

Results for announcement to the market

24 February 2023

Appendix 4D and Half-Year Financial Report for the six months ended 31 December 2022

The functional and presentation currency is United States Dollars

	31 December 2022 US\$	31 December 2021 US\$	% change to prior year
Financial Results			
Investment returns ¹	(11,385,864)	13,605,004	Down 183.7%
Net (loss)/profit from ordinary activities after tax attributable to members	(12,387,102)	12,300,792	Down 200.7%
Net (loss)/profit for the period attributable to members	(12,387,102)	12,300,792	Down 200.7%
Dividends			
Cents per ordinary share	Nil²	Nil	
Tangible assets per ordinary share			
Net tangible assets per share as at 31 December 2022 (in United States cents)	24.61	41.08	
Diluted Net tangible assets per share as at 31 December 2022 (in United States cents)	24.61	41.08	

¹Investment returns are defined as the investment returns disclosed in note 13.

²No dividends have been declared or are payable for the period ended 31 December 2022.

Commentary – Refer to the Directors' Report on page 5 for a summary.

Additional Information

Control gained or lost over entities having material effect	None
Dividends paid or provided for	No dividends declared for the half year ended 31 December 2022. Refer to results summary.
Dividends reinvestment plan	No dividends or distribution reinvestment plan was in operation during the period ended 31 December 2022.
On-market buy-back scheme	Since the start of the on-market buy-back scheme on 15 September 2018, Zeta Resources has repurchased 2,700,479 fully paid ordinary shares. Majority of the shares repurchased have been cancelled and 4,000 shares are held as treasury shares at 31 December 2022.
Net tangible assets per share	Details of net tangible asset backing are set out in the results summary.
Details of associates and joint ventures	None.
Accounting standards for foreign entities	The financial statements have been prepared in accordance with the provisions of the Bermuda Companies Act 1981, Australian Stock Exchange listing requirements and International Financial Reporting Standards.



Peter Sullivan
Chairman
24 February 2023

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The information contained in this document should be read in conjunction with the accompanying Zeta Resources Limited Directors' Report and Financial Report for the six months ended 31 December 2022, the Zeta Resources Limited Annual Report for the year ended 30 June 2022 and any public announcements made by Zeta Resources Limited during the year in accordance with the continuous disclosure obligations arising under the Corporations Act 2001 and the ASX Listing Rules.

CORPORATE DIRECTORY

Zeta Resources Limited

Company ARBN: 162 902 481

www.zetaresources.limited

NON-EXECUTIVE DIRECTORS

Peter Sullivan (Chairman)

Marthinus (Martin) Botha

Xi Xi

Andre Liebenberg (Chairman of Audit & Risk Committee)

REGISTERED OFFICE

C/- Conyers Corporate Services (Bermuda) Limited

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Company Registration Number: 46795

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SECRETARY

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United Kingdom

REGISTRAR

Automic Pty Ltd

GPO Box 5193

Sydney NSW 2001

Australia

Telephone: +61 2 9698 5414

STOCK EXCHANGE LISTING

The company's shares are quoted on the Official List of the Australian Securities Exchange, Ticker code:

ZER

DIRECTORS' REPORT

The directors present their report of Zeta Resources Limited ("the company") for the six months ended 31 December 2022.

DIRECTORS

The names of directors in office during the six months ended 31 December 2022 and until the date of this report are as follows:

Peter Ross Sullivan
Marthinus Botha
Xi Xi
André Liebenberg

PRINCIPAL ACTIVITIES

The principal activities of the company are investing in listed and unlisted resource focused assets.

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

REVIEW OF INVESTING ACTIVITY

During the six-month period ended 31 December 2022, commodity price movements were volatile. Nickel ended the period with the largest gain, up 31.7% to US\$13.80/lb, the copper price was up 1.7% to US\$3.80/lb, and the gold price was up 0.9% to US\$1,824/oz, while the aluminium price was down 1.5% to US\$1.07/lb and the Brent crude oil price lost the most ground, down 21.2% to US\$85.91/bbl. Despite the above commodity movements, an investment loss of US\$11,396,589 was recognised for the period, due to market prices of the company's listed investments in the Nickel and Copper sector being down from 30 June 2022.

During the period, the net assets of the company reduced by 8.3% from US\$151.5 million to US\$138.9 million. Zeta continued a buy-back program of its own shares, and by the end of the period had acquired 2,700,479 shares since the start of the buy-back program in September 2018.

FINANCIAL POSITION

At the end of the six months to 31 December 2022, the company had investments at fair value of US\$133,450,296 and investments in subsidiaries at fair value of US\$18,721,814. The company held US\$361,265 in cash and cash equivalents.

The company has a loan owing to General Provincial Limited Pension Fund ("GPLPF") of US\$9,026,198 and further loans owing totalling US\$3,749,407 at the period end.

RESULTS

The loss after income tax attributable to the company for the six months to 31 December 2022 is US\$12,387,102.

DIVIDENDS

No dividends have been paid or declared since the start of the period. No recommendation is made as to dividends.

EVENTS AFTER THE REPORTING PERIOD

From 31 December 2022 up to the date of this report there were no matters of a significant nature.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration is included in the report.

This report is signed in accordance with a resolution of directors.



