



龍資源有限公司  
DRAGON MINING  
LIMITED

**DRAGON MINING LIMITED**

龍資源有限公司\*

*(Incorporated in Western Australia with limited liability ACN 009 450 051)*  
(於西澳洲註冊成立的有限公司，澳洲公司註冊號碼009 450 051)

Stock Code 股份代號 : 1712

2022

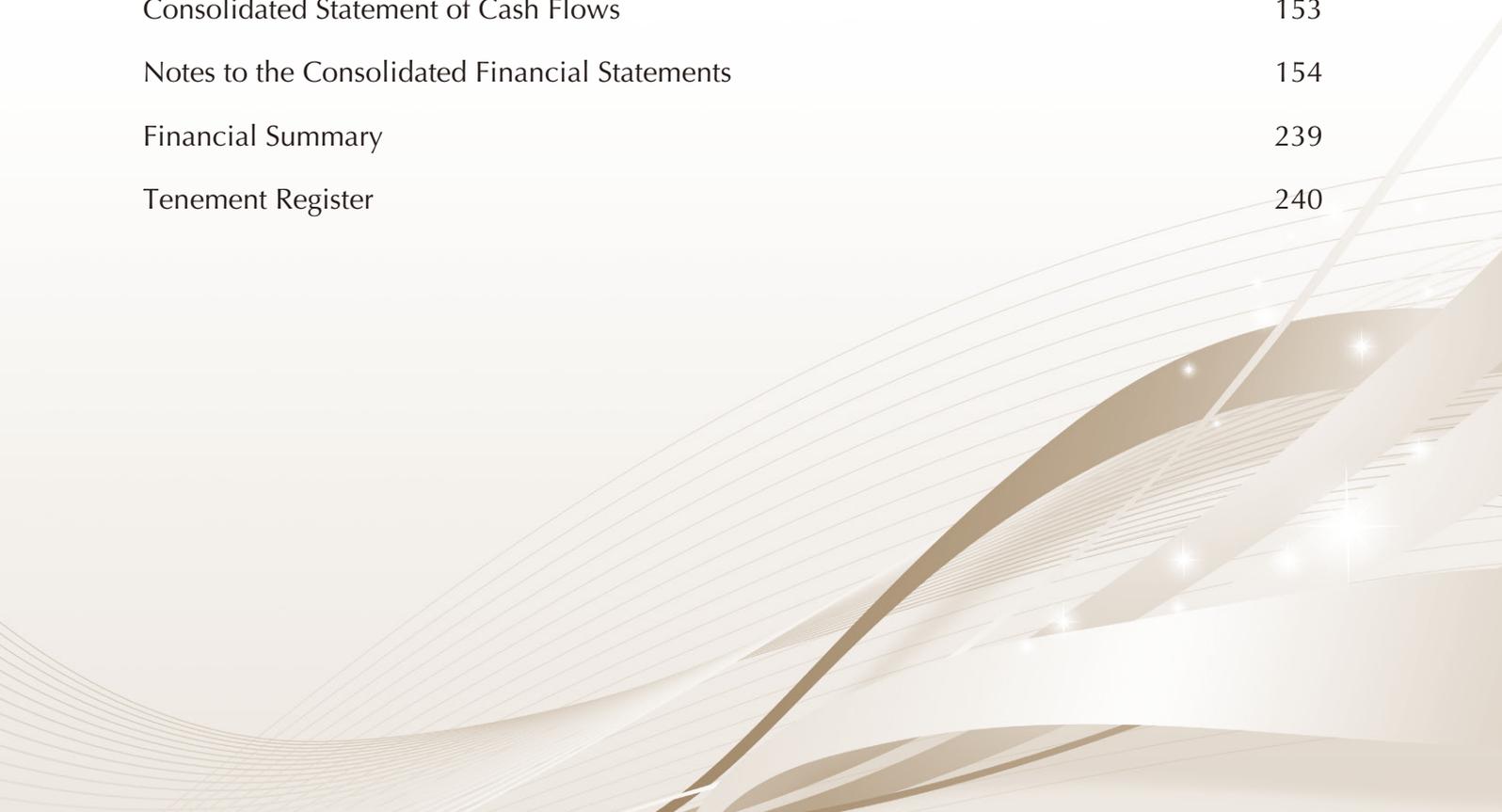
ANNUAL REPORT

年報

\* For identification purpose only 僅供識別

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## BOARD OF DIRECTORS

Arthur George Dew

*Chairman and Non-Executive Director*

Brett Robert Smith

*Chief Executive Officer and Executive Director*

Wong Tai Chun Mark

*Alternate Director to Arthur George Dew*

Lam Lai

*Non-Executive Director*

Carlisle Caldwell Procter

*Independent Non-Executive Director*

Pak Wai Keung Martin

*Independent Non-Executive Director*

Poon Yan Wai

*Independent Non-Executive Director*

## AUDIT AND RISK MANAGEMENT COMMITTEE

Poon Yan Wai *Chairman*

Carlisle Caldwell Procter

Pak Wai Keung Martin

## REMUNERATION COMMITTEE

Carlisle Caldwell Procter *Chairman*

Pak Wai Keung Martin

Poon Yan Wai

## NOMINATION COMMITTEE

Arthur George Dew *Chairman*

Carlisle Caldwell Procter

Pak Wai Keung Martin

## BANKERS

National Australia Bank

Nordea Bank

## AUDITOR

Ernst & Young, Perth

(incorporated in Australia with limited liability)

