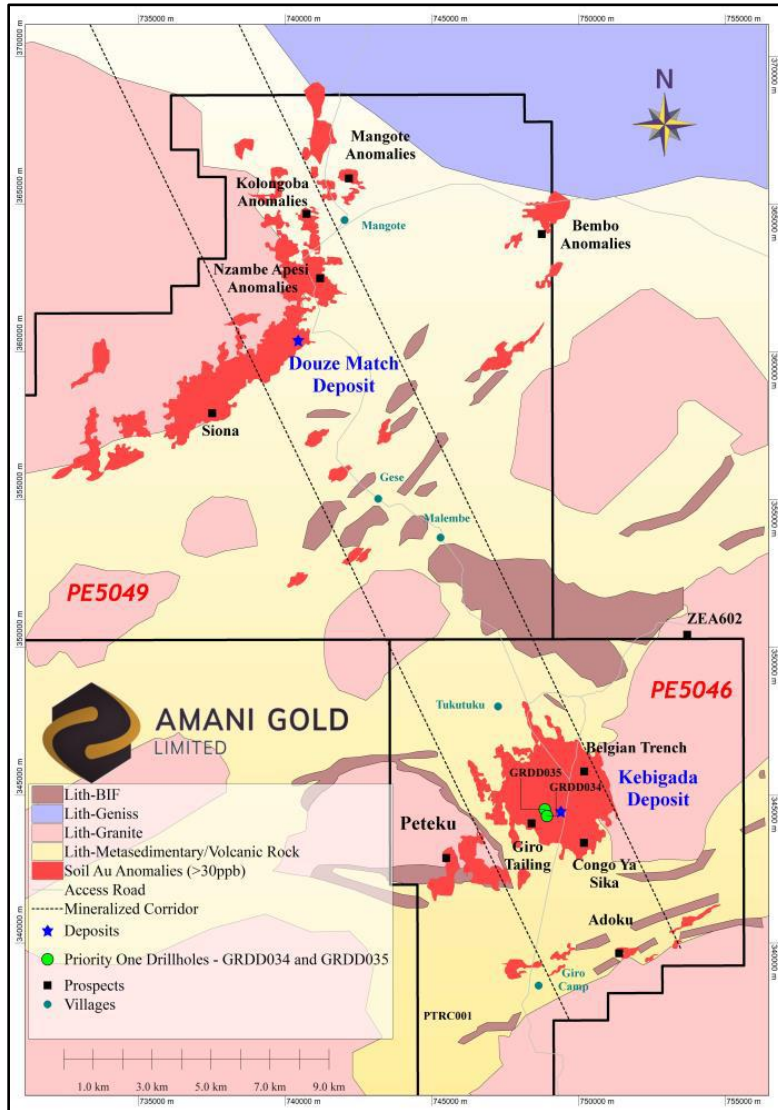


Figure 2 - Map of Giro Gold Project, showing Kebigada and Douze Match deposits, tenement, surface geology, prospect locations and diamond core drillholes GRDD034 and GRDD035 (Green).

TABLE 1 - GIRO GOLD PROJECT GLOBAL MRE AT 0.5 G/T AU CUT-OFF GRADE (H&SC)

Classification	Kebigada Deposit			Douze Match Deposit			Combined		
	Tonnes (Mt)	Au (g/t)	Au (Moz)	Tonnes (Mt)	Au (g/t)	Au (Moz)	Tonnes (Mt)	Au (g/t)	Au (Moz)
Indicated	69	1.09	2.4	2.2	1.2	0.09	71	1.10	2.5
Inferred	54	0.95	1.7	5.8	1.2	0.23	60	0.98	1.9
Total	124	1.03	4.1	8.1	1.2	0.32	132	1.04	4.4

(significant figures do not imply precision and rounding may occur in totals)

TABLE 2 - GRADE TONNAGE DATA FOR KEBIGADA MRE (H&SC)

Cut-off (Au g/t)	Tonnes (Mt)	Au (g/t)	Au (Moz)
0.0	429.6	0.45	6.19
0.3	205.8	0.78	5.13
0.4	158.8	0.90	4.61
0.5	123.7	1.03	4.10
0.6	98.2	1.16	3.65
0.7	78.4	1.29	3.24
0.8	62.8	1.42	2.86
0.9	50.5	1.56	2.53
1.0	41.0	1.70	2.24
1.2	27.9	1.98	1.78
1.3	23.4	2.12	1.60
1.5	17.0	2.40	1.31
2.0	8.7	3.04	0.85

(significant figures do not imply precision)

Diamond Drill Program

The Company commenced its diamond drill program on 16 December 2021. The program is testing the continuity of identified mineralization along strike of the COB confirmed in previously drilled diamond holes. Drilling is also testing depth extensions of broad mineralized zones within the EOB that were outlined in previous RC drilling completed in 2017.

Drilling was completed in September 2022.

Assay results confirm broad mineralization zones within the existing ore body, mineralized areas intersected below the existing resource area, as well as a shallow high-grade zone of mineralization.

A resource review of the deposit at Giro is currently being completed and scheduled for release March 2023.

TABLE 1 - DRILLHOLE SUMMARY

Hole ID	Easting	Northing	Elevation (m)	End-of-Hole (m)	Azimuth	Dip	Line
GRDD036	748971	344313	852.04	551.16	043°	-55°	725N
GRDD037	749061	344258	859	513.50	043°	-55°	650N
GRDD038	749026	344396	860	313.50	043°	-55°	750N
GRDD039	749093	344042	856	454.50	043°	-55°	450N
GRDD040	748919	344714	862	400.80	043°	-55°	1050N
GRDD041	748899	344628	863	468.00	043°	-55°	1000N