Peter R Sullivan
Chairman
Perth, Western Australia
24 February 2023

INDEPENDENT AUDITOR'S REVIEW REPORT



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DoceX 9 Century City

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Independent Reviewer's Report

31 December 2022

To the Shareholders of Zeta Resources Limited

Report on the Review of the Interim Financial Statements

We have reviewed the condensed interim financial statements of Zeta Resources Limited, contained in the accompanying interim report, which comprise the condensed statement of financial position as at 31 December 2022 and the condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six months then ended, and selected explanatory notes.

Directors' Responsibility for the Interim Financial Statements

The directors are responsible for the preparation and presentation of these interim financial statements in accordance with the International Financial Reporting Standard, (IAS) 34 Interim Financial Reporting, and for such internal control as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Registered Auditor – A firm of Chartered Accountants (SA) • IRBA Registration Number 900222
Partners: MV Ninan (CEO), MC Olckers (Managing Partner), C Abrahamse, JM Barnard, AK Batt, T Beukes, DS Dollman, M Edelberg, Y Ferreira, T Gangen, R Groenewald, AK Hoosain, MY Ismail, N Jansen, J Marais, B Mbunge, FN Miller, G Molyneux, A Moruck, S Naidoo, MG Odendaal, W Olivier, M Pieterse, W Rabe, D Resnick, BG Sacks, MA Salee, N Silbowitz, SM Solomon, HH Swanepoel, AL Swartz, MJA Teuchert, N Thelander, JC Van Tubbergh, N Volschenk, J Watkins-Baker

A full list of national partners is available on request or at www.mazars.co.za

INDEPENDENT AUDITOR'S REVIEW REPORT (continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements of Zeta Resources Limited for the six months ended 31 December 2022 are not prepared, in all material respects, in accordance with the International Financial Reporting Standard, (IAS) 34 Interim Financial Reporting.



Mazars
Partner: Nico Jansen
Registered Auditor
24 February 2023
Cape Town

AUDITOR'S INDEPENDENCE DECLARATION



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Independent Reviewer's Report

31 December 2022

To the Shareholders of Zeta Resources Limited

Report on the Review of the Interim Financial Statements

Auditor's Independence Declaration

In relation to our review of the condensed interim financial report of Zeta Resources Limited for the six month period ended 31 December 2022, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the international standards on auditing (ISA) or any other applicable code of professional conduct.

Mazars
Partner: Nico Jansen
Registered Auditor
24 February 2023
Cape Town

Registered Auditor – A firm of Chartered Accountants (SA) • IRBA Registration Number 900222
Partners: MV Ninan (CEO), MC Olckers (Managing Partner), C Abrahamse, JM Barnard, AK Batt, T Beukes, DS Dollman, M Edelberg, Y Ferreira, T Gangen, R Groenewald, AK Hoosain, MY Ismail, N Jansen, J Marais, B Mbunge, FN Miller, G Molyneux, A Moruck, S Naidoo, MG Odendaal, W Olivier, M Pieterse, W Rabe, D Resnick, BG Sacks, MA Salee, N Silbowitz, SM Solomon, HH Swanepoel, AL Swartz, MJA Teuchert, N Thelander, JC Van Tubbergh, N Volschenk, J Watkins-Baker

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CONDENSED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 31 December 2022		6 months ended 31 December 2022 US\$	6 months ended 31 December 2021 US\$
	Notes		
Income and investment returns			
Revenue	13	10,725	20,922
Investment income	13	(11,396,589)	13,584,082
Other income	14	538,640	1,076,396
		(10,847,224)	14,681,400
Expenses			
Directors fees		(100,000)	(100,000)
Interest expense		(753,724)	(1,293,475)
Management and consulting fees	15	(416,215)	(698,396)
Operating and administration expenses	16	(269,939)	(288,737)
(Loss)/profit before tax		(12,387,102)	12,300,792
Taxation expense	17	-	-
(Loss)/profit for the period		(12,387,102)	12,300,792
Total comprehensive (loss)/income for the period		(12,387,102)	12,300,792
(Loss)/profit per share			
Basic and diluted (loss)/profit per share (cents per share)	18	(2.2)	2.2

CONDENSED STATEMENT OF FINANCIAL POSITION

at 31 December 2022		31 December 2022 US\$	30 June 2022 US\$
	Notes		
Non-current assets			
Investment in subsidiaries	4	18,721,814	16,003,881
Investments	5	133,450,296	164,135,993
Loans to subsidiaries	6	2,123,966	1,957,423
Current assets			
Cash and cash equivalents	7	361,265	106,963
Other receivables	8	148,802	–
Total assets		154,806,143	182,204,260
Non-current liabilities			
Other loans	10	(11,910,823)	(23,742,404)
Current liabilities			
Loans from subsidiaries	9	(864,782)	(3,743,623)
Trade and other payables	11	(321,463)	(414,610)
Tax payable	17	(2,786,642)	(2,840,186)
Total liabilities		(15,883,710)	(30,740,823)
NET ASSETS		138,922,433	151,463,437
Equity			
Share capital	12	5,546	5,555
Share premium	12	176,435,184	176,624,753
Treasury shares		(746)	(36,422)
Accumulated losses		(37,517,551)	(25,130,449)
Total equity		138,922,433	151,463,437

