LEGACY MINERALS HOLDINGS LIMITED

ABN 43 650 398 897

Interim Financial Report

31 December 2022

Corporate Directory

Directors

Dr David Carland – Non-Executive Chairman

Christopher Byrne – CEO & Managing Director

Matthew Wall – Non-Executive Director

Thomas Wall – Executive Director

Douglas Menzies - Non-Executive Director

Company Secretary and Chief Financial Officer

Ian Morgan

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Securities Exchange

Australian Securities Exchange (ASX)

ASX Code: LGM

Securities Registry

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Nexia Sydney Audit Pty Ltd

Level 16, 1 Market Street

Sydney NSW 2000

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DIRECTORS' REPORT

The directors of Legacy Minerals Holdings Limited (**Company** or **Legacy**) and its subsidiary (together referred to as the **Group**) present their report together with the consolidated financial report for the interim period 1 July 2022 to 31 December 2022 and the auditor's review report thereon.

DIRECTORS

The directors of the Company at any time during or since the end of the interim period are:

Dr David Carland	Non-Executive Chairman	Appointed 21 June 2021
Christopher Byrne	CEO & Managing Director	Appointed 21 May 2021
Matthew Wall	Non-Executive Director	Appointed 21 May 2021
Thomas Wall	Executive Director and Exploration Manager	Appointed 21 May 2021
Douglas Menzies	Non-Executive Director	Appointed 21 May 2021

REVIEW OF OPERATIONS

Principal Activities

Legacy Minerals Pty Limited (**Legacy Minerals**), the Company's wholly owned subsidiary, has been involved in the acquisition and exploration of gold, copper, and base metal projects in the prospective New South Wales (**NSW**) Lachlan Fold Belt (**LFB**) since 2017. Legacy Minerals wholly owns 1,1829.9km^2 of granted and unencumbered exploration licences in the LFB spanning six projects. The LFB, also known as the Lachlan Orogen, is a region considered to be a premier exploration and mining district and home to one of the largest gold mines in Australia, Cadia Valley NSW (Newcrest).