## LEGAL ADVISERS

P. C. Woo & Co. (as to Hong Kong law)

Addisons (as to Australian law)

Tomi Rinne (as to Finnish law)

Fröberg & Lundholm (as to Swedish law)

## REGISTERED OFFICE, HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN AUSTRALIA

Unit 202, Level 2

39 Mends Street

South Perth

Western Australia 6151

Australia

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

22nd Floor

Allied Kajima Building

138 Gloucester Road

Wanchai, Hong Kong

## AUSTRALIAN PRINCIPAL SHARE REGISTRAR

Computershare Investor Services Pty Limited

Yarra Falls, 452 Johnston Street

Abbotsford, Melbourne

Victoria 3067

Australia

## HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited

Shops 1712 - 1716

17th Floor, Hopewell Centre

183 Queen's Road East

Wanchai, Hong Kong

## JOINT COMPANY SECRETARIES

Hai-Young Lu

(for Australian regulations)

Lau Tung Ni

(for Hong Kong regulations)

## STOCK CODE

1712

## WEBSITES

<https://www.dragonmining.com>

<https://www.irasia.com/listco/hk/dragonmining/index.htm>

## Chairman's Statement

I am pleased to present to shareholders Dragon Mining Limited's Annual Report for the year ended 31 December 2022. The year has produced considerable challenges however notwithstanding these issues it is pleasing that the Company has been able to deliver an increased profit.

In July 2022, the Swedish Land and Environment Court rejected our application for an Environmental Permit to commence full scale mining operations at Fäboliden. On the 15 December 2022, we submitted an application for leave to appeal the court's decision.

Unfortunately for the Company since the date of publication of our results for the year, the Swedish Land and Environment Court rejected our application for leave to appeal. On the advice of our Swedish lawyers we are appealing this decision to the Swedish Supreme Court.

In Finland, Jokisivu performed satisfactorily despite changed rock mechanical conditions that delayed access to the high-grade ore stopes and resulted in stockpiled ore being substituted into the mill feed. Increased ground support and revised work methods will enable the extraction of some of the high-grade ore that was quarantined.

At Orivesi, work with the previous mine owner Outokumpu to clean up an old slope continued and is expected to be completed in 2023.

It is now confirmed that the authorities in both Finland and Sweden will impose cash bond requirements for the extension of all mining permits. Accordingly, the Company will have to fund substantial bonds. The final amounts and payment timing are yet to be determined.

I would like to express my sincere thanks to our directors and loyal staff for these efforts in a difficult year. I also thank our shareholders for their ongoing support.

**Arthur George Dew**  
*Chairman*

Hong Kong, 3 April 2023

The estimates for Mineral Resources and Ore Reserves as at 31 December 2022 were disclosed to the HKEx in compliance with the reporting guidelines as set-out in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the “JORC Code”) on:

❖ **16 March 2023 – Mineral Resource and Ore Reserve Estimates Updated.**

## Estimation Governance Statement

Dragon Mining Limited 龍資源有限公司\* (“Dragon Mining” or the “Company”) have ensured that the Mineral Resource and Ore Reserve estimates are subject to good governance arrangements and internal controls. The Mineral Resources and Ore Reserves were undertaken by independent mining consultants MoJoe Mining Pty Ltd (“MJM”) in Western Australia, an organisation whose personnel have exposure to best practices in modelling and estimation methods. MJM personnel have also undertaken reviews of the quality and suitability of the underlying information, which included a site visit of the Company’s mining projects in 2022. In addition, Dragon Mining’s management regularly carries out reviews and audits of internal processes and of external contractors that are utilised by the Company.

Dragon Mining reports Mineral Resources and Ore Reserves at least annually in compliance with the reporting guidelines as set out in the JORC Code. If there are any material changes to its Mineral Resources or Ore Reserves during the course of the year the Company is required to, and promptly reports these changes.

\* For identification purpose only

## MINERAL RESOURCES

Mineral Resource estimates for the Vammala Production Centre in southern Finland and the Svartliden Production Centre in northern Sweden as of 31 December 2022. Mineral Resources are reported inclusive of Ore Reserves.

	Measured			Indicated			Inferred			Total		
	Tonnes (kt)	Gold (g/t)	Ounces (kozs)									
<b>Vammala Production Centre ("VPC") – Southern Finland</b>												
<b>Jokisivu Gold Mine</b>												
Kujankallio	360	3.8	44	550	2.9	52	640	2.5	52	1,500	3.0	150
Arpola	240	4.2	33	640	3.2	66	460	2.6	38	1,300	3.2	140
Stockpiles	–	–	–	130	1.9	8	–	–	–	130	1.9	8
Total	610	4.0	77	1,300	3.0	130	1,100	2.5	89	3,000	3.0	290
<b>Kaapelinkulma Gold Mine</b>												
North	–	–	–	10	2.3	1	52	2.8	5	62	2.8	6
South – above 0m RL	8	1.8	<1	14	3.2	1	13	8.0	4	36	4.7	5
South – below 0m RL	–	–	–	–	–	–	35	5.4	6	35	5.4	6
South – Butterfly Exclusion Zone	13	2.0	1	16	3.8	2	1	2.6	<1	30	3.0	3
Total	21	1.9	1	41	3.2	4	100	4.4	15	160	3.8	20
<b>Orivesi Gold Mine</b>												
Kutema	59	4.5	9	61	5.1	10	13	4.4	2	130	4.8	20
Sarvisuo	34	5.7	6	47	7.0	11	58	4.9	9	140	5.8	26
Total	93	5.0	15	110	5.9	21	71	4.8	11	270	5.3	46
VPC Total	720	4.0	93	1,500	3.2	150	1,300	2.8	110	3,500	3.2	360
<b>Svartliden Production Centre ("SPC") – Northern Sweden</b>												
<b>Fäboliden Gold Mine</b>												
Inside RF 120% Shell	100	3.4	11	3,400	2.9	320	4	4.0	<1	3,500	2.9	330
Outside RF 120% Shell	–	–	–	1,500	3.0	140	5,200	3.3	560	6,700	3.2	690
Total	100	3.4	11	4,900	2.9	460	5,200	3.3	560	10,000	3.1	1,000
<b>Svartliden Gold Mine</b>												
Open pit	83	3.1	8	160	3.0	16	<1	2.0	<1	240	3.0	24
Underground	36	4.3	5	150	4.6	22	60	4.0	8	250	4.4	35
Total	120	3.4	13	310	3.8	38	60	4.0	8	490	3.7	59
SPC Total	220	3.4	24	5,200	2.9	490	5,200	3.3	570	11,000	3.1	1,100
<b>Group Total</b>	<b>940</b>	<b>3.9</b>	<b>120</b>	<b>6,700</b>	<b>3.0</b>	<b>640</b>	<b>6,500</b>	<b>3.2</b>	<b>680</b>	<b>14,000</b>	<b>3.2</b>	<b>1,400</b>