CONDENSED STATEMENT OF CHANGES IN EQUITY

for the six months ended 31 December 2022		Share capital	Share premium	Treasury Shares	Accumulated (losses)/ profits	Total
	Notes	US\$	US\$	US\$	US\$	US\$
Balance at 30 June 2021		5,560	176,763,050	-	43,412,511	220,181,121
Purchase of treasury shares		-	-	(86,702)	-	(86,702)
Cancellation of treasury shares		(3)	(86,699)	86,702	-	-
Total comprehensive profit for the period		-	-	-	12,300,792	12,300,792
Balance at 31 December 2021		5,557	176,676,351	-	55,713,303	232,395,211
Purchase of treasury shares		-	-	(88,022)	-	(88,022)
Cancellation of treasury shares		(2)	(51,598)	51,600	-	-
Total comprehensive loss for the period		-	-	-	(80,843,752)	(80,843,752)
Balance at 30 June 2022		5,555	176,624,753	(36,422)	(25,130,449)	151,463,437
Purchase of treasury shares	12	-	-	(153,902)	-	(153,902)
Cancellation of treasury shares	12	(9)	(189,569)	189,578	-	-
Total comprehensive loss for the period		-	-	-	(12,387,102)	(12,387,102)
Balance at 31 December 2022		5,546	176,435,184	(746)	(37,517,551)	138,922,433

CONDENSED STATEMENT OF CASH FLOWS

for the six months ended 31 December 2022	Notes	6 months ended 31 December 2022 US\$	6 months ended 31 December 2021 US\$
Cash utilised in operating activities			
Cash utilised in operations	19.1	(1,081,647)	(5,741,312)
Interest received		8,554	10,191
Dividends received		2,171	10,731
Interest paid		(266,775)	(98,850)
Net cash outflow from operating activities		(1,337,697)	(5,816,240)
Cash flows from investing activities			
Investments purchased		(359,162)	(3,099,596)
Investments sold		16,913,492	6,414,676
Increase in loans to subsidiaries from additional funding		(199,641)	(721,711)
Net cash inflow from investing activities		16,354,689	2,593,369
Cash flows from financing activities			
Purchase of treasury shares		(153,902)	(86,702)
Increase in other loans from additional funding		-	7,411,571
Decrease in other loans from repayments	19.2	(14,304,811)	(276,705)
Increase in loan from parent from additional funding		-	1,935,583
Decrease in loan from parent from repayments	19.2	(2,815,620)	(7,446,614)
Increase in loan from subsidiary from additional funding	19.2	13,439,311	3,845,496
Decrease in loan from subsidiary from repayment	19.2	(10,971,842)	(3,538,527)
Net cash (outflow)/inflow from financing activities		(14,806,864)	1,844,102
Net movement in cash and cash equivalents		210,128	(1,378,769)
Cash and cash equivalents at the beginning of the period		106,963	1,378,703
Effect of exchange rate fluctuations on cash held		44,174	6,117
Cash and cash equivalents at end of the period	7	361,265	6,051

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS

1. REPORTING ENTITY

Zeta Resources Limited (“the company”) is an investment company incorporated on 13 August 2012, listed on the Australian Stock Exchange and domiciled in Bermuda. The condensed half-year financial statements of the company as at and for the six months ended 31 December 2022 comprise the company only.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed half-year financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The statements do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance since the last annual financial statements as at and for the year ended 30 June 2022.

These condensed half-year financial statements were authorised for issue by the board of directors on 24 February 2023.

2.2 Basis of measurement

These condensed half-year financial statements provide information about the financial position, results of operations and changes in financial position of the company. They have been prepared on the historic cost basis except for financial instruments at fair value through profit or loss, which are measured at fair value.

2.3 Functional and presentation currency

The company's functional and presentation currency is United States Dollars. The board has determined by having regard to the currency of the company's share capital and that Zeta invests in mining entities whose resources are valued in United States Dollars, that United States Dollar is the functional and reporting currency.

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions are recognised in the period in which the estimate is revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities relate to the valuation of unquoted investments, details of which are set out in note 21 and the classification of the subsidiaries as investment entities. Details of the subsidiaries are set out in note 4. Subsidiaries that carry on business as investment entities are designated as being at fair value through profit and loss on initial recognition. Loans to subsidiaries are classified as financial assets carried at amortised cost. The loans are subject to impairment testing as debt instruments. The impairments on the loans are determined separately to the fair value of the investments in the subsidiaries as disclosed in note 4.

Estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities, that are not readily apparent from other sources.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these half-year financial statements are in accordance with International Financial Reporting Standards (IFRS's) as issued by the IASB and the same as those applied in the financial statements as at and for the year ended 30 June 2022 and include the adoption of new or revised standards as described in the financial statements as at and for the year ended 30 June 2022.

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

4. INVESTMENT IN SUBSIDIARIES	31 December 2022 US\$	30 June 2022 US\$
Investment in Kumarina Resources Pty Limited ("Kumarina")	1	1
Investment in Zeta Energy Pte. Ltd. ("Zeta Energy")	1	1
Investment in Zeta Investments Limited ("Zeta Investments")	1	1
Investment in Zeta Minerals Ltd ("Zeta Minerals")	1	1
Investment in Horizon Gold Limited ("Horizon Gold")	18,721,810	16,003,877
	18,721,814	16,003,881

Investments in subsidiaries are held as part of the investment portfolio and consequently, in accordance with IFRS 10 are not consolidated but rather shown at fair value through profit and loss. Horizon Gold is measured using market price. Kumarina is valued using a resource multiple to value Kumarina's main project, with further consideration to the remaining assets and liabilities held by Kumarina. The investment in Kumarina is currently deemed to have a nominal value due to the value being reflected in the loan receivable by Zeta Resources. See note 21.