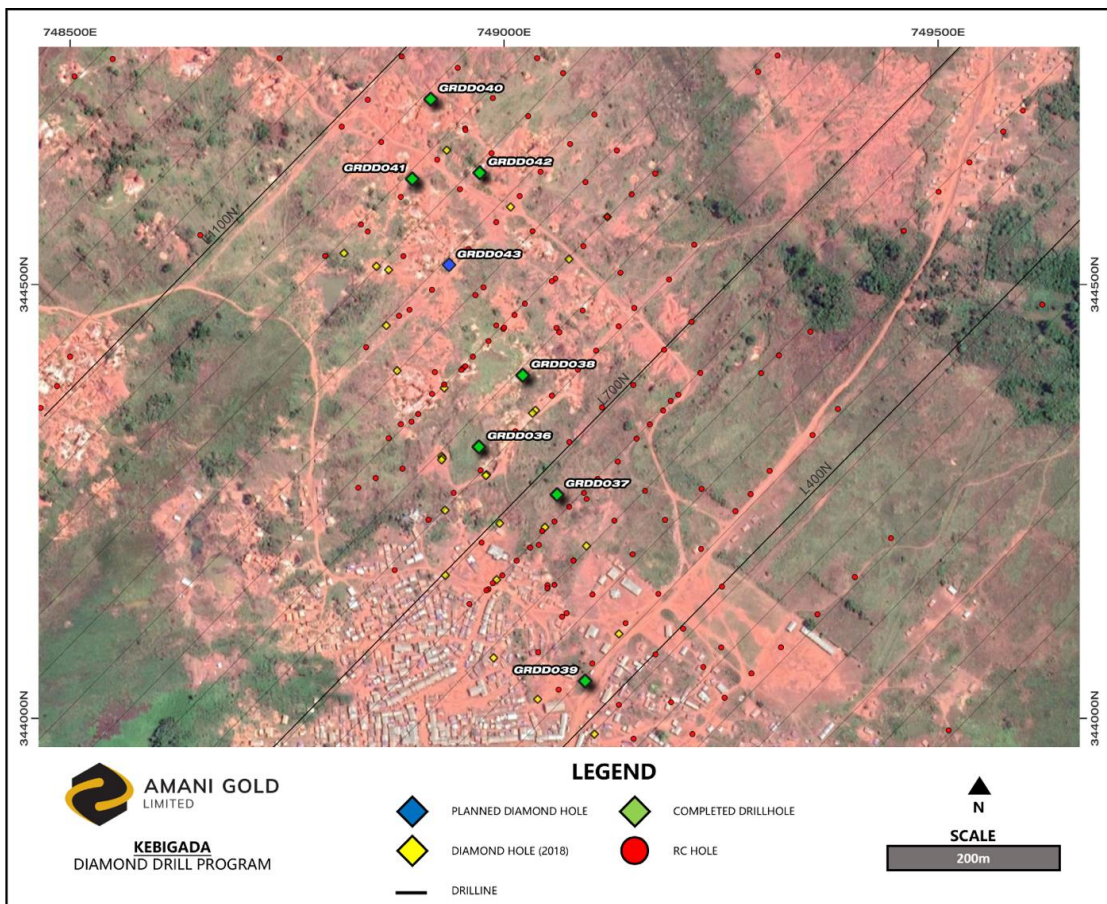


Figure 3 - Map of Giro 2022 Diamond Drill Program

TABLE 2 - SIGNIFICANT INTERCEPTS¹

Hole ID	From (m)	To (m)	Interval (m)	Gold Grade (g/t)
GRDD036	0	302.05	302.05	1.18
GRDD036	13.6	22	8.4	14.35
<i>Including</i>	14.5	16	1.5	75.85
GRDD036	75.08	82	6.92	2.8
<i>Including</i>	80.93	82	1.07	14.60
GRDD036	139.73	149	9.27	5.71
<i>Including</i>	139.73	144	4.27	11.8
	142.10	143.13	1.03	22.80
GRDD037	0.00	201.00	201.00	0.97
<i>Including</i>	82.20	103.05	20.85	2.05
	125.00	166.00	41.00	1.30
GRDD037	309.00	334.06	25.06	0.64
GRDD037	510.80	513.50	2.70	2.16
GRDD038	0.00	60.00	60.00	1.28
<i>Including</i>	30.00	36.00	6.00	1.74
	40.50	47.00	6.50	2.76
GRDD038	78.00	87.00	9.00	0.99
GRDD038	103.05	134.60	31.55	0.94
GRDD038	154.00	184.03	30.03	1.21
GRDD038	253.00	264.00	11.00	0.97
GRDD038	283.90	293.00	9.10	1.14
GRDD039	69.50	80.00	10.50	1.17
GRDD039	98.86	158.85	59.99	2.35
including	103.88	107.28	3.40	8.85
	142.23	155.85	13.62	3.20
GRDD039	222.00	239.53	17.53	1.22
GRDD039	378.68	379.86	1.18	1.22
GRDD040	0	400.80	400.80	0.57
<i>Including</i>	0	15	15	0.72
	220.01	315.90	95.88	1.24
	330.30	363.12	32.82	0.69
GRDD041	0	468	468	0.43
<i>Including</i>	0	24	24	0.77
	148.97	179.08	30.11	0.53
	279.92	352.04	72.12	0.74

¹Intercepts calculated on an interval weighted average basis.

RC Drill Program

In 20 December 2021 the Company announced plans for a 5,860m RC drilling campaign at Giro Project Satellite deposits Congo Ya Sika and Kebigada South-East (See ASX Announcement "Project and Operations Update" dated 20 December 2021).

The goal of the program was to define high grade satellite prospects within the Giro Project region with the possibility to increase the grade and size of the current Giro Project gold resource. Drilling commenced in September 2023 with Kebigada South-East drilling completed in December 2023 with a total of 18 RC drillholes completed for a total depth of 1,988 metres. Assays were released subsequent to year end (see ASX Announcement "RC Drilling Intersects Extension Zone of Kebigada Deposit" dated 27 February 2023)

The RC drilling at Kebigada SE has targeted the interpreted south-east extensions of the high grade veins and adjacent mineralised host rocks from the Giro vein, Gbaramuta, Bowule, Filon III, V and VI areas through the Giro/Kebigada deposit, towards an untested geophysical and geochemical anomaly.

Drillhole logging, data analysis and preliminary interpretation of the assay results suggest the mineralisation at Kebigada SE is related to either narrow, sub vertical slightly NE dipping NS structures or shallow SW dipping NW-SE structures.