## MINERAL RESOURCES (CONT'D)

Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The quantities contained in the above table have been rounded to two significant figures to reflect the relative uncertainty of the estimate. Rounding may cause values in the table to appear to have computational errors.

Mineral Resources are reported on a dry in-situ basis.

RF – Revenue Factor.

### Reporting Cut-off Grades

#### *Jokisivu Gold Mine – 1.2 g/t gold*

Based on operating costs, mining and processing recoveries from Jokisivu actuals and a gold price of US\$1,920 per troy ounce extrapolated for the potential economic extraction of the resource at a level approximating 120% of an average consensus forecast gold price of US\$1,600 per troy ounce that was generated from annual consensus gold forecasts over the mine life period.

*Kaapelinkulma Gold Mine – 0.9 g/t gold for the South gold occurrence above 0mRL, 1.5 g/t gold for the South gold occurrence below 0mRL, 1.5 g/t gold for the South gold occurrence in the Butterfly Exclusion Zone and 0.9 g/t gold for the North deposit.*

Based on operating costs, mining and processing recoveries from Kaapelinkulma actuals and a gold price of US\$1,800 per troy ounce extrapolated for the potential economic extraction of the resource at a level approximating 120% of the long term average consensus forecast gold price of US\$1,500 per troy ounce.

#### *Orivesi Gold Mine – 2.6 g/t gold*

Based on operating costs, mining and processing recoveries from Orivesi actuals and a gold price of US\$1,770 per troy ounce extrapolated for the potential economic extraction of the resource at a level approximating 120% of the short term consensus forecast gold price of US\$1,475 per troy ounce. Details of this Mineral Resource were released to the HKEx on the 27 March 2020 – Resources and Reserves Updated Dragon Mining's Nordic Production Centres.

*Fäboliden Gold Mine – 1.1 g/t gold for material inside the RF 120% Pit Shell and 2.0 g/t gold for material outside the RF 120% Pit Shell.*

Based on costs and recoveries from the updated Fäboliden Life-of-Mine study and a gold price of US\$1,800 per troy ounce extrapolated for the potential economic extraction of the resource at a level approximating 120% of the long term average consensus forecast gold price of US\$1,500 per troy ounce.

**MINERAL RESOURCES (CONT'D)****Reporting Cut-off Grades (Cont'd)**

*Svartliden Gold Mine – 1.0 g/t gold for open pit material and 1.7 g/t gold for underground material*

Based on updated estimates for mining costs and a gold price of US\$1,500 per troy ounce, extrapolated for the potential economic extraction of the open pit and underground resource at a level approximating 115% of the short term consensus forecast gold price of US\$1,260 per troy ounce. The Svartliden Mineral Resources remain unchanged since 31 December 2016. Details of this Mineral Resource were released to the Australian Securities Exchange (“ASX”) on the 28 February 2017 – Mineral Resources Updated for the Nordic Production Centres.

**ORE RESERVES**

Ore Reserves for the Vammala Production Centre in southern Finland and the Svartliden Production Centre in northern Sweden as of 31 December 2022.

	Proved			Probable			Total		
	Tonnes (kt)	Gold (g/t)	Ounces (kcozs)	Tonnes (kt)	Gold (g/t)	Ounces (kcozs)	Tonnes (kt)	Gold (g/t)	Ounces (kcozs)
<b>Vammala Production Centre</b>									
Jokisivu (UG)	400	2.4	30	960	2.0	62	1,400	2.1	93
<b>Svartliden Production Centre</b>									
Fäboliden (OP)	98	3.5	11	2,700	3.0	260	2,800	3.0	280
<b>Group Total</b>	<b>490</b>	<b>2.6</b>	<b>42</b>	<b>3,700</b>	<b>2.8</b>	<b>330</b>	<b>4,200</b>	<b>2.7</b>	<b>370</b>

Ore Reserve estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The quantities contained in the above table have been rounded to two significant figures to reflect the relative uncertainty of the estimate. Rounding may cause values in the table to appear to have computational errors.

Ore Reserve estimates are reported on a dry tonne basis.