The remaining investments in subsidiaries are fair valued by the directors at a nominal value due to the fact that they hold no significant assets, nor do they have any significant value. The company had the following subsidiaries as at 31 December 2022:

	Number of ordinary shares	Percentage of ordinary shares held
31 December 2022		
Kumarina incorporated in Australia	26,245,610	100%
Zeta Investments incorporated in Bermuda	1,000	100%
Zeta Energy incorporated in Singapore	6,185,998	100%
Zeta Minerals incorporated in United Kingdom	100	100%
Horizon Gold incorporated in Australia	89,055,422	71%
30 June 2022		
Kumarina incorporated in Australia	26,245,610	100%
Zeta Investments incorporated in Bermuda	1,000	100%
Zeta Energy incorporated in Singapore	6,185,998	100%
Zeta Minerals incorporated in United Kingdom	100	100%
Horizon Gold incorporated in Australia	89,055,422	72%

The company had the following indirect subsidiaries as at 31 December 2022:

	Number of ordinary shares	Percentage of ordinary shares held
31 December 2022		
Pan Pacific Petroleum Pty Limited incorporated in Australia	581,942,846	100%
30 June 2022		
Pan Pacific Petroleum Pty Limited incorporated in Australia	581,942,846	100%

Pan Pacific Petroleum Pty Limited is an Australian oil and gas exploration and production company.

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

	31 December 2022 US\$	30 June 2022 US\$
5. INVESTMENTS		
Financial assets at fair value through profit or loss	133,450,297	164,135,993
Equity securities at fair value		
Listed ordinary shares	76,731,842	102,367,010
Unlisted ordinary shares, subscription and other rights	56,718,455	61,768,983
	133,450,297	164,135,993

Investments held by the company at the reporting date

	Number of shares	
	31 December 2022	30 June 2022
Listed		
Copper Mountain Mining Corporation	27,404,745	35,899,745
Panoramic Resources Limited	209,557,519	245,437,562
GME Resources Limited	258,988,451	257,674,106
Star Royalties Limited	10,151,300	10,151,300
Other Investments	126,262,867	128,070,268
Unlisted		
Margosa Graphite Limited	27,861,844	27,861,844
Alliance Mining Commodities Limited	32,932,658	32,932,658
Seacrest L.P	32,221,800	32,221,800
Other Rights	28,520,525	28,520,525

See further details of unlisted ordinary shares, subscription and other rights in note 21.

	31 December 2022 US\$	30 June 2022 US\$
6. LOANS TO SUBSIDIARIES		
Loan to Kumarina	2,123,966	1,957,423
	2,123,966	1,957,423

The loan to Kumarina, used for working capital is denominated in Australian dollars to the value of A\$3.1 million (30 June 2022: A\$2.8 million) and is interest free. There are no fixed repayment terms. The loan is still performing as no contractual breaches have occurred and the value of the assets in Kumarina is sufficient to cover all the liabilities.

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

	31 December 2022 US\$	30 June 2022 US\$
7. CASH AND CASH EQUIVALENTS		
Cash balance comprises:		
Cash at bank	361,265	106,963

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short term deposits are made for varying periods up to three months.

	31 December 2022 US\$	30 June 2022 US\$
8. OTHER RECEIVABLES		
Owed from brokers	134,242	-
Other assets	14,560	-
	148,802	-

	31 December 2022 US\$	30 June 2022 US\$
9. LOANS FROM SUBSIDIARIES		
Loan from Horizon Gold	864,782	3,743,623
	864,782	3,743,623

The Horizon Gold loan is denominated in Australian dollars to the value of A\$1.2 million (30 June 2022: A\$5.4 million), attracts interest at 5% per annum and is repayable before 30 June 2023.

	31 December 2022 US\$	30 June 2022 US\$
10. OTHER LOANS		
Loan from Pan Pacific Petroleum Pty Ltd ("PPP")	384,625	392,016
Loan from Somers Limited ("Somers")	-	14,999,626
Loan from General Provincial Limited Pension Fund ("GPLPF")	9,026,198	5,850,762
Loan from Bermuda Commercial Bank	2,500,000	2,500,000
	11,910,823	23,742,404

The PPP loan is denominated in Australian dollars to the value of A\$567,169 (30 June 2022: A\$567,169) and is interest free. There are no fixed repayment terms except that no repayment is due before 31 December 2023.

The GPLPF loan is denominated in Australian dollars to the value of A\$13.3 million (30 June 2022: A\$8.5 million) and attracts interest at 7.5%. There are no fixed repayment terms except that no repayment is due before 31 December 2023.

The Bermuda Commercial Bank loan is denominated in United States dollars and currently attracts interest at Bermuda Commercial Bank's commercial base rate +2.75% per annum. Repayment of the remaining balance is scheduled on 30 September 2024.

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

11. TRADE AND OTHER PAYABLES	31 December 2022 US\$	30 June 2022 US\$
Other liabilities	25,124	25,607
Accruals	296,339	389,003
	321,463	414,610

The accruals are for audit, management, directors and administration fees payable.