TABLE 1 - DRILLHOLE SUMMARY

Hole ID	Easting	Northing	Elevation (m)	End-of-Hole (m)	Azimuth	Dip	Line
KSERC001	749602	343845	859	115	43	-60	50S
KSERC002	749634	343880	858	115	43	-60	50S
KSERC003	749672	343917	854	115	43	-60	50S
KSERC004	749704	343952	854	115	43	-60	50S
KSERC004A	749711	343950	854	25	43	-60	50S
KSERC005	749740	343988	855	115	43	-60	50S
KSERC006	749770	344017	856	125	43	-60	50S
KSERC007	749468	343710	852	120	43	-60	50S
KSERC008	749501	343743	853	120	43	-60	50S
KSERC008A	749495	343745	853	28	43	-60	50S

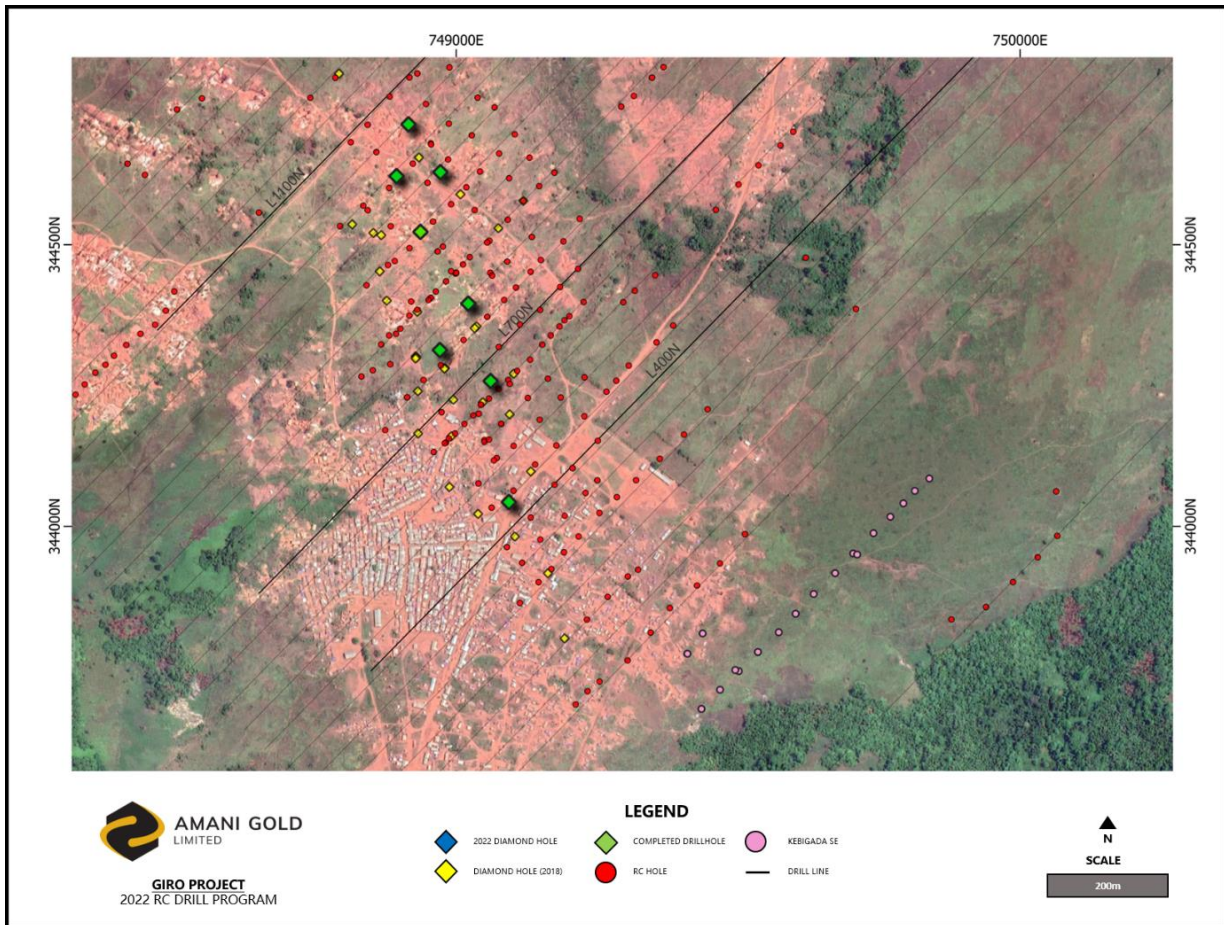


Figure 4 - Map of RC Drilling Completed at the Kebigada South-East Satellite Deposit.