**Jokisivu Gold Mine** – The economic in-situ stope ore cut-off grade of 1.5 g/t gold and in-situ development cut-off grade of 0.8 g/t gold is based on a medium term consensus forecast gold price of US\$1,600 per troy ounce gold, a EUR:USD exchange rate of 1.01, process recovery of 86%, mining factors and costs.

**Fäboliden Gold Mine** – The in-situ Ore cut-off grade is 1.33 g/t gold is based on a long term consensus forecast gold price of US\$1,500 per troy ounce, a USD:SEK exchange rate of 8.66, process recovery of 80%, mining factors and costs.

## COMPETENT PERSONS STATEMENTS

*The information in this report that relates to Mineral Resource estimates for the Jokisivu Gold Mine is based on information compiled by Mr. Shaun Searle who is an associate of MoJoe Mining Pty Ltd and a member of the Australian Institute of Geoscientists. Mr. Searle has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Searle has provided written consent for the inclusion in the Report of the matters on his information in the form and context in which it appears.*

*The information in this report that relates to Mineral Resource estimates dated 31 December 2021 for the Kaapelinkulma Gold Mine and Fäboliden Gold Mine was previously released to the HKEx on the 23 March 2022 – Dragon Mining's Mineral Resources and Ore Reserves Updated. This document can be found at [www.hkex.com.hk](http://www.hkex.com.hk) (Stock Code: 1712). It is based on information compiled by Mr. Shaun Searle who is an associate of MoJoe Mining Pty Ltd and a member of the Australian Institute of Geoscientists. Mr. Searle has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Searle has previously provided written consent for the 23 March 2022 release.*

*Dragon Mining confirms that it is not aware of any new information or data that materially affects the Mineral Resource estimates as reported on the 23 March 2022, and the assumptions and technical parameters underpinning the estimates in the 23 March 2022 release continue to apply and have not materially changed.*

*Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full-time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Mineral Resource estimates dated 31 December 2021 presented in this report have not been materially modified and are consistent with the 23 March 2022 release. Mr. Neale Edwards has provided written consent approving the use of previously reported Mineral Resource estimates in this report in the form and context in which they appear.*

*The information in this report that relates to Mineral Resource estimates dated 31 December 2019 for the Orivesi Gold Mine was previously released to the HKEx on the 27 March 2020 – Resources and Reserves Updated for Dragon Mining's Nordic Production Centres. This document can be found at [www.hkex.com.hk](http://www.hkex.com.hk) (Stock Code: 1712). It fairly represents information and supporting documentation that was compiled or supervised by Mr. David Allmark who was a full time employee of RPM Advisory Services Pty Ltd and a Registered Member of the Australian Institute of Geoscientists at the time of the report in 2020. Mr. Allmark has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves JORC Code 2012 Edition. Mr Allmark has previously provided written consent for the 27 March 2020 release.*

**COMPETENT PERSONS STATEMENTS (CONT'D)**

*Dragon Mining confirms that it is not aware of any new information or data that materially affects the Mineral Resource estimates as reported on the 27 March 2020, and the assumptions and technical parameters underpinning the estimates in the 27 March 2020 release continue to apply and have not materially changed.*

*Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full-time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Mineral Resource estimates dated 31 December 2019 presented in this report have not been materially modified and are consistent with the 27 March 2020 release. Mr. Neale Edwards has provided written consent approving the use of previously reported Mineral Resource estimates in this report in the form and context in which they appear.*

*The information in this report that relates to Mineral Resource estimates dated 31 December 2016 for the Svartliden Gold Mine were previously released to the ASX on the 28 February 2017 – Mineral Resources Updated for Dragon Mining's Nordic Projects. This document can be found at [www.asx.com.au](http://www.asx.com.au) (Code: DRA). It fairly represent information and supporting documentation that was compiled or supervised by Mr. Jeremy Clark who was a full-time employee of RPM Global Asia Limited and a Registered Member of the Australasian Institute of Mining and Metallurgy at the time of the report in 2017. Mr. Jeremy Clark has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves. Written consent was previously provided by Mr. Jeremy Clark for the 28 February 2017 release.*

*Dragon Mining confirms that it is not aware of any new information or data that materially affects the Mineral Resource estimates as reported on the 28 February 2017, and the assumptions and technical parameters underpinning the estimates in the 28 February 2017 release continue to apply and have not materially changed.*

*Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full-time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Mineral Resource estimates dated 31 December 2016 presented in this report have not been materially modified and are consistent with the 28 February 2017 release. Mr. Neale Edwards has provided written consent approving the use of previously reported Mineral Resource estimates in this report in the form and context in which they appear.*

*The information in this report that relates to Ore Reserves for the Jokisivu Gold Mine is based on information compiled and reviewed by Mr. Joe McDiarmid, who is a Chartered Professional of the Australasian Institute of Mining and Metallurgy and is a full-time employee of MoJoe Mining Pty Ltd. Mr. McDiarmid has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he has undertaken to qualify as a Competent Person, as defined in the 2012 Edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves. Mr. McDiarmid has provided written consent for the inclusion in this report of the matters based on their information in the form and context in which it appears.*

**COMPETENT PERSONS STATEMENTS (CONT'D)**

*The information in this report that relates to Ore Reserves for the Fäboliden Gold Mine is based on information compiled and reviewed by Mr. Joe McDiarmid, who is a Chartered Professional of the Australasian Institute of Mining and Metallurgy and is a full-time employee of MoJoe Mining Pty Ltd. It was previously released to the HKEx on the 23 March 2022 – Dragon Mining's Mineral Resources and Ore Reserves Updated. This document can be found at [www.hkex.com.hk](http://www.hkex.com.hk) (Stock Code: 1712). Mr. McDiarmid has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he has undertaken to qualify as a Competent Person, as defined in the 2012 Edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves. Written consent was previously provided by Mr. McDiarmid for the 23 March 2022 release.*