12. SHARE CAPITAL AND SHARE PREMIUM

Authorised

5,000,000,000 ordinary shares of par value \$0.00001

Issued Ordinary shares	Number of Shares	Share Capital	Share Premium
Balance as at 30 June 2021	566,004,068	5,560	176,763,050
Share cancellation – of share buy-backs August 2021	(45,000)	(1)	(11,992)
Share cancellation – share buy-backs September 2021	(207,310)	(2)	(58,051)
Share cancellation – share buy-backs October 2021	(27,459)	–	(8,405)
Share cancellation – share buy-backs November 2021	(27,541)	–	(8,251)
Balance as at 31 December 2021	565,696,758	5,557	176,676,351
Share cancellation – share buy-back February 2022	(35,000)	–	(35,000)
Share cancellation – share buy-backs May 2022	(149,534)	(2)	(40,210)
Balance as at 30 June 2022	565,512,224	5,555	176,624,753
Share cancellation – of share buy-backs June 2022	(155,212)	(1)	(36,421)
Share cancellation – of share buy-backs July 2022	(425,254)	(4)	(88,487)
Share cancellation – share buy-backs August 2022	(205,113)	(2)	(40,226)
Share cancellation – share buy-backs October 2022	(70,000)	(1)	(13,084)
Share cancellation – share buy-backs November 2022	(62,000)	(1)	(11,351)
Balance as at 31 December 2022	564,594,645	5,546	176,435,184

At 31 December 2022 the Company held 4,000 (30 June 2022: 155,212) treasury shares bought back in December 2022. These shares were cancelled in January 2023.

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

	31 December 2022 US\$	31 December 2021 US\$
13. INVESTMENT RETURNS		
Revenue		
Dividend income	2,171	10,731
Interest income	8,554	10,191
	10,725	20,922
Investment profit		
<i>Derived from financial instruments measured at fair value</i>		
Realised gains	5,488,097	1,316,277
Realised losses	(2,747,770)	(80,527)
Unrealised fair value gains on revaluation of investments	2,956,032	37,757,487
Unrealised fair value losses on revaluation of investments	(17,092,948)	(25,409,155)
	(11,396,589)	13,584,082
	(11,385,864)	13,605,004
14. OTHER INCOME	31 December 2022 US\$	31 December 2021 US\$
Foreign exchange gains	538,640	1,076,396
	538,640	1,076,396
15. MANAGEMENT AND CONSULTING FEES	31 December 2022 US\$	31 December 2021 US\$
Management and consulting fees	416,215	698,396

The company entered into an investment management agreement with ICM Limited on 3 June 2018. Management fees are payable at a rate of 0.5% per annum, of the net tangible assets managed on calculation date (last day of quarter), payable quarterly in arrears.

Performance fees are payable annually at year end on the difference between adjusted equity funds (adjusted for any dividends paid or accrued) on calculation date less adjusted base equity funds (high-water mark) previously used in the performance fee calculation multiplied by 15%. The adjusted base equity funds is the base equity fund used in the last performance fee calculation adjusted by the average percentage income yield on the S&P/ASX 300 Metals and Mining Index. No performance fee was accrued for in the current period (2022: Nil).

Either party may terminate the agreement with six months' notice.

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

	31 December 2022 US\$	31 December 2021 US\$
16. OPERATING AND ADMINISTRATION EXPENSES		
Operating and administration expenses consist of:		
Accounting fees	96,160	158,649
Audit fees	4,974	7,527
Australian Securities Exchange listing fees and regulatory costs	48,726	48,523
Brokerage	80,651	35,919
Other expenses	39,428	38,119
	269,939	288,737

17. TAXATION

Australian taxation of US\$6,241,445 was accrued by the company in the year ending 30 June 2019 with regards to the sale of the investment in Bligh Resources Limited during that year. As at 31 December 2022 there was still uncertainty over the tax treatment of the gains arising from the sale of the investment as to whether the transaction was related to indirect taxable Australian property ("TARP") or was non-TARP. The Company had argued that the sale pertained to non-TARP assets, and external taxation advice confirmed this viewpoint. Of this taxation amount accrued, US\$3,358,213 had already been paid as a withholding tax. Subsequent to the reporting date, the Australian Tax Office has disallowed the objection and argument put forward by the Company. As at the date of this report the Company is still to decide whether or not to appeal the Australian Tax Office's decision.

In respect of current indirect Australian TARP capital losses, the Company has not raised any deferred tax asset as there are insufficient capital gains of the same nature against which to utilise those losses.

The company is domiciled in Bermuda and has elected to be tax exempt in terms of local legislation. As such no tax is payable in Bermuda.

	31 December 2022 US\$	31 December 2021 US\$
18. EARNINGS PER SHARE		
Basic and diluted (loss)/profit per share	(0.02)	0.02
(Loss)/profit used in the calculation of basic and diluted earnings per share	(12,387,102)	12,300,792
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings per shares	564,833,753	565,806,334

The weighted average number of ordinary shares calculation is based on the period beginning 1 July 2022. For details of shares issued during the period refer to note 12.