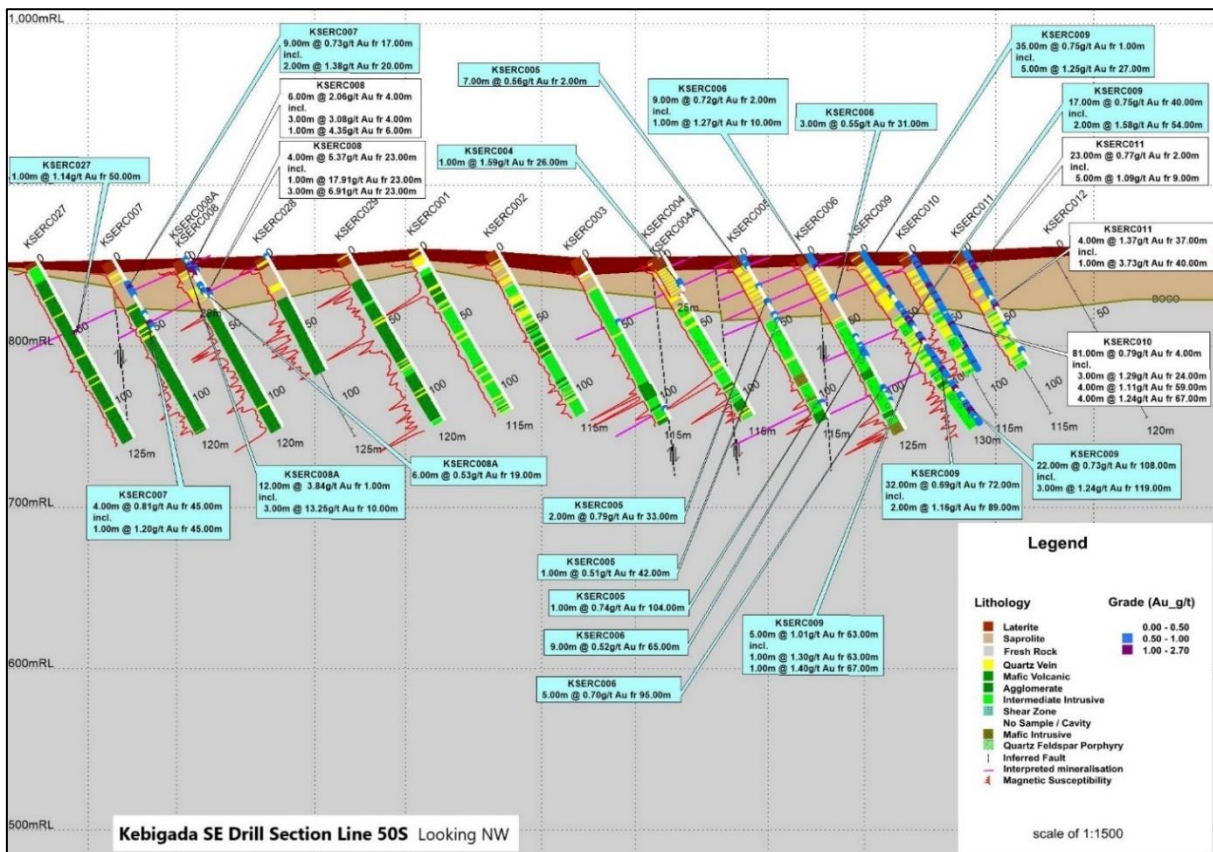


Figure 4 –Kebigada South-East Drill Section Line 50S. 9

TABLE 1 - SIGNIFICANT INTERCEPTS

Hole ID	From (m)	To (m)	Interval (m)	Gold Grade (g/t)
KSERC008	4	10	6	2.06
<i>Including</i>	4	7	3	3.08
KSERC008	23	27	4	5.37
<i>Including</i>	23	24	1	17.91
	23	26	3	6.91
KSERC008A	1	13	12	3.84
<i>Including</i>	10	13	3	13.25
	19	25	6	0.53
KSERC009	72	104	32	0.69
KSERC009	108	130	22	0.73
KSERC010	4	77	81	0.79
<i>Including</i>	24	27	3	1.29
	59	63	4	1.11
	67	71	4	1.24
KSERC011	2	25	23	0.77
<i>Including</i>	2	7	5	1.09
	37	41	4	1.37
KSERC034	29	32	3	0.94
<i>Including</i>	42	47	5	1.06
	80	82	2	0.66
KSERC035	2	4	2	0.61
<i>Including</i>	55	56	1	1.39
KSERC004	26	27	1	1.59
KSERC005	2	9	7	0.56
KSERC005	33	35	2	0.79
KSERC005	104	105	1	0.74
KSERC006	2	11	9	0.72
<i>Including</i>	10	11	1	1.27
KSERC006	31	34	3	0.55
KSERC006	65	74	9	0.52
KSERC006	95	100	5	0.70
KSERC007	17	26	9	0.73
<i>Including</i>	20	22	2	1.38
KSERC007	45	49	4	0.81
<i>Including</i>	45	46	1	1.20

Corporate

Capital Raise

In December 2022 the Company undertook a private placement to raise \$1,000,000 before costs from sophisticated and professional investors through the issue of 1,000,000,000 shares at an issue price of \$0.001 per share. Each participant in the Placement was offered 1 free attaching listed option (ANLOA) (Option) for every 2 ordinary shares subscribed, each exercisable at \$0.0015 and expiring on 15 January 2024.

Funds raised from the Placement will be allocated to development and commercialisation of the Company's Giro Gold Project, providing working capital and to pay for the costs of the Placement (a 4% capital raising fee on gross proceeds raised will be paid to multiple brokers of the Placement).

Sale of Amani Consulting to Mabanga Mining

Subsequent to the reporting period Amani Gold executed a binding term sheet ("**Term Sheet**") with Mabanga Mining SARL (the "**Purchaser**") for the sale of Amani Gold's shareholding in Amani Consulting SARL, the DRC based entity that holds the Giro Gold Project for the cash payment of USD\$30M (approximately AUD\$43.5M) (the "**Transaction**").

Pursuant to the Term Sheet, the Purchaser has agreed to acquire the Company's 850 shares ("**Sale Shares**") representing 85% of the total issued share capital in Amani Consulting, the entity that holds a 65% interest in Giro Goldfields SARL, a DRC registered company and holder of the two exploitation permits comprising the Giro Gold Project. Société Minière De Kilo Moto SA ("**SOKIMO**"), a company wholly owned by the DRC Government holds the remaining 35% interest.

As the Transaction constitutes a disposal of the Company's main undertaking, the Company will be seeking shareholder approval for the Transaction pursuant to ASX Listing Rule 11.2. The Company will prepare a notice of general meeting for this purpose, which will contain further details about the Transaction.

Rationale for entering into the Transaction

- The USD\$30M (approximately AUD\$43.5M) transaction value represents a value increase of approximately 75% above Amani Gold's current market capitalization. This cash consideration provides the opportunity to pursue new assets.
- Geopolitical circumstances in the region could worsen in the future resulting in large-scale gold projects such as Giro becoming less attractive to potential acquirers or investors. General elections are scheduled to be held in the DRC in December 2023.
- Further development of the Giro Gold Project requires substantial funds that will most likely be raised through the issue of equity, diluting existing shareholders.