*Dragon Mining confirms that it is not aware of any new information or data that materially affects the Ore Reserves as reported on the 23 March 2022, and the assumptions and technical parameters underpinning the estimates in the 23 March 2022 release continue to apply and have not materially changed.*

*Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full-time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Ore Reserves dated 31 December 2021 presented in this report have not been materially modified and are consistent with the 23 March 2022 release. Mr. Neale Edwards has provided written consent approving the use of previously reported Ore Reserves in this report in the form and context in which they appear.*

*The information in this report that relates to Exploration Results was previously released to the HKEx on 6 April 2022 – Update on Exploration Activities in Southern Finland and 9 February 2023 - Jokisivu Drilling Continues to Return Encouraging Intercepts. These documents can be found at [www.hkex.com.hk](http://www.hkex.com.hk) (Stock Code: 1712). It fairly represents information and supporting documentation compiled by Mr. Neale Edwards who is a full-time employee of Dragon Mining Limited a Fellow of the Australian Institute of Geoscientists. Mr. Edwards has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Edwards has previously provided written consent for the 6 April 2022 and 9 February 2023 releases.*

*The Company confirms that it is not aware of any new information or data that materially affects the Exploration Results as reported on the 6 April 2022 and 9 February 2023, and the assumptions and technical parameters underpinning the results in the 6 April 2022 and 9 February 2023 releases continue to apply and have not materially changed.*

*Mr. Neale Edwards BSc (Hons), a Fellow of the Australian Institute of Geoscientists, who is a full-time employee of Dragon Mining and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting for Exploration Results, Mineral Resources and Ore Reserves confirms that the form and context in which the Exploration Results presented in this report have not been materially modified and are consistent with the 6 April 2022 and 9 February 2023 releases. Mr. Neale Edwards has provided written consent approving the use of previously reported Exploration Results in this report in the form and context in which they appear.*

## BUSINESS REVIEW

### Nature of Operations and Principal Activities

The Group comprises Dragon Mining Limited (“Dragon Mining” or the “Company”), the parent entity, and its subsidiaries (together referred to as the “Group”). Of these subsidiaries, the operating entities are Dragon Mining (Sweden) AB in Sweden and Dragon Mining Oy in Finland. Dragon Mining is an Australian company listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”).

The Group operates gold mines and processing facilities in Finland and Sweden. In Finland, the Vammala Production Centre (“Vammala”) consists of a conventional 300,000 tonnes per annum crushing, milling and flotation plant (“Vammala Plant”), the Jokisivu Gold Mine (“Jokisivu”), the Orivesi Gold Mine (“Orivesi”) which ceased production in June 2019, and the Kaapelinkulma Gold Mine (“Kaapelinkulma”) which ceased production in April 2021, and the Uunimäki Gold Project (“Uunimäki”). Annual production from Finland is in the range of 21,000 to 30,000 ounces of gold in concentrate depending on the grade of ore and gold concentrate feed.

In Sweden, the operation is known as the Svartliden Production Centre (“Svartliden”), consisting of a 300,000 tonnes per annum carbon-in-leach processing plant (“Svartliden Plant”) together with the closed Svartliden Gold Mine (mining completed in 2013), and the Fäboliden Gold Mine (“Fäboliden”) where a campaign of test-mining was completed in September 2020.

The principal activities of the Group during the year were:

- Gold mining, and processing ore in Finland;
- Processing gold concentrate in Sweden; and
- Exploration, evaluation, and development of gold projects in the Nordic region.

There have been no significant changes in those activities during the year.

### Health and Safety

Safety is one of the Group’s main priorities, and every effort is made to safeguard the health and wellbeing of the Group’s employees and contractors, together with the people in the communities in which the Group operates. The Group aims to go beyond what is expected to meet local health and safety legislation. This is not just because the Group cares for the people who work for it, but also because a safe business is operationally sound. The Group’s Code of Conduct clearly communicates its commitment towards protecting employee health and safety including conflict resolution and fair dealing.

## BUSINESS REVIEW (CONT'D)

### Health and Safety (Cont'd)

The Group strives to maintain its safety culture through its leadership team, which delivers a clear safety message to all employees. The Group has well documented safety procedures and visible safety boards located at its operations. Safety inductions to new employees and service agreements for suppliers of goods and services promote the Group's safety culture.

The Group maintains a significant number of health and safety measures, which are implemented upon commissioning of new equipment and monitored by way of periodic inspections. Prior to commissioning, each piece of equipment and machinery is subjected to a start-up check to ensure it meets the safety standards.

The Group reports the Lost Time Injury Frequency Rate ("LTIFR") to measure workplace safety and track the Group's implemented safety scheme. Lost Time Injuries ("LTI") are injuries that have occurred in the workplace and where an employee requires time off to recover. Calculating the frequency provides a key metric to track over time and compare against peers within the mining industry.

During the year, 3 LTI's occurred at the Group's Finnish operations. At Jokisivu, an employee transporting waste rock collided with the decline wall and injured their shin. At Vammala, a contractor slipped on an icy surface injuring their ribs and an employee injured their hand when it got caught between two iron rails. Vammala and Jokisivu recorded 68 and 60 LTI free days, respectively. In Sweden, Svartliden recorded 2,464 days LTI free and Fäboliden 1,480 days LTI free.