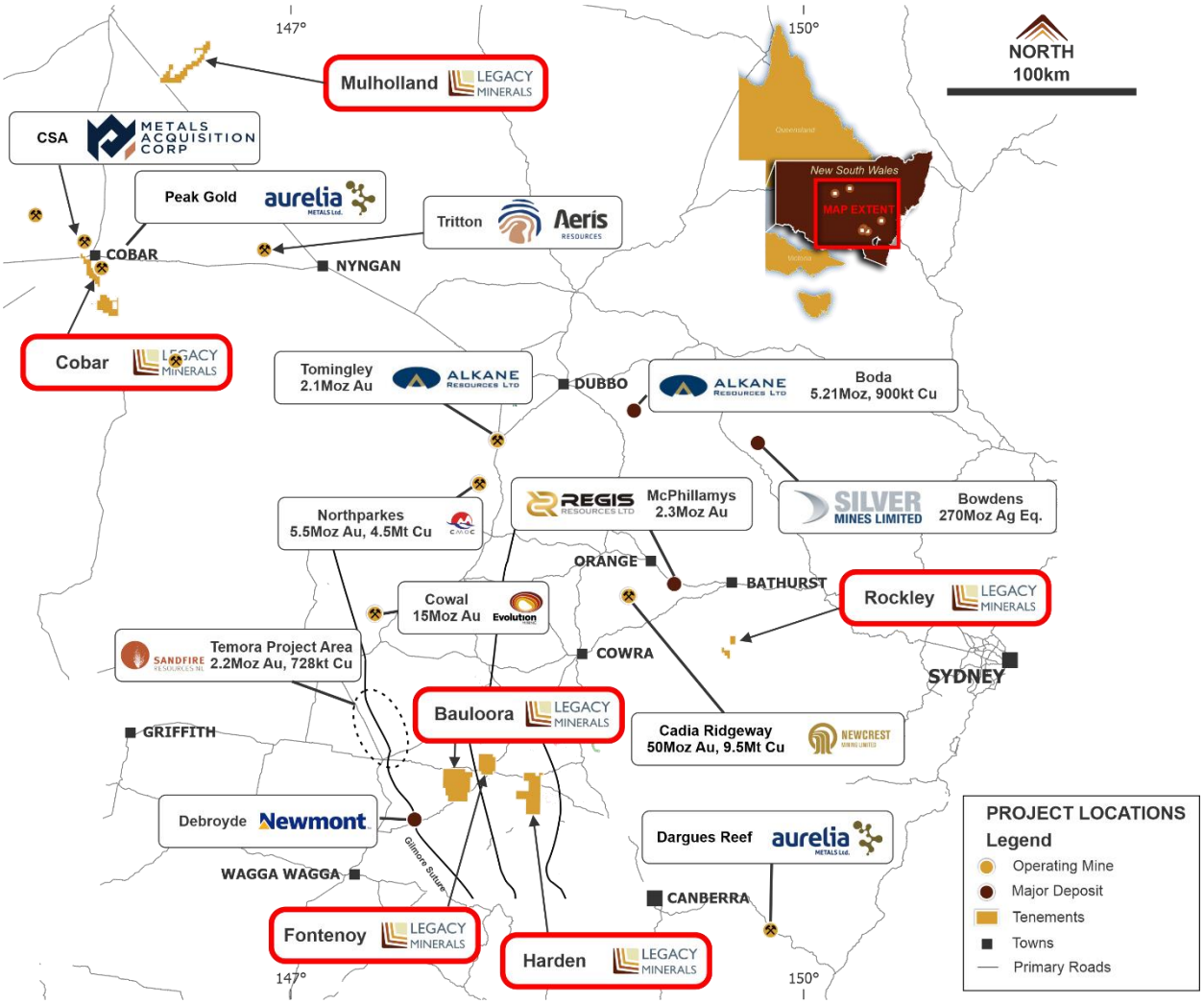

Figure 1: Legacy Minerals' Tenements, Lachlan Fold Belt NSW

Review of Operations

The Group recorded a net loss attributable to members for the interim period ended 31 December 2022 of $502,186. (December 2021: $1,628,019).

Exploration

Bauloora Project

Legacy Minerals commenced an accelerated exploration program at the 100% owned Bauloora Epithermal Gold Project in New South Wales. The systematic exploration work completed by the Company to date has provided increased confidence that the scale and character of mineralisation at Bauloora is akin to those of other pre-discovery observations noted at major epithermal deposits.

Geochemical Programs

Rock chip assays show a widespread and growing footprint of gold and silver across one of NSW's largest low-sulphidation epithermal-style gold-silver systems within the LFB. The rock chip sampling infills and extends known areas of gold mineralisation with **gold bearing veins grading > 0.2g/t Au now defined across a 15km^2 area:**

Table 1: Bauloora Soil Geochemistry Prospects

Prospect	Anomaly Soil Size (approx.)	Summary Soil Results
Mee Mar	1200m x 100m	Au >25ppb, Ag > 0.2ppm, Sb >15ppm
Mee Mar North	400m x 100m	Au >10ppb, Sb > 15ppm
Breccia Sinter	600m x 400m	Au >10ppb, Ag >0.2ppm, Sb > 15ppm, Pb >225ppm
Kiola*	300m x 150m	Ag >0.75ppm, As >50ppm, Sb >25ppm
Bauloora East	1000m x 150m	Au >5ppb, Pb >400ppm, W >4ppm, Sb >10ppm, Zn >200ppm
Clancy*	600m x 100m	Ag >0.2ppm, Pb >100ppm, As > 20ppm, Sb >15ppm, Mo > 1ppm, W >6ppm, Bi >0.5ppm
Brumby*	800m x 100m	Ag >0.2ppm, Sb >15ppm, W >4ppm, Bi >0.5ppm, As >30ppm
Hall*	1000m x 150m	Mo >2ppm, W >10ppm, Sb >25ppm, As > 50ppm, Bi 0.25ppm
Thunderbolt*	500m x 150m	Mo >8ppm, W >4ppm, Bi >1ppm, Sb >10ppm, As >30ppm
Breakout*	200m x 50m	Au >20ppb, >25ppm Sb, >10ppm As, >200ppm Pb