Summary of Term Sheet

The material terms of the Term Sheet are as follows:

1. The Purchaser shall pay the Company a total of USD\$30M pre-tax consisting of the following tranches:
 - **First Tranche** – US\$5,000,000 payable to the Company upon execution of the Term Sheet;
 - **Second Tranche** - US\$8,000,000 payable to the Company within one (1) year of the payment of the First Tranche;
 - **Third Tranche** - US\$8,000,000 payable to the Company within one (1) year of the payment of the Second Tranche; and
 - **Fourth Tranche** - US\$9,000,000 payable to the Company within one (1) year of the payment of the Third Tranche to the Seller.
2. First Tranche Completion (being the completion of the First Tranche payment to the Company) is conditional upon the following ("**Conditions Precedent**"):

- the Company obtaining the required shareholder approvals (including shareholder approval pursuant to Listing Rule 11.2 and 10.1); and
 - all necessary regulatory and third-party approvals being obtained in the DRC.
3. If the Company receives a superior offer (i.e. an offer on more favourable terms for the Company as currently provided under the Term Sheet) prior to First Tranche Completion (see above), the Company is able to terminate the Term Sheet.
 4. Following First Tranche completion, risk in the Sale Shares will pass to and vest in the Purchaser and the Purchaser will become the operator and manager of the Giro Gold Project, accepting all risk, liabilities and costs associated with operation of the Giro Gold Project.
 5. The Sale Shares will remain in escrow until the final Fourth Tranche payment has been made to the Company, at which point the Sale Shares will be transferred to the Purchaser. The rationale for keeping the Sale Shares in escrow is such that if the Purchaser defaults on its obligations under the Term Sheet prior to completion of the final Fourth Tranche Payment, the Company is able to hold the Sale Shares in escrow as security and will maintain its ownership in the Sale Shares and the Giro Gold Project.
 6. The Term Sheet is otherwise on terms and conditions considered standard for agreements of this nature.

Board Changes

Subsequent to the period end the Company received the resignation of Klaus Eckhof as chairman of Amani Gold. The Company has appointed Mr Peter Huljich as non-executive chairman and Chief Executive Officer Conrad Karageorge has also appointed to the Amani board as managing director (see ASX Announcement “Board Changes” dated 10 March 2023).

Significant Change in the State of Affairs

There were no other significant changes in the state of affairs of the Group other than as referred to elsewhere in this consolidated half-year report and in the accounts and notes attached thereto.

Events Subsequent to Balance Date

Since the end of the half year and to the date of this report no matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years other than the matters referred to below.

The Company signed a binding term sheet executed for sale of the Company’s shareholding in Amani Consulting, the DRC based entity that holds the Giro Project, to Mabanga Mining SARL. Pursuant to the Term Sheet, the Purchaser has agreed to acquire the Company’s 850 shares (“Sale Shares”) representing 85% of the total issued share capital in Amani Consulting, the entity that holds a 65% interest in Giro Goldfields SARL, a DRC registered company and holder of the two exploitation permits comprising the Giro Gold Project. Société Minière De Kilo Moto SA (“SOKIMO”), a company wholly owned by the DRC Government holds the remaining 35% interest. The value of the consideration is a cash payment of USD\$30M, which is split into the following tranches:

- First Tranche – US\$5,000,000 payable to the Company upon execution of the Term Sheet;
- Second Tranche - US\$8,000,000 payable to the Company within one (1) year of the payment of the First Tranche;
- Third Tranche - US\$8,000,000 payable to the Company within one (1) year of the payment of the Second Tranche; and
- Fourth Tranche - US\$9,000,000 payable to the Company within one (1) year of the payment of the Third Tranche to the Seller.

As of the date of this report the sale agreement has not been completed due to the conditions precedents not being met yet.

On 15 January 2023 1,066,999,998 performance rights and 156,000,000 options had expired and were cancelled.

On 10 March 2023 Klaus Eckof has resigned from the board with Conrad Karageorge appointed as managing director and Peter Huljich appointed as non-executive chairman.

Auditor's Independence Declaration

The lead auditor's independence declaration, as required under section 307C of the Corporations Act 2001 for the half-year ended 31 December 2022 has been received and can be found on page 14.

This Directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the Corporations Act 2001.


.....

Peter Huljich

Non-Executive Chairman

Dated: 16 March 2023

Competent Person's Statement

The information in this report that relates to the Giro Gold Project has been previously reported by the Company in compliance with JORC2012 in various market releases. The Company confirms that it is not aware of any new information or data that materially affects the information included in those earlier market announcements.

Forward Looking Statements

Statements regarding the Company's plans with respect to its mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

To the Board of Directors

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

As lead audit Director for the review of the financial statements of Amani Gold Limited for the half year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated 16th day of March 2023
Perth, Western Australia

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Notes	Consolidated	
		31 December 2022 \$	31 December 2021 \$
Revenue from continuing operations		27,234	209
Consultants and corporate costs		(308,142)	(344,035)
Employee benefits expense		(205,598)	(163,314)
Depreciation expense		(23,632)	(413)
Occupancy expenses		(27,649)	(47,768)
Travel expenses		(20,857)	(8,000)
Share based payments expense	2	(271,800)	(1,035,111)
Foreign exchange (loss)/gain	2	(1,454)	(19,236)
Impairment of exploration and evaluation assets		(2,663)	(1,779)
Loss before related income tax expense		(834,561)	(1,619,447)
Income tax (expense) / benefit		-	-
Loss for the period from continuing operations		(834,561)	(1,619,447)
Loss for the period from discontinued operations	3	(321,337)	(469,968)
Loss for the period		(1,155,898)	(2,089,415)
Net loss attributable to:			
Owners of Amani Gold Limited		(1,009,628)	(2,058,753)
Non-controlling interest		(146,270)	(30,662)
		(1,155,898)	(2,089,415)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		359,550	609,488
Total comprehensive income for the half year		(796,348)	(1,479,927)
Total comprehensive income is attributable to:			
Owners of Amani Gold Limited		(650,087)	(1,617,525)
Non-controlling interest		(146,261)	137,598
		(796,348)	(1,479,927)
(Loss) / earning per share from continuing operations attributable to owners of Amani Gold Limited'			
Basic and diluted (loss) per share (cents)		(0.0036)	(0.0114)
Profit/(Loss) / earning per share from discontinued operations attributable to owners of Amani Gold Limited'			
Basic and diluted (loss) per share (cents)		(0.0014)	(0.0033)
(Loss) / earning per share from attributable to owners of Amani Gold Limited'			
Basic and diluted (loss) per share (cents)		(0.0050)	(0.0147)