	2022	2021
Lost Time Injury Frequency Rate	<b>26.9</b>	9.9

The LTIFR calculation is based on the number of injuries resulting in one lost shift sustained over a specific period per 1,000,000 work hours worked by all employees including sub-contractors over that period.

The Group has not sustained any work-related fatalities at any of its operations since its incorporation.

### COVID-19 Pandemic

The majority of previously implemented COVID-19 controls remained in place at all sites during the year to protect the health and safety of its workforce, their families, local suppliers, and neighbouring communities, while ensuring a safe environment for operations to continue.

To date, COVID-19 has not significantly disrupted the Group's operations and no adjustments have been made to the Group's financial results for the year. The Group regularly updates its COVID-19 assessment in line with public health advice.

## OPERATIONS OVERVIEW

### Finland Operations

#### *Vammala Plant*

Gold production in Finland decreased by 10.2% compared to the prior year despite a 6.2% increase in ore tonnes milled. The decrease is mainly due to 14.8% lower head grade and a small decrease in process recovery. The lower head grade is partially due to changed rock mechanical conditions that delayed access to the high-grade ore stopes resulting in stockpiled ore being substituted into the mill feed. Increased ground support and revised work methods will enable the extraction of some of the high-grade ore that was quarantined. The Vammala Plant treated 324,940 tonnes of ore with an average grade of 2.3 g/t gold and achieved a process recovery of 85.9% to produce 21,030 ounces of gold in concentrate. During the year, Vammala mill feed was sourced from Jokisivu.

	<b>Vammala Production Centre</b>	
	<b>2022</b>	<b>2021</b>
Ore mined (tonnes)	<b>319,535</b>	359,945
Mined grade (g/t gold)	<b>2.6</b>	2.6
Ore milled (tonnes)	<b>324,940</b>	305,933
Head grade (g/t gold)	<b>2.3</b>	2.7
Process recovery (%)	<b>85.9%</b>	86.6%
Gold production (oz)	<b>21,030</b>	23,411

#### *Jokisivu Gold Mine*

Production tonnes from Jokisivu were sourced from the Main Zone of the Kujankallio deposit and from the Arpola deposit. Total ore mined from Jokisivu was 319,535 tonnes at 2.6 g/t gold; 180,084 tonnes of ore came from ore stopes (2021: 136,279 tonnes) and the remaining 139,451 tonnes of ore came from ore development (2021: 200,871 tonnes).

	<b>Jokisivu Gold Mine</b>	
	<b>2022</b>	<b>2021</b>
Ore mined (tonnes)	<b>319,535</b>	337,150
Mined grade (g/t gold)	<b>2.6</b>	2.5

During the year, mining at Jokisivu focused on developing the Arpola and Kujankallio deposits simultaneously. Development of the Jokisivu decline progressed 385 metres from the 588m level to the 639m level.

## OPERATIONS OVERVIEW (CONT'D)

### Finland Operations (Cont'd)

#### *Kaapelinkulma Gold Mine*

Mining activities ceased in April 2021, and all stripping costs incurred during the development phase as part of the depreciable cost of building, developing, and constructing the mine have been fully amortised.

The Group is exploring the possibility of utilising waste rock outside the mine area as an aggregate.

The Group maintains valid exploration tenure at Kaapelinkulma with exploration and evaluation activities in the area resuming during the latter part of the year, with the completion of a 20 hole diamond core drilling campaign targeting the near surface, northerly extensions of the northern gold occurrence at Kaapelinkulma. Further details are provided later in the Exploration Review on page 27.

If exploration results are unsuccessful, rehabilitation works are expected to commence in 2024.

#### *Orivesi Gold Mine*

Mining activities at Orivesi ceased in June 2019. The Company is awaiting approval of its Orivesi Closure Plan before it can commence rehabilitation work. Further details are provided later in the Environmental Review on page 32.

The Group maintains valid exploration tenure at Orivesi with exploration and evaluation activities in the area are continuing.

#### *Uunimäki Gold Project*

The Uunimäki Gold Project ("Uunimäki") is located 80 kilometres southwest of Tampere in the Satakunta region in southern Finland. The Uunimäki gold occurrence was discovered by the Geological Survey of Finland ("GTK") during 2008. It represents an advanced gold opportunity within trucking distance to the Company's Vammala Plant.

The Company made an application for the area in 2020 and was advised by the Finnish Safety and Chemicals Agency ("Tukes") that the Uunimäki Exploration Licence was granted on the 11 January 2022. The Tukes decision was subsequently appealed, and the appeal process is ongoing.

### Sweden Operations

#### *Svartliden Production Centre*

Svartliden is located in northern Sweden, approximately 750 kilometres by road north of Stockholm. It was established as part of an integrated operation comprising the Svartliden Plant and the Svartliden open-pit and underground gold mining operation ("Svartliden Gold Mine"). Brought into production in March 2005, Svartliden produced a total of 399,676 ounces of gold from the Svartliden Gold Mine, external concentrates up to the end of 2016, and ore from the test-mining campaign at Fäboliden.

**OPERATIONS OVERVIEW (CONT'D)****Sweden Operations (Cont'd)***Svartliden Plant*

During the year, most of the Vammala flotation concentrate was processed at the Svartliden Plant, which has continued to operate at below break-even to ensure the retention of staff and operational facilities in readiness for the resumption of ore processing when full-scale mining at Fäboliden is achieved.