Outstanding high-grade drilling assays returned at Mt Felstead Prospect

Initial drill hole assays at the Mt Felstead Prospect returned high-grade zinc, lead, gold and silver assays. The Mt Felstead Prospect is one of several Au-Ag targets within the Bauloora Project, a large low-sulphidation epithermal system containing a 4km by 2.5km anomalous gold zone:

- Hole BM007 **9m at 9.87% Zn + Pb, 2.0g/t Au, 28.4g/t Ag and 0.16% Cu** from 145m, including **2m at 29.3% Zn + Pb, 5.4g/t Au, 94.1g/t Ag and 0.43% Cu** from 148m
- Hole BM008 3m at 1.65g/t Au, 152.8g/t Ag, 0.35% Cu and 6.9% Pb+Zn from 149m,
  including 1m **at 4.75g/t Au, 442g/t Ag**, 0.99% Cu, **19.47% Pb+Zn** from 149m.

Figure 2: Mt Felstead Prospect rougher flotation concentration stages one and four (BKF2939) and regional soil geochemical sample collection program underway

Exceptional gold, silver, lead and zinc metal recoveries at the Mt Felstead Prospect:

Following the RC drilling completed, initial metallurgical testwork, using a relatively simple flotation process demonstrated exceptionally high recoveries for gold, silver, copper, lead and zinc. The Company considers the mineralisation at the Mt Felstead Prospect is amenable to low-cost industry standard flotation beneficiation and potential for high-quality concentrate product.

Table 2: Cumulative rougher concentrates 1-3 returned recoveries

	Silver	Gold	Copper	Lead	Zinc
Semi-massive sulphides	99.6%	93.6%	99.1%	98.9%	99.2%
Massive sulphides	98.1%	84.1%	95.5%	98.1%	98.4%
Veined	92.9%	87.1%	89.3%	89.4%	94.5%

Table 3: Cumulative rougher concentrates 1-3 returned grades

	Assay Head Grade	Silver	Assay Head Grade	Gold	Lead	Zinc
Semi-massive sulphides	473g/t	**1,555g/t**	5.20g/t	**13.2g/t**	**41.8%**	**21.1%**
Massive sulphides	99g/t	**184g/t**	9.88g/t	**14.5.g/t**	**24.2%**	**33.0%**
Veined	15g/t	**130g/t**	1.47g/t	**13.0g/t**	**17.3%**	**41.5%**

Regional Geophysical Program

Analysis of satellite hyperspectral data ASTER (Advanced Spaceborne Thermal Emission and Reflection) defined a potential district scale hydrothermal alteration footprint across an area of 150km2 with nine high priority zones typical of that associated with low sulphidation epithermal mineralisation.

Drilling

Maiden diamond drill program was granted government approval to commence in early January with a 15-diamond drill core hole program and an initial program of six holes (~1,000m) planned.

Fontenoy Project

Legacy Minerals Alliance Partner, Earth AI, commenced field work at Fontenoy in search of critical and battery metals including Copper-Nickel-Cobalt-Platinum-Gold.

Harden Project

Diamond drill core and reverse circulation percussion chips re-assays returned

After re-assaying results due to the nugget effect, reverse circulation percussion (RC) re-assays returned results including:

- 1m at 22.7g/t Au from 134m – original assay 6.24g/t Au (RCHN005).

The six diamond drill holes completed early in the year had delayed assay results from the laboratory with the best drilling assays including:

- 18m at 0.27g/t Au from 220m (HN0013
- 1m at 1.36g/t Au from 134m (HN0017).

This is the first diamond drilling into the Harden Prospect and has confirmed a wide mineralised gold corridor.

Rockley Project

New geophysical data defines porphyry copper-gold targets

Key targets identified from a detailed airborne geophysical survey have been selected within the Rockley Project based on magnetic, radiometric responses, geochemical anomalism associated with copper-prospective Ordovician-aged rocks. The widespread copper-gold values indicate the presence of a significant hydrothermal system and this mineralisation is interpreted to be porphyry copper-gold related.