The accompanying notes form part of these financial statements

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

		Consolidated	
	Notes	31 December 2022 \$	30 June 2022 \$
Assets			
Current Assets			
Cash and cash equivalents		2,337,444	3,804,534
Other receivables		47,151	157,353
Asset Held for Sale	3	30,138,294	-
Total Current Assets		32,522,889	3,961,887
Non-Current Assets			
Property, plant and equipment		2,402	22,674
Exploration and evaluation expenditure	4	-	28,785,048
Right of use asset		83,386	100,638
Total Non-Current Assets		85,788	28,908,360
Total Assets		32,608,677	32,870,247
Current Liabilities			
Trade and other payables		262,386	943,566
Lease Liability		27,702	27,702
Total Current Liabilities		290,088	971,268
Non-Current Liabilities			
Lease Liability		64,224	76,330
Total Non-Current Liabilities		64,224	76,330
Total Liabilities		354,312	1,047,598
Net Assets		32,254,365	31,822,649
Equity			
Contributed equity	5	94,686,607	92,994,343
Reserves		12,790,010	13,582,891
Accumulated losses		(62,163,779)	(61,842,373)
Capital and reserves attributed to the owners of Amani Gold Limited		45,312,838	44,734,861
Non-controlling interest		(13,058,473)	(12,912,212)
Total Equity		32,254,365	31,822,649

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

2021

	Contributed Equity	Accumulated Losses	Share Based Reserve	Option Premium Reserve	Foreign Currency Translation Reserve	Non controlling interests	Total Equity
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	80,352,042	(58,770,006)	7,289,417	3,084,128	1,885,409	(13,265,354)	20,575,636
Total comprehensive income for the half year							
Loss for the half year	-	(2,058,753)	-	-	-	(30,662)	(2,089,415)
<i>Other comprehensive income</i>							
Exchange differences on translation of foreign operations	-	-	-	-	441,227	168,261	609,488
Total comprehensive income for the half year	-	(2,058,753)	-	-	441,227	137,599	(1,479,927)
Transactions with equity holders in their capacity as equity holders							
Share and listed option issues	12,303,184	-	(695,333)	-	-	-	11,607,851
Share issue costs	(312,101)	-	-	-	-	-	(312,101)
Share based payments expense - Expiry	-	120,000	(120,000)	-	-	-	-
Share based payments expense	-	-	-	-	-	-	-
Share based payments expense – performance rights	-	-	1,035,111	-	-	-	1,035,111
Balance at 31 December 2021	92,343,125	(60,708,759)	7,509,195	3,084,128	2,326,636	(13,127,755)	31,426,570

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

2022

	Contributed Equity	Accumulated Losses	Share Based Reserve	Option Premium Reserve	Foreign Currency Translation Reserve	Non- controlling interests	Total Equity
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	92,994,343	(61,842,373)	7,606,950	3,084,128	2,891,813	(12,912,212)	31,822,649
Total comprehensive income for the half year							
Profit/(Loss) for the half year	-	(1,009,628)	-	-	-	(146,270)	(1,155,898)
<i>Other comprehensive income</i>							
Exchange differences on translation of foreign operations	-	-	-	-	359,541	9	359,550
Total comprehensive income for the half year	-	(1,009,628)	-	-	359,541	(146,261)	(796,348)
Transactions with equity holders in their capacity as equity holders							
Share and listed option issues	1,000,000	-	-	-	-	-	1,000,000
Share issue costs	(43,736)	-	-	-	-	-	(43,736)
Share based payments expense - Expiry	-	688,222	(688,222)	-	-	-	-
Share based payments expense	-	-	271,800	-	-	-	271,800
Share based payments expense – performance rights	736,000	-	(736,000)	-	-	-	-
Balance at 31 December 2022	94,686,607	(62,163,779)	6,454,528	3,084,128	3,251,354	(13,058,473)	32,254,365

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

	Note	Consolidated	
		31 December 2022 \$	31 December 2021 \$
Cash flows from operating activities			
Receipts from customers		-	-
Payments to suppliers and employees		(886,262)	(988,690)
Interest received		6,446	209
Net cash used in operating activities		<u>(879,816)</u>	<u>(988,481)</u>
Cash flows from investing activities			
Payment for plant and equipment		-	(3,038)
Payments for exploration expenditure		(1,559,005)	(2,069,263)
Net cash used in investing activities		<u>(1,559,005)</u>	<u>(2,072,301)</u>
Cash flows from financing activities			
Proceeds from securities issued		1,000,000	11,607,851
Payment for share issue costs		(8,736)	(398,100)
Lease payment expense		(12,104)	-
Net cash provided by financing activities		<u>979,160</u>	<u>11,209,751</u>
Net increase/(decrease) in cash held		(1,459,661)	8,148,969
Cash and cash equivalents at 1 July		3,804,534	874,608
Effect of exchange rate fluctuations on the balances of cash held in foreign currencies		(7,429)	4,998
Cash and cash equivalents at the end of the period		<u>2,337,444</u>	<u>9,028,575</u>

The accompanying notes form part of these financial statements.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022****NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

These general purpose interim financial statements for half-year reporting period ended 31 December 2022 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Amani Gold Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2022, together with any public announcements made during the following half-year.

Significant accounting judgments and key estimates

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

In preparing this interim financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2022.

(a) Accounting Policies

The accounting policies are consistent with those applied in the previous financial year and those of the corresponding interim reporting period.

(b) Adoption of new and revised accounting standards

The AASB has issued a number of standards and amendments to standards that are mandatory for the first time in the reporting period commenced 1 July 2022. The consolidated entity has assessed and determined that there are no new or amended standards applicable for the first time for the December 2022 half-year report that materially affect the Group's accounting policies or any of the amounts recognised in the financial statements.

Going Concern Basis

The financial report has been prepared on the basis of accounting principles applicable to a "going concern" which assumes the Group will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations.