	<b>Svartliden Plant</b>	
	<b>2022</b>	2021
Ore milled (tonnes)	–	26,264
Head grade (g/t gold)	–	1.9
Ore process recovery (%)	–	80.8%
Gold production from ore (oz)	–	1,260
Vammala flotation concentrate milled (tonnes)	<b>4,771</b>	4,642
Concentrate process recovery (%)	<b>87.2%</b>	94.4%
Head grade (g/t gold)	<b>134.3</b>	125.9
Gold production from concentrate (oz)	<b>17,962</b>	17,732

*Fäboliden Gold Mine*

Fäboliden is located in northern Sweden, approximately 30 kilometres southeast of the Svartliden Plant. The Company conducted test-mining activities at Fäboliden from May to September 2019 and June to September 2020. During October and November 2021, a further 26,264 tonnes of low-grade stockpiled material remaining on the surface from test-mining, was transported to Svartliden.

Overburden and pre-stripping costs incurred during the development phase of the test mine have been capitalised as part of the depreciable cost of building, developing, and constructing the mine. These capitalised costs will be depreciated over the life of the mine based on units of production. All capitalised costs that related only to test-mining have been fully written off.

The main hearing for the Fäboliden Environmental Permit was held in the Swedish Land and Environmental Court (the “LEC”) during April 2022. On 28 June 2022, the LEC rejected the Company’s application for an Environmental Permit to commence full-scale mining at Fäboliden (“Ruling”) as a whole, notwithstanding that the Environmental Impact Assessment (“EIA”) was approved. The Ruling does not affect the standing of the mining concession which remains valid and in place.

On 19 July 2022, the Company lodged an initial appeal to the Environment Court of Appeal (the “COA”) requesting an extension of time until 15 December 2022 to submit the full and detailed grounds of appeal on the Ruling. On 1 August 2022, the COA granted the Company’s extension request. On 15 December 2022, the Company submitted the full and detailed grounds of appeal to the COA. On 14 March 2023, the COA issued its decision, not granting the application for leave of appeal for Fäboliden. Refer to Significant Events After Balance Date for further details.

## OPERATIONS OVERVIEW (CONT'D)

### Employees

The total number of employees and contractors of the Group as at 31 December 2022 was 66 (2021: 69). Total staff costs including Directors' emoluments amounted to AU\$8.6 million (2021: AU\$8.4 million). The Group periodically reviews remuneration packages. The Directors' service fees were reviewed and approved by the Remuneration Committee on 22 November 2022. The remuneration packages for our employees generally include a basic salary component and a productive incentive payment. We determine employee remuneration based on factors such as qualifications and years of experience, whilst the amount of annual incentive payment will be assessed and determined by the Remuneration Committee and the Board against the key performance indicators achieved. We also provide our employees with welfare benefits, including pension and healthcare benefits, as well as other miscellaneous items. We provide training to our employees to improve the skills and professional knowledge they need for our operations and their personal development, including an initial training induction on work safety and environmental protection upon entering the Group, and prior to each exploration or operational activity.

### Environment, and Social and Governance

Dragon Mining has a robust, comprehensive system of governance. The Company views this as essential to the ongoing operation of the Company, and to balancing the interests of the Company's various stakeholders, including shareholders, customers, suppliers, Governments, and the various communities in which the Company operates.

The Group's performance is reported annually and reviewed by the Audit and Risk Management Committee and the Board. Details are outlined in the "Risk Management and Internal Control" section in the Corporate Governance Report included in the Company's published 2022 Annual Report.

The Board retains overall responsibility for the Group's ESG management and is committed to operating in a manner that contributes to the sustainable development of mineral resources through efficient, balanced, long-term management, while showing due consideration for the well-being of people; protection of the environment; and development of the local and national economies in the countries in which the Group operates.

The Group recognises its responsibility for minimising the impact of its activities on, and protecting, the environment. The Group is committed to developing and implementing sound practices in environmental design and management and actively operates to:

- work within the legal permitting framework and operate in accordance with our environmental management systems;
- identify, monitor, measure, evaluate and minimise our impact on the surrounding environment;

## OPERATIONS OVERVIEW (CONT'D)

### Environment, and Social and Governance (Cont'd)

- give environmental aspects due consideration in all phases of the Groups mining projects, from exploration through to development, operation, production, and final closure; and
- act systematically to improve the planning, execution, and monitoring, of its environmental performance.

Refer to the Environmental Review on pages 32 to 39 for discussion on the Group's compliance with relevant laws and regulation that have a significant impact on the Group.

The Company's 2022 ESG Report is available on the Company's website at [www.dragonmining.com](http://www.dragonmining.com) and [www.irasia.com/listco/hk/dragonmining/index.htm](http://www.irasia.com/listco/hk/dragonmining/index.htm) under section "Investor" and "ESG Reports" respectively.

### Operational Risks

The Group faces operational risks on a continuing basis. The Company has adopted policies and procedures designed to manage and mitigate those risks wherever possible. However, it is not possible to avoid or even manage all possible risks. Some of the operational risks are outlined below but the total risk profile, both known and unknown, is more extensive.

#### *Safety*

LTI, serious workplace accidents or significant equipment failures may lead to harm to the Company's employees or other persons; temporary stoppage or closure of an operating mine; delays to production schedules and disruption to operations; with material adverse impact on the business.