DIRECTORS' REPORT

SUBSEQUENT EVENTS

There are no matters or circumstances that have arisen since the end of the period which significantly affected, or may significantly affect, the operations of the Group, the results of these operations or the Group's state of affairs in future financial periods.

LEAD AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

The lead auditor's independence declaration is set out on page 25 and forms part of the Directors' Report for the interim period ended 31 December 2022.

ROUNDING OFF

The Company is not of a kind referred to in *ASIC Corporations Instrument 2016/191* dated 1 April 2016 and as such, amounts in the interim financial statements and directors' report have been reported to the nearest dollar, unless otherwise stated.

COMPETENT PERSON'S STATEMENT

The Information in this report relating to Mineral Resources and Exploration Results is extracted from reports lodged as market announcements and available to view on the Company's web-site https://legacyminerals.com.au/

The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Signed in accordance with a resolution of the Board of directors:

Mr David Carland

Chairman

Sydney

14 March 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

INTERIM PERIOD ENDED 31 DECEMBER 2022

	Note	**2022**	2021
		$	$
Revenue and other income		**-**	-
Share based payment expense	1 (g)	**-**	(506,063)
Administration expenses	1 (e)	**(502,186)**	(1,121,956)
Loss before income tax		**(502,186)**	(1,628,019)
Income tax benefit		**-**	-
Net loss attributable to members of the parent		**(502,186)**	(1,628,019)
Other comprehensive income for the interim period, net of income tax		**-**	-
Total comprehensive income for the interim period		**(502,186)**	(1,628,019)
		Cents	Cents
Loss per share – basic	3 (b)	**(0.66)**	(2.49)
Loss per share – diluted	3 (b)	**(0.66)**	(2.49)

The condensed notes on pages 14 to 23 are an integral part of these interim financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

INTERIM PERIOD ENDED 31 DECEMBER 2022

	Note	Ordinary fully paid shares $	Share based payment reserve $	Accumulated losses $	**Total Equity** **$**
Balance at 1 July 2021		1,694,902	-	(884,443)	810,459
Loss for the half year		-	-	(1,628,019)	(1,628,019)
Other comprehensive income		-	-	-	-
Total comprehensive income for the half year		-	-	(1,628,019)	(1,628,019)
Transaction with owners in their capacity as owners:					
Issue of shares	1 (f)	5,981,500	-	-	5,981,500
Cost of equity transactions		(476,022)	111,042	-	(364,980)
Share-based payments cost of equity		-	-	-	-
Share-based payments expense	1 (g)	-	506,063	-	506,063
	1 (f) and 1 (g)	(476,022)	617,105	-	141,083
Balance at 31 December 2021		7,200,380	617,105	(2,512,462)	5,305,023
Balance at 1 July 2022		7,200,380	617,105	(2,956,989)	4,860,496
Loss for the half year		-	-	(502,186)	(502,186)
Other comprehensive income		-	-	-	-
Total comprehensive income for the half year		-	-	(502,186)	(502,186)
Transaction with owners in their capacity as owners:					
Issue of shares	1 (f)	1,205,500	-	-	1,205,500
Cost of equity transactions		(91,504)	-	-	(91,504)
Share-based payments cost of equity	1 (g)	(41,281)	41,281	-	-
Share-based payments expense		-	-	-	-
	1 (f) and 1 (g)	(132,785)	41,281	-	(91,504)
Balance at 31 December 2022		**8,273,095**	**658,386**	**(3,459,176)**	**5,472,305**