The Group has incurred net cash outflows from operating activities for the period ended 31 December 2022 of \$879,816 (2021: \$988,481). At 31 December 2022, the Group had cash balances of \$2,337,444 (30 June 2022: \$3,804,534). The loss for the 31 December 2022 period was \$1,155,898 (2021: \$2,089,415)

The directors have prepared cash flow projections that support the ability of the Group to continue as a going concern. These cash flow projections assume the Group obtains sufficient additional funding from shareholders or other parties. If such funding is not achieved, the Group plans to reduce expenditure significantly, which may result in an impairment loss on the book value of exploration and evaluation expenditure recorded at reporting date.

These conditions give rise to a material uncertainty that may cast doubt upon the Group's ability to continue as a going concern. The ongoing operation of the Group is dependent upon:

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

- The Group raising additional funding from shareholders or other parties; and/or
- The Group reducing expenditure in line with available funding.
- The Group completing the sale of Amani Consulting (Giro Project disposal)

Should the Group 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 stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the group not continue as a going concern.

NOTE 2: EXPENSES

	Consolidated	
	31 December 2022	31 December 2021
	\$	\$
Loss for the period includes the following specific expenses:		
Foreign exchange loss/(gain)	1,454	19,236
Share based payment expense (a)	271,800	1,035,111

- (a) The consolidated entity has recognized an expense of \$271,800 (2021: \$1,035,111) in relation to the calculated fair value of performance rights (over ordinary shares) in the Company. These rights have been vesting either from the previous period issue of rights or issued during the current period (refer Note 5).

NOTE 3: ASSET HELD FOR SALE

Amani Gold Limited has executed a binding term sheet ("Term Sheet") with Mabanga Mining SARL (the "Purchaser") for the sale of Amani Gold's shareholding in Amani Consulting SARL, the DRC based entity that holds the Giro Gold Project for the cash payment of USD\$30M.

Pursuant to the Term Sheet, the Purchaser has agreed to acquire the Company's 850 shares ("Sale Shares") representing 85% of the total issued share capital in Amani Consulting, the entity that holds a 65% interest in Giro Goldfields SARL, a DRC registered company and holder of the two exploitation permits comprising the Giro Gold Project. Société Minière De Kilo Moto SA ("SOKIMO"), a company wholly owned by the DRC Government holds the remaining 35% interest.

As a result of the sale agreement, Giro Project has been classified as 'held for sale'. The sale is subject to shareholder approval.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

	2022	
	\$	
Asset Held for Sale		
<i>Consideration converted into \$AUD as at 31 December 2022</i>	<u>44,280,443</u>	
Assets as at 31 December 2022 of subsidiary held for sale	31,340,780	
Liabilities as at 31 December 2022 of subsidiary held for sale	<u>(1,202,486)</u>	
Net Assets as at 31 December 2022 of subsidiary held for sale	<u>30,138,294</u>	
Lower of its carrying amount and fair value less costs to sell	<u>30,138,294</u>	
	<u>31 December 2022</u>	<u>31 December 2021</u>
	\$	\$
Administration and Sundry expenses	<u>(321,337)</u>	<u>(68,599)¹</u>
Discontinued Operations Profit/(Loss)	<u>(321,337)</u>	<u>(68,599)</u>

It was noted that there were no impairment indicators on the subsidiary held for sale as the consideration has exceeded the net asset. ¹ It was noted the discontinued operation loss for 31 December 2021 was \$469,968. \$401,369 relates to another entity discontinued in the previous period which is not directly related to disposal of Amani Consulting.

NOTE 4: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2022	31 December 2021
	\$	\$
<i>Exploration and evaluation phase – at cost</i>		
Balance at beginning of the period	28,785,048	22,611,498
Expenditure incurred during the period (a)	2,078,931	4,680,670
Impairment	-	(3,655)
Foreign currency translation differences	338,129	1,496,535
Moved to asset held for sales – Refer to Note 3	<u>(31,202,108)</u>	-
Total exploration and evaluation expenditure	<u>-</u>	<u>28,785,048</u>

- (a) During the period, Amani Gold Limited has continued their Diamond drilling campaign at the 4.1Moz Kebiagada gold deposit to further define the existing resource and test mineralization extensions at depth and alone strike. Giro Gold Project Feasibility study deferred to allow for additional exploration and resource drilling.

The recoument of costs carried forward in relation to areas of interest in the exploration and evaluation phases are dependent on the successful development and commercial exploitation or sale of the respective areas.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NOTE 5: CONTRIBUTED EQUITY

	31 December 2022 \$	30 June 2022 \$
(a) <i>Ordinary shares</i>		
Issued and fully paid		
24,693,441,125 (30 June 2022: 23,293,441,125)	94,686,607	92,994,343
<i>Movements in ordinary shares on issue for the period</i>		
	No.	\$
Balance at beginning of current period (1 July 2022)	23,293,441,125	92,994,343
Placement issue of shares at \$0.001 each in December 2022 ¹	1,000,000,000	1,000,000
Conversion of Performance Rights	400,000,000	736,000
Share issue expenses	-	(43,736)
Balance at end of current period (31 December 2022)	24,693,441,125	94,686,607

¹The placement includes 500,000,000 free attaching listed options per share as outlined in Note 5(b)

(b) *Listed Share Options*

Exercise Period	Note	Exercise Price	Opening Balance	Issued	Exercised/ Cancelled/ Expired	Closing Balance
			1 July 2022	2022	2022	31 December 2022
			<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>
15 Jan 2021 – 15 Jan 2024		\$0.0015	3,730,180,637	-	-	3,730,180,637
15 Jan 2021 – 15 Jan 2024		\$0.0015	5,250,000,000	-	-	5,250,000,000
15 Jan 2021 – 15 Jan 2024	(i)	\$0.0015	-	500,000,000	-	500,000,000
			8,980,180,637	500,000,000	-	9,480,180,637

- (i) On the 22nd December 2022 the company issued free attaching options to shareholders under the share placement.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

(C) Unlisted Share Options

2022 – Unlisted Options to subscribe for ordinary shares in the Company have been granted as follows:

Exercise Period	Note	Exercise Price	Opening Balance	Issued During the period	Exercised/ Cancelled/ Expired In the period	Closing Balance
			1 July 2022			31 December 2022
			Number	Number	Number	Number
15 Jan 2020 – 15 Jan 2023	(iii)	\$0.0075	12,000,000	-	-	12,000,000
15 Jan 2020 – 15 Jan 2023	(iii)	\$0.01	12,000,000	-	-	12,000,000
15 Jan 2020 – 15 Jan 2023	(iii)	\$0.0125	12,000,000	-	-	12,000,000
			36,000,000	-	-	36,000,000