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

19. NOTES TO THE CASH FLOW STATEMENT	31 December 2022 US\$	31 December 2021 US\$
19.1 Cash utilised by operations		
(Loss)/profit before tax	(12,387,102)	12,300,792
Adjustments for:		
Realised gains on investments	(2,740,327)	(1,235,750)
Fair value loss/(gains) on revaluation of investments	14,136,916	(12,348,331)
Foreign exchange gains	(538,640)	(1,076,396)
Dividend income	(2,171)	(10,731)
Interest income	(8,554)	(10,191)
Interest expense	753,724	1,293,475
Operating loss before working capital changes	(786,154)	(1,087,133)
Decrease in trade and other payables	(146,691)	(4,654,179)
Increase in other receivables	(148,802)	-
	(1,081,647)	(5,741,312)

19.2 Liabilities from financing activities	Loan from parent	Loans from subsidiaries	Other loans	Total
Balance as at 30 June 2021	32,576,107	3,377,965	3,832,610	39,786,682
Changes from financing cash flows				
Repayment of loans	(23,343,020)	(7,877,976)	(9,249,796)	(40,470,792)
Advances of loans received	5,570,571	8,401,474	14,572,100	28,544,145
Other changes				
Exchange rate fluctuations	(1,856,680)	(180,535)	(522,290)	(2,559,505)
Loans repaid to parent	(14,830,503)	-	-	(14,830,503)
Loan received from Somers Limited	-	-	14,830,503	14,830,503
Interest capitalised	1,883,525	22,695	279,277	2,185,497
Balance as at 30 June 2022	-	3,743,623	23,742,404	27,486,027
Changes from financing cash flows				
Repayment of loans	(14,304,811)	(2,815,620)	(10,971,842)	(28,092,273)
Advances of loans received	-	-	13,439,311	13,439,311
Other changes				
Exchange rate fluctuations	(844,995)	(103,950)	404,538	(544,407)
Loan received from parent	15,003,715	-	-	15,003,715
Loan repaid to Somers Limited	-	-	(15,003,715)	(15,003,715)
Interest capitalised	146,091	40,729	300,127	486,947
Balance as at 31 December 2022	-	864,782	11,910,823	12,775,605

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

20. GOING CONCERN

The financial statements have been prepared on a going concern basis. We draw attention to the fact that at 31 December 2022, the company's current liabilities exceed its current assets by \$3,462,821. The company has undrawn capacity under its debt facilities and majority of the company's assets consist of equity shares in listed companies which in most circumstances are realisable within a short timescale. Based on this, the directors believe the company will be able to cover the commitments arising in the period 12 months from the date of approval of these financial statements.

The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the accounts.

21. FINANCIAL RISK MANAGEMENT

The board of directors, together with the Investment Manager, is responsible for the company's risk management. These financial risks are principally related to the market (currency movements, interest rate changes, commodity prices movements and security price movements), liquidity and credit and counterparty risk.

The accounting policies which govern the reported statement of financial position carrying values of the underlying financial assets and liabilities, as well as the related income and expenditure, have not changed from the prior year and are consistent with the policies utilised in the financial statements for the year ended 30 June 2022. The policies are in compliance with IFRS and best practice and include the valuation of certain financial assets and liabilities at fair value through profit and loss.

Categories of financial instruments

The table below sets out the classification of each class of financial assets and liabilities. All assets and liabilities approximate their fair values:

	Financial assets measured at fair value through profit or loss US\$	Financial assets / liabilities measured at amortised cost US\$	Total carrying value US\$
31 December 2022			
Assets			
Investment in subsidiaries	18,721,814	-	18,721,814
Investments	133,450,297	-	133,450,297
Loans to subsidiaries	-	2,123,966	2,123,966
Cash and cash equivalents	-	361,265	361,265
	152,172,111	2,485,231	154,657,342
Liabilities			
Loans from subsidiaries	-	864,782	864,782
Trade and other payables	-	25,124	25,124
Other loans	-	11,910,823	11,910,823
	-	12,800,729	12,800,729

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

30 June 2022	Financial assets measured at fair value through profit or loss US\$	Financial assets / liabilities measured at amortised cost US\$	Total carrying value US\$
Assets			
Investment in subsidiaries	16,003,881	–	16,003,881
Investments	164,135,993	–	164,135,993
Loans to subsidiaries	–	1,957,423	1,957,423
Cash and cash equivalents	–	106,963	106,963
	180,139,874	2,064,386	182,204,260
Liabilities			
Loan from subsidiary	–	3,743,623	3,743,623
Trade and other payables	–	25,607	25,607
Other loans	–	23,742,404	23,742,404
	–	27,511,634	27,511,634

21.1 Fair values of financial assets and liabilities

The assets and liabilities of the company are, in the opinion of the directors, reflected in the statement of financial position at fair value. Borrowings under loan facilities do not have a value materially different from their capital repayment amount. Borrowings in foreign currencies are converted into United States dollars at exchange rates ruling at each valuation date.

Unquoted investments are valued based on professional assumptions and advice that is not wholly supported by prices from current market transactions or by observable market data.

Valuation of financial instruments

The table below analyses financial assets measured at fair value at the end of the period by the level in the fair value hierarchy into which the fair value measurement is categorised:

- Level 1** The fair values are measured using quoted prices in active markets.
- Level 2** The fair values are measured using inputs, other than quoted prices, that are included within level 1, that are observable for the asset.
- Level 3** The fair values are measured using inputs for the asset or liability that are not based on observable market data. The directors make use of recognised valuation techniques and may take account of recent arms' length transactions in the same or similar investments.

The directors regularly review the principles applied by the Investment Manager to those valuations to ensure they comply with the company's accounting policies and with fair value principles.