The condensed notes on pages 14 to 23 are an integral part of these interim financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Note	**31 December 2022**	30 June 2022
		$	**$**
Current assets			
Cash and cash equivalents		**2,713,288**	2,765,670
Trade and other receivables		**168,391**	142,615
Other current assets		**20,000**	20,000
Total current assets		**2,901,679**	2,928,285
Non-current assets			
Plant and equipment	1 (h)	**106,136**	118,319
Exploration and evaluation assets	1 (i)	**2,727,716**	1,970,416
Tenement deposits		**154,000**	98,000
Total non-current assets		**2,987,853**	2,186,735
Total assets		**5,889,532**	5,115,020
Current liabilities			
Trade and other payables		**375,963**	230,081
Employee benefits		**41,264**	24,443
Total current liabilities		**417,227**	254,524
Total non-current liabilities		**-**	-
Total liabilities		**417,227**	254,524
Net assets		**5,472,305**	4,860,496
Equity			
Issued capital	1 (f)	**8,273,095**	7,200,380
Share based payment reserve	1 (g)	**658,386**	617,105
Accumulated Losses		**(3,459,176)**	(2,956,989)
Equity		**5,472,305**	4,860,496

The condensed notes on pages 14 to 23 are an integral part of these interim financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

INTERIM PERIOD ENDED 31 DECEMBER 2022

	Note	**2022**	2021
		$	$
Cash flows used in operating activities			
Receipts from customers		**-**	-
Payments to suppliers and employees		**(417,786)**	(1,203,410)
Net cash used in operating activities		**(417,786)**	(1,203,410)
Cash flows used in investing activities			
Payments for plant and equipment	1 (h)	**(6,424)**	(56,893)
Payments for exploration and evaluation assets		**(795,137)**	(773,575)
Payments for tenement deposits		**(30,000)**	(28,000)
Payment for rental deposit		**(2,760)**	-
Net cash used in investing activities		**(834,321)**	(858,468)
Cash flows from financing activities			
Proceeds from capital raising		**1,205,500**	5,801,500
Payments for capital raising costs		**(5,775)**	(304,369)
Other		**-**	251
Net cash generated from financing activities		**1,199,725**	5,497,382
Net (decrease) / increase in cash and cash equivalents		**(52,382)**	3,435,504
Cash and cash equivalents at 1 July		**2,765,670**	752,817
Cash and cash equivalents at 31 December		**2,713,288**	4,188,321

The condensed notes on pages 14 to 23 are an integral part of these interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. KEY FINANCIAL INFORMATION AND PREPARATION BASIS

(a) Reporting Entity

Legacy Minerals Holdings Limited (**Company**) is a company domiciled in Australia. These condensed consolidated interim financial statements ("interim financial statements") as at and for the interim period ended 31 December 2022 comprise the Company and its subsidiary (together referred to as the "Group").

Legacy Minerals Pty Limited (**Legacy Minerals**), the Company's wholly owned subsidiary, has been involved in the acquisition and exploration of gold and copper projects in the prospective New South Wales (**NSW**) Lachlan Fold Belt (**LFB**) since 2017.

Legacy Minerals wholly owns 1,1829 km^2 of granted and pending exploration licence applications in the LFB spanning six projects. The LFB, also known as the Lachlan Orogen, is a region considered to be a premier exploration and mining district and home to one of the largest gold mines in Australia, Cadia Valley NSW (Newcrest).

The Group has a straightforward exploration strategy: to drill and develop a pipeline of prospective targets for gold and copper mineralisation. The work conducted on the tenements has defined drill ready prospects across the Group's portfolio.

The Group's projects contain numerous untested geochemical, geophysical and geological targets. These afford the Group multiple opportunities for gold and copper discoveries; commodities which are currently enjoying favourable market conditions. Highlights of the projects include:

- drill-ready targets that provide immediate opportunities for gold and copper discoveries;
- projects with a prime position in the LFB targeting porphyry-related Cu-Au, Cobar-type, and low sulphidation epithermal-style systems; and
- high grade and shallow exploration targets that present an opportunity for near term resource definition.

(b) Basis of Preparation

These interim financial statements are general purpose financial statements prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001, and with IAS 34 Interim Financial Reporting.

They do not include all of the information required for a full annual financial report. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated annual financial report of the Group as at and for the year ended 30 June 2022.

These interim financial statements were approved by the Board of Directors on 14 March 2023.