(d) Performance Rights

2022 - Performance Rights over ordinary shares in the capital of the Company have been granted as follows:

Expiry date	Note	Opening Balance	Issued 2022	Exercised/ Cancelled 2022	Closing Balance
		1 July 2022			31 December 2022
		Number	Number	Number	Number
31 December 2022	(i)	349,999,998	-	(349,999,998)	-
31 December 2026	(ii)	1,200,000,000	-	(400,000,000)	800,000,000
22 December 2027	(iii)	-	900,000,000	-	900,000,000
		1,549,999,998	900,000,000	(749,999,998)	1,700,000,000

- (i) Performance rights vest subject to meeting specific performance conditions. 350 million performance rights were issued comprising three tranches of 117 million each. All tranches of performance rights have market vesting condition being share prices of \$0.0075 (tranche 1); \$0.01 (tranche 2); and \$0.0125 (tranche 3) or more over a consecutive 10 day business period. Each right is converted to one ordinary share upon vesting. No performance rights vested during the period. During the period the performance right expired.
- (ii) Performance rights vest subject to meeting specific performance conditions. 1.2 billion performance rights were issued comprising three tranches of 400 million each. All tranches of performance rights have market vesting condition being share prices of \$0.0015 (tranche 1); \$0.002 (tranche 2); and \$0.003 (tranche 3) or more over a consecutive 20 day business period. Each right is converted to one ordinary share upon vesting. During the period tranche 1 fully vested and exercised, which led to the conversion to ordinary shares. A balance of \$256,800 was recognised as a share-based payment expense during the period.
- (iii) Performance rights vest subject to meeting specific performance conditions. 900 million performance rights were issued comprising two tranches of 300 million each. All tranches of performance rights have non- market vesting condition being the Company receiving a defined JORC 2012 compliant Resource in the measured category of not less than 1,000,000 ounces of gold with a minimum cut off grade of 1g/t at any of the Company's projects, as verified by an independent competent person.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

(tranche 1); The Company completing and releasing a JORC 2012 compliant prefeasibility study for the Company's Giro Project to the market (tranche 2). Each right is converted to one ordinary share upon vesting. The company has assigned a probability of 100% of vesting. A balance of \$15,000 was recognised as a share-based payment expense during the period. The valuation inputs are located in the below table.

Total Share based expense during the period amounted to \$271,800.

The fair value per Performance Right and the following inputs were used in the valuation model:

Performance Rights	Tranche 1	Tranche 2	Tranche 3
Grant Date	29/11/2022	29/11/2022	29/11/2022
Expiry Date	22/12/2027	22/12/2027	22/12/2027
Exercise Price	Nil	Nil	Nil
Expected volatility	100%	100%	100%
Risk-free rate	3.14%	3.14%	3.14%
Life of rights	5 years	5 years	5 years
Underlying security price at issue (\$)	0.001	0.001	0.001
Fair Value per Performance Right (\$)	0.001	0.001	0.001

NOTE 6: SEGMENT INFORMATION

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

The Group's principal activities were originally exploration and development of gold in Democratic Republic of the Congo. Given the current planned disposal and there is only one segment being in one geographical area, the financial results from this segment are equivalent to the financial statements of the Consolidated Entity as a whole.

NOTE 7: CONTINGENT ASSETS AND LIABILITIES

There has been no significant changes to the commitments and contingencies disclosed in the most recent financial report.

NOTE 8: RELATED PARTY TRASACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. There were no significant changes in the nature of related party transactions since 30 June 2022. (Refer to Note 5 for options and performance rights issued to Directors and Management).

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022****NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE**

Since the end of the half year and to the date of this report no matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years other than the matters referred to below.

The Company signed a binding term sheet executed for sale of the Company's shareholding in Amani Consulting, the DRC based entity that holds the Giro Project, to Mabanga Mining SARL. Pursuant to the Term Sheet, the Purchaser has agreed to acquire the Company's 850 shares ("Sale Shares") representing 85% of the total issued share capital in Amani Consulting, the entity that holds a 65% interest in Giro Goldfields SARL, a DRC registered company and holder of the two exploitation permits comprising the Giro Gold Project. Société Minière De Kilo Moto SA ("SOKIMO"), a company wholly owned by the DRC Government holds the remaining 35% interest. The value of the consideration is a cash payment of USD\$30M, which is split into the following tranches:

- First Tranche – US\$5,000,000 payable to the Company upon execution of the Term Sheet;
- Second Tranche - US\$8,000,000 payable to the Company within one (1) year of the payment of the First Tranche;
- Third Tranche - US\$8,000,000 payable to the Company within one (1) year of the payment of the Second Tranche; and
- Fourth Tranche - US\$9,000,000 payable to the Company within one (1) year of the payment of the Third Tranche to the Seller.

As of the date of this report the sale agreement has not been completed due to the conditions precedents not being met yet.

On 15 January 2023 1,066,999,998 performance rights and 156,000,000 options had expired and were cancelled.

On 10 March 2023 Klaus Eckof has resigned from the board with Conrad Karageorge appointed as managing director and Peter Huljich appointed as non-executive chairman.

NOTE 10: DIVIDENDS

No dividends have been declared during the period.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Amani Gold Limited we state that:

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity 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 2022 and of its performance for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and other mandatory professional reporting requirements.

- (b) there are reasonable grounds to believe that Amani Gold Limited will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001, and on behalf of the Board by:


.....

Peter Huljich
Non-Executive Chairman

Dated: 16 March 2023

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

Conclusion

We have reviewed the accompanying half-year financial report of Amani Gold Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, 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 Amani Gold Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

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* 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 Consolidated Entity incurred a net loss of \$1,155,898 during the half year ended 31 December 2022. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. 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 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 Consolidated Entity's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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.


HALL CHADWICK WA AUDIT PTY LTD


MARK DELAURENTIS CA
Director

Dated 16th day of March 2023
Perth, Western Australia