Level 3 financial instruments

Valuation methodology

The board of directors have satisfied themselves as to the methodology used, the discount rates and key assumptions applied in the valuation of level 3 assets. The level 3 assets have each been assessed based on its industry, location and business cycle. Where sensible, the directors have taken into account observable data and events to underpin the valuations.

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

The level 3 investments are split between (a) unlisted companies and (b) investments in subsidiaries.

(a) Unlisted companies

Margosa Graphite Limited ("Margosa") – Australia incorporated

The unlisted investment comprises an equity interest in Margosa, a mineral exploration and development company focused on high grade vein graphite opportunities in Sri Lanka with granted licenses to a package of highly prospective tenements. The most advanced project area is the Pathakada Graphite Project ("Pathakada Project") for which Margosa completed a JORC-2012 resource estimate in April 2020 of 1.72 million tonnes ("Mt") at a grade of 76.32%, implying a total graphitic content of 1.32 Mt.

The market approach has been used for the valuation of Margosa in the form of precedent transactions involving Margosa shares at a price of A\$0.1 per share (2022:A\$0.35 per share). At period end the fair value of the investment was US\$1.9 million (2022:US\$6.7 million).

Sensitivities: The fair value of Margosa is considered sensitive to price of precedent transactions. Possible alternative prices represent an change of \$0.25 per share, which can cause a change of US\$4.8 million in the fair value of Zeta Resources' equity interest in Margosa.

Alliance Mining Commodities Limited ("AMC") – Australia incorporated

The unlisted investment comprises an equity interest in a privately-owned company that has been granted a mining concession for the development of the Koumbia Bauxite Project in the Republic of Guinea. AMC aims to develop the Koumbia Project into an operation with steady-state production of approximately 11 million wet tonnes of bauxite per annum from surface mining operations.

Valuation methodology: As a result of the nature of AMC's assets, the nature of financial information available and the relevant market participants, a comparable market valuation based on resource multiples from six broadly comparable bauxite projects was used. The resource of available aluminium of 711 Mt (2022: 711 Mt) was used at a value of A\$0.325 per tonne (2022: A\$0.325 per tonne). The methodology is supported by a discounted cash flow analysis. At period end the fair value of the investment was US\$54.3 million (2022: US\$54.3 million.)

Sensitivities: The fair value of Zeta's equity interest in AMC is sensitive to the available resource multiples for comparable bauxite transactions observed in the market. An increase in the multiple used could significantly increase the fair value determined. A possible alternative multiple represents a change of 0.075 A\$/t to the multiple which can cause a change of US\$12.2 million in the fair value of Zeta Resources' equity interest in AMC.

(b) Investments in subsidiaries

Kumarina Resources Pty Limited ("Kumarina") – Australia incorporated

Kumarina is a mineral exploration company with a highly prospective gold project located at Murrin Murrin in Western Australia. Kumarina's primary focus has been the exploration and development of the Murrin Murrin Gold Project, which is located 50 km east of Leonora in the north-eastern Goldfields.

Valuation methodology: The market approach for the valuation of Kumarina has been used in the form of resource multiples from comparable transactions. The most recent mineral resource estimate for the Murrin Murrin Gold project and twenty four comparable transactions were used in the analysis. The Murrin Murrin project has a resource estimate of 51,200 oz (2022: 51,200 oz) and a value of A\$55 per oz (2022: A\$55 per oz) was used. At period end the fair value of the Murrin Murrin project was determined to be A\$3.1 million. As the loan owed to Zeta Resources is A\$3.1 million, the investment value at 31 December 2022 was determined to be a nominal amount (2022: US\$1), due to the value being reflected in the loan receivable.

Sensitivities: The methodology used is sensitive to the chosen resource multiples for comparable gold transactions observed on the market. The magnitude of these multiples are primarily driven by commodity prices and market conditions. A change in the resource multiples will result in a change in the value of the project. Possible alternative multiples represent a change in the resources multiple of 5 A\$/oz which can cause a change of US\$176,615 in the fair value of Zeta Resources' equity interest in Kumarina.

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

(c) Investments in other rights

Panoramic Resources Limited Options

Zeta Resources hold 28,520,525 options with an exercise price of A\$0.16. The options expire on 30 June 2023. There are no vesting conditions linked to these options.

Valuation methodology: The intrinsic value of the options was used. The share price of Panoramic Resources Limited at 31 December 2022 was A\$0.175 (2022: US\$0.195). At period end the fair value of the investment was US\$290,118.

Sensitivities: As the options are valued using intrinsic value, the fair value of the options is considered to be less sensitive to changes in inputs and assumptions.

Other investments

Zeta Resources has further level 3 investments at fair value totalling US\$200,004 (2022:US\$689,953).

31 December 2022	Level 1 US\$	Level 2 US\$	Level 3 US\$
Financial assets			
Investments	76,731,842	-	56,718,455
Investments in subsidiaries	18,721,810	-	4

The following table shows a reconciliation from opening balances to closing balances for fair value measurements in level 3 investments of the fair value hierarchy:

	Level 3 investments	Level 3 investments in subsidiaries
At 1 July 2022	61,768,983	4
Acquisitions at cost	-	-
Total unrealised losses recognised in fair value through profit or loss	(5,050,528)	-
Balance at 31 December 2022	56,718,455	4

30 June 2022	Level 1 US\$	Level 2 US\$	Level 3 US\$
Financial assets			
Investments	102,367,010	-	61,768,983
Investment in subsidiaries	16,003,877	-	4

The following table shows a reconciliation from opening balances to closing balances for fair value measurements in level 3 investments of the fair value hierarchy:

	Level 3 Investments in subsidiaries
At 1 July 2021	449,778
Acquisitions at cost	-
Total gains/(losses) recognised in fair value through profit or loss	(449,774)
Balance at 30 June 2022	4

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

22. RELATED PARTIES

22.1 Material related parties

Holding company

The company's holding company is UIL which held 61.0% of the company's issued share capital on 31 December 2022. UIL is 65.4% owned by General Provincial Life Pension Fund Limited. Somers Isles Private Trust Company Limited holds 100% of General Provincial Life Pension Fund Limited.