The Company is not of a kind referred to in ASIC Corporations Instrument 2016/191 dated 1 April 2016 and, in accordance with the Class Order, amounts in these interim financial statements and directors' report have been rounded to the nearest dollar, unless otherwise stated.

(c) Use of Judgements and Estimates

In preparing these interim financial statements, the Group's management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from those estimates.

The significant judgements 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 Company's last annual consolidated annual financial report as at and for the year ended 30 June 2022.

(d) Going Concern

During the interim period to 31 December 2022, the Group incurred a loss of $502,186 (December 2021: $1,628,019) and net cash outflows from operating activities of $417,786 (December 2021: $1,203,410). At 31 December 2022, cash and cash equivalents were $2,713,288 (June 2022: $2,765,670) and there were net current assets of $2,484,452 (June 2022: $2,673,761).

The financial report has been prepared on the basis of a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities will occur in the normal course of business.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(e) Administration Expenses

	Note	**2022**	2021
		$	$
Accounting and tax fees		**15,210**	33,474
Audit expense		**22,963**	47,576
Compliance: ASX/Share Registry fees/meetings expenses		**40,268**	104,397
Corporate advisory		**10,000**	302,472
Depreciation expense		**18,608**	13,447
Exploration expenses written off		**855**	35,938
Freight and courier costs		**18**	3,633
Insurance expense		**16,276**	14,848
Investor relations expenses		**50,120**	58,305
Legal expenses		**1,470**	80,686
Motor vehicle expenses		**7,259**	17,342
Officer and employee costs			
Directors	2	**293,656**	298,333
Non-Directors		**170,080**	140,796
Capitalised to exploration and evaluation assets		**(227,859)**	(108,426)
Other expenses		**34,567**	28,104
Subscriptions and memberships		**28,057**	17,503
Training and conferences expense		**14,247**	16,725
Travel and accommodation expenses		**5,773**	8,643
Website and software		**617**	8,160
		502,186	1,121,956

(f) Ordinary Fully Paid Shares

	Number	$
Balance at 1 July 2021	1	1
Issue of 1 Company share for every 1 Legacy Minerals share - 5 July 2021	44,368,002	1,694,902
Cancel share issued on incorporation on 21 May 2021 - 5 July 2021	(1)	(1)
	44,368,002	1,694,902
Shares issued 5 July 2021	1,800,000	180,000
Cash placement (IPO) - 31 August 2021	28,507,500	5,701,500
Cash placement (IPO) - 1 September 2021	500,000	100,000
	30,807,500	5,981,500
	75,175,502	7,676,402
Cost of equity transactions	-	(476,022)
Balance at 31 December 2021	75,175,502	7,200,380
Balance at 1 July 2022	75,175,502	7,200,380
Cash placement – 23 December 2022	8,036,667	1,205,500
	83,212,169	8,405,880
Cost of equity transactions	-	(132,785)
Balance at 31 December 2022	**83,212,169**	**8,273,095**

(g) Share-Based Payment Reserve

Company for period ended 31 December 2022

401,833 unquoted options were granted during the period ended 31 December 2022 (2021: 4,850,000). Each unquoted option has an exercise price per share of $0.225 (2021: $0.30). All options vested on the date issued. No issued options were exercised during the interim period (2021 Nil).

Details of options over ordinary shares in the Company that were granted and vested during the financial period are as follows:

Share Based Payment Reserve	Date Granted and Vested	Options expiry Date	ASX Escrow expiry date	Number of Options	Share based payment expense $
1 July 2021				-	-
Director Options	7 July 2021	22 June 2026	13 September 2023	3,500,000	472,325
Management options	7 July 2021	22 June 2026	7 July 2022	250,000	33,738
				3,750,000	506,063
Joint Lead Manager Options	7 September 2021	7 September 2024	Not applicable	1,100,000	111,042
31 December 2021				4,850,000	617,105
1 July 2022				4,850,000	617,105
Joint Lead Manager Options	23 December 2022	23 December 2025	Not applicable	401,833	41,281
31 December 2022				**5,251,833**	**658,386**

The Company's options expense for the period ended 31 December 2022 was $Nil (31 December 2021: $506,063). $41,281 (2021: $111,042) was recorded as costs of equity transaction net of share capital.

The fair value of the unlisted options was calculated at the date of grant using the Black Scholes option pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the options recognised as an expense immediately due to no vesting conditions.

(g) Share-Based Payment Reserve (cont.)

	2022	2021	
	Joint Lead Manager Options	Director and Management Options	Joint Lead Manager Options
Number	**401,833**	3,750,000	1,100,000
Grant date	**23 December 2022**	7 July 2021	7 September 2021
Expiry date	**23 December 2025**	22 June 2026	7 September 2024
Share price at grant date (cents)	**16.5**	20.0	20.0
Exercise price per option (cents)	**22.5**	30.0	30.0
Expected volatility (weighted average)	**110.0%**	99.0%	95.0%
Risk free interest rate (based on government bonds)	**3.33%**	0.10%	0.11%
Dividend yield	**0.00%**	0.00%	0.00%
Fair value at grant date (cents)	**10.273184**	13.4950	10.0948

Each option provides the right for the option holder to be issued one fully paid share by the Company, upon payment of the exercise price of each option. The options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

The Company's accounting policy for the treatment of equity-settled share-based payment arrangements granted to employees

The grant-date fair value of equity-settled share-based payment arrangements granted to employees and consultants is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(h) Plant And Equipment

	$
Balance at 1 July 2021	85,479
Additions during the interim period	56,893
Depreciation during the interim period	(13,447)
Balance at 31 December 2021	128,925
Balance at 1 July 2022	118,319
Additions during the interim period	**6,424**
Depreciation during the interim period	**(18,608)**
Balance at 31 December 2022	**106,136**

(i) Exploration and Evaluation Assets

	$
Balance at 1 July 2021	175,585
Additions during the interim period	819,737
Balance at 31 December 2021	995,322
Balance at 1 July 2022	1,970,416
Additions during the interim period	**757,300**
Balance at 31 December 2022	**2,727,716**

(j) Dividends

No dividends were paid by the Company during the interim period to 31 December 2022 (31 December 2021: $Nil).

(k) Commitments

Exploration

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure requirements.

As at 31 December 2022, these obligations are not provided for in the financial report and are payable as follows:

Exploration expenditure commitments	**31 December 2022**	30 June 2022
	$	$
Within one year	**655,556**	583,333
One year or later and not later than five years	**1,588,750**	1,578,472
Later than five years	**-**	-
	2,244,306	2,161,805

All the Group's licences are in good standing at the date of this report.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(l) Segment Reporting

Business and geographical segments

The results and financial position of the Group's single operating segment are prepared on a basis consistent with Australian Accounting Standards and no additional disclosures in relation to the revenues, profit or loss, assets and liabilities and other material items have been made. Entity-wide disclosures in relation to the Group's product and services and geographical areas are detailed below.

Products and services

The Group has been involved in the acquisition and exploration of gold and copper projects in the prospective New South Wales (**NSW**) Lachlan Fold Belt (**LFB**) since 2017. The Group wholly owns 1,1829.9km^2 of granted and exploration licences in the LFB spanning six projects.

Geographical Areas

The Group's exploration activities are located solely in Australia.

(m) Contingent Liabilities

There are no contingent liabilities at 31 December 2022 (December 2021: $Nil).

(n) Subsequent Events

There are no matters or circumstances that have arisen since the end of the period which significantly affected, or may significantly affect, the operations of the Group, the results of these operations or the Group's state of affairs in future financial periods.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

2. KEY MANAGEMENT PERSONNEL AND RELATED PARTY DISCLOSURES

Related Party Transactions

The following related party transaction charges for Directors' salaries and fees were made with the Group on normal terms and conditions and in the ordinary course of business:

	Note	31 December 2022 $	31 December 2021 $
Cash remuneration			
Salaries plus superannuation		**218,656**	223,330
Directors' fees and superannuation		**75,000**	60,000
Consulting		**-**	15,003
	1 (e)	**293,656**	298,333
Non-cash Remuneration			
Share based payments expense		**-**	472,325

Unlisted Options

On 7 July 2021, a total of 3,500,000 unlisted options were granted to Directors or their related entities. Details relating to the options are below.