Entities controlled by these entities are considered related parties of the company.

Subsidiary companies

Wholly owned subsidiaries include Kumarina, Zeta Energy, Zeta Minerals and Zeta Investments. Zeta Resources holds 71% of Horizon Gold's issued share capital. PPP is a subsidiary of Zeta Energy.

Key management personnel

Key management personnel and their close family members and entities which they control, jointly or over which they exercise significant influence are considered related parties of the company. The company's directors, as listed in the director's report are considered to be key management personnel of the company.

Investment manager

ICM Limited is the investment manager of the company and of UIL Limited.

	31 December 2022 US\$	30 June 2022 US\$
22.2 Material related party transactions		
Nature of balances		
Investments in related parties:		
Kumarina	1	1
Zeta Investments	1	1
Zeta Energy	1	1
Zeta Minerals	1	1
Horizon Gold	18,721,810	16,003,877
Loans to related parties:		
Kumarina	2,123,966	1,957,423
Loans from related parties:		
Somers Limited	-	14,999,626
PPP	384,625	392,016
GPLPF	9,026,198	5,850,762
Horizon Gold	864,782	3,743,623
Trade and other payables:		
ICM Limited	193,427	231,753
ICM Corporate Services (Pty) Ltd	46,399	55,654
Directors	50,000	50,000

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

	31 December 2022 US\$	31 December 2021 US\$
Nature of transactions		
Interest relates to loans measured at amortised cost		
Interest charged by Horizon	39,693	51,179
Interest charged by Zeta Investments	-	35,880
Interest charged by the parent company	194,033	1,007,418
Interest charged by Somers Limited	84,010	-
Interest charged by GPLPF	361,712	74,929
Fees paid to the Investment Manager	399,359	660,786
Fees paid to ICM Corporate Services (Pty) Ltd	96,160	158,649
Fees paid to the directors:		
M Botha	25,000	25,000
A Liebenberg	25,000	25,000
P Sullivan	25,000	25,000
Xi Xi	25,000	25,000

23. SEGMENTAL REPORTING

The company has four reportable segments, as described below, which are considered to be the company's strategic investment areas. For each investment area, the company's chief operating decision maker ("CODM") (ICM Limited - investment manager) reviews internal management reports on at least a monthly basis.

Gold: Investments in companies which explore or mine for gold

Nickel: Investments in companies which explore or mine for nickel

Copper: Investments in companies which explore or mine for copper.

Mineral Exploration: Investments in companies who explore or mine for copper and other minerals

Administration: Activities relating to financing received and administrative activities.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the company's CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the performance of certain segments relative to other entities that operate within these industries.

NOTES TO THE CONDENSED HALF-YEAR FINANCIAL STATEMENTS (continued)

Information about reportable segments

	Gold US\$	Nickel US\$	Copper US\$	Mineral exploration US\$	Admin US\$	Total US\$
31 December 2022						
External investment returns	2,611,825	(5,640,886)	(1,887,390)	(6,473,898)	4,485	(11,385,864)
Interest revenue	4,069	-	-	-	4,485	8,554
Interest expense	-	-	-	-	(753,724)	(753,724)
Reportable segment profit/(loss) before tax	2,611,368	(5,658,761)	(1,951,193)	(6,474,310)	(914,206)	(12,387,102)
Reportable segment assets	18,867,975	39,210,260	34,740,194	61,626,449	361,265	154,806,143
Reportable segment liabilities	-	-	-	-	(15,883,710)	(15,883,710)
31 December 2021						
External investment returns	(101,205)	31,712,326	(8,634,718)	(9,381,590)	10,191	13,605,004
Interest revenue	-	-	-	-	10,191	10,191
Interest expense	-	-	-	-	(1,293,475)	(1,293,475)
Reportable segment (loss)/profit before tax	(102,571)	31,705,089	(8,650,915)	(9,392,710)	(1,258,108)	12,300,792
30 June 2022						
Reportable segment assets	23,878,842	38,927,525	44,271,964	75,018,966	106,963	182,204,260
Reportable segment liabilities	-	-	-	-	(30,740,823)	(30,740,823)

During the period there were no transactions between segments which resulted in income or expenditure.

24. EVENTS AFTER THE REPORTING DATE

24.1 Australian taxation on the sale of the investment in Bligh Resources Limited

In January 2023, the Australian Tax Office disallowed the objection and argument put forward by the Company. See note 17.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes of the company:
 - a. give a true and fair view of the financial position as at 31 December 2022 and the performance of the company for the six months ended on that date; and
 - b. comply with IAS 34, Interim Financial Reporting, relevant corporate regulations and any other mandatory professional reporting requirements.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Peter Sullivan
Director
24 February 2023