The options were granted at no cost to the recipient. The fair value of the options at the Grant Date is determined using the Black Scholes model. The options expense for the interim period to 31 December 2022 totals $Nil (31 December 2021: $472,325).

No terms of equity settled share-based payment transactions (including options granted as compensation to key management persons) have been altered or modified by the issuing entity during the interim period.

There are no entitlements for the Company's option holders to participate in new issues of capital which may be offered to the Company's existing ordinary shareholders.

The Group prohibits those that are granted share-based payments as part of their remuneration from entering other arrangements that limit their exposure to losses that would result from share price decreases. Entering such arrangement is prohibited by law.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

3. OTHER DISCLOSURES

(a) Loss Per Share

Basic earnings or loss per share (**EPS**) is calculated by dividing the net profit or loss attributable to members of the parent entity for the interim period, after excluding any costs of servicing equity (other than ordinary shares and converting preference shares classified as ordinary shares for EPS calculation purposes), by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after-tax effect of financial costs associated with dilutive ordinary shares and the effect on revenues and expenses of conversion to ordinary shares associated with dilutive potential ordinary shares, by the weighted average number of ordinary and dilutive potential ordinary shares adjusted for any bonus issue.

The calculation of basic and diluted losses per share for the interim period ended 31 December 2022 was based on the net loss attributable to ordinary shareholders of $502,186 and a weighted average number of ordinary shares outstanding during the interim period ended 31 December 2022 of 75,524,922 ordinary shares (31 December 2021: 65,349,604), calculated as follows:

	2022	2021
	$	$
Loss for the interim period attributable to ordinary shareholders	**502,186**	1,628,019

(b) Weighted average number of ordinary shares

Undiluted Number of Shares	**Number**	Number
Issued ordinary shares at 1 July	**75,175,502**	44,368,002
Cash placement – 23 December 2022	**349,420**	-
Cash placement - 5 July 2021	**-**	1,751,087
Cancel share issued on incorporation on 21 May 2021 - 5 July 2021	**-**	(1)
Cash placement (IPO) - 31 August 2021	**-**	18,901,712
Cash placement (IPO) - 1 September 2021	**-**	328,804
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	**75,524,922**	65,349,604

	Cents	Cents
Loss per share – basic	**(0.66)**	(2.49)
Loss per share – diluted	**(0.66)**	(2.49)

4,867,471 potential shares were excluded from the calculation of diluted earnings per share because they are antidilutive for the interim period ended 31 December 2022 (2021: 4,294,837) as the Group is in a loss position.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(c) Significant Accounting Policies

The accounting policies and methods of computation adopted in the preparation of the financial report are consistent with those adopted and disclosed in in the Group's consolidated financial statements as at and for the year ended 30 June 2022.

DIRECTORS' DECLARATION

In the opinion of the directors of Legacy Minerals Holdings Limited:

(a) the condensed consolidated financial statements and notes set out on pages 10 to 23 are in accordance with the *Corporations Act 2001,* including:

   i. giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the interim period 1 July 2022 to 31 December 2022; and

   ii. complying with Australian Accounting Standards *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*; and

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

Signed in accordance with a resolution of the directors:

Mr David Carland

Chairman

Sydney

14 March 2023

Nexia Australia

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To the Board of Directors of Legacy Minerals Holdings Limited

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

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

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) any applicable code of professional conduct in relation to the review.

Yours sincerely

Nexia

Nexia Sydney Audit Pty Ltd

Stephen Fisher
Director

Date: 14 March 2023

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Legacy Minerals Holdings Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Legacy Minerals Holdings Limited (the Company and its subsidiaries ("the Group")), which comprises the Statement of Financial Position as at 31 December 2022, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

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

i) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and

iii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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

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

Responsibility of the Directors for the Financial Report

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

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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 Company'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.

Nexia

Nexia Sydney Audit Pty Ltd

Stephen Fisher
Director

Dated: 14 March 2023

Sydney