The Company continues to work closely with all stakeholders to promote continuous safety improvements and Occupational Health and Safety ("OH&S"), with due consideration to evolving scientific knowledge and technology, management practices and community expectations. The Group ensures it maintains compliance with the applicable laws, regulations, and standards of the countries, it operates in by:

- (i) improving and monitoring OH&S performance;
- (ii) training and ensuring its employees and contractors understand their obligations and are held accountable for their responsibilities;
- (iii) communicating and openly consulting with employees, contractors, government, and the community on OH&S issues; and
- (iv) developing risk management systems to appropriately identify, assess, monitor, and control hazards in the workplace.

## OPERATIONS OVERVIEW (CONT'D)

### Operational Risks (Cont'd)

#### *Production*

All of the Group's ore production for the year came from Jokisivu. Further delays in the Company's application for an Environmental Permit to commence full scale mining activities at Fäboliden may adversely impact the Company's full year results for 2023.

The process recovery rate and production costs are dependent on many technical assumptions and factors, including the geological, physical, and metallurgical characteristics of ores. Any change in these assumptions and factors may have an adverse effect on the Group's production volume or profitability. Actual production may vary from expectation for a variety of reasons, including grade and tonnage. Plant breakdown or availability and throughput restraints may also affect the operation.

#### *Permitting*

The Group may encounter difficulties in obtaining all permits necessary for its exploration, evaluation, and production activities at its existing operations or for pre-production assets. It may also be subject to ongoing obligations to comply with permit requirements, which can incur additional time and costs.

As previously announced, the LEC rejected Dragon Mining's application for an Environmental Permit to commence full-scale mining at Fäboliden ("Ruling").

On 19 July 2022, the Company lodged an initial appeal to the COA request an extension of time until 15 December 2022 to submit the full and detailed grounds of appeal on the Ruling. On 1 August 2022, the COA granted the Company's extension request. On 15 December 2022, the Company submitted the full and detailed grounds of appeal to the COA. On 14 March 2023, the COA issued its decision, not granting the application for leave of appeal for Fäboliden. Refer to Significant Events After Balance Date for further details.

If the Company faces significant delay in the ongoing appeal process and in obtaining environmental approval for full-scale mining, it could materially and adversely affect the Company's profitability. Such delays would likely require the Company to re-evaluate the continued operation of Svartliden.

The Environmental Review on pages 32 to 39 provides updates on rehabilitation and the status of permitting at the Group's Finnish and Swedish operations.

#### *Social and Political*

The Group has faced, and may continue to face, activist opposition from groups or individuals opposed to mining generally, or to specific projects, resulting in delays or increased costs. Such opposition may also have adverse effects on the political climate generally.

The Group is exposed to other risks which include, but are not limited to, cyber-attack, and natural disasters, that could have varying degrees of impact on the Group and its operating activities. Where available and appropriate to do so, the Board will seek to minimise exposure using insurance, while actively monitoring the Group's ongoing exposure. In addition, the Group's awareness of the risks from political and economic instability have been heightened by recent geo-political developments in Ukraine, which have contributed to an increase in the costs of some key inputs.

## FINANCIAL REVIEW

The Group's operations for the year ended 31 December 2022 returned a profit before tax of AU\$4.7 million (2021: profit before tax AU\$4.0 million) and a net profit after tax of AU\$2.5 million (2021: net profit after tax AU\$0.3 million).

Such net profit includes a reduction in income tax expense in Finland and a reduction in Orivesi rehabilitation costs. Movements in the Orivesi rehabilitation provision are recognised directly in the consolidated statement of profit or loss due to the cessation of mining at Orivesi in 2019. The Group's operations in Sweden continued to be carried at below break-even to maintain operational readiness for the anticipated commencement of full-scale mining activities at Fäboliden upon approval of the Company's Environmental Permit application.

### Revenue from Customers

The Group sold 20,296 ounces of gold (2021: 20,711 ounces of gold), which delivered a 5.0% increase in revenue from customers of AU\$52.5 million (2021: AU\$50.0 million). The Group sold gold at an average spot price of US\$1,802 per ounce (2021: US\$1,800 per ounce).

### Cost of Sales

Cost of sales for the year were AU\$45.2 million representing a 13.7% increase compared to the previous year (2021: AU\$39.7 million). Cost of sales includes mining, processing, other production activities, changes in inventory, and depreciation as follows:

	2022	2021	% change
Total gold sold (oz)	<b>20,296</b>	20,711	(2.0%)
Total gold produced (oz)	<b>21,030</b>	25,694	(18.2%)
<b>Cost of sales</b>	<b>2022</b>	2021	% change
	<b>AU\$'000</b>	AU\$'000	
a) Mining	<b>22,228</b>	22,252	(0.1%)
b) Processing costs	<b>15,916</b>	15,242	4.4%
Other production costs	<b>807</b>	1,007	(19.9%)
c) Gold inventory movements	<b>(578)</b>	(4,081)	(85.8%)
d) Depreciation	<b>6,800</b>	5,301	28.3%
<b>Total cost of sales</b>	<b>45,173</b>	39,721	13.7%

## FINANCIAL REVIEW (CONT'D)

### Cost of Sales (Cont'd)

- a) Mining costs remained steady against the previous year despite total ore tonnes mined decreasing by 11.2%. Ore was mined from Jokisivu with the Group's Finnish operations mining 319,535 ore tonnes (2021: 359,945 ore tonnes including ore from Kaapelinkulma) at an average cost of AU\$68.96 per ore tonne mined (2021: AU\$60.87 per ore tonne mined) representing an increase of 13.3% per ore tonne mined.
- b) Group processing costs increased by 4.4% which includes both Vammala and Svartliden. Vammala processing costs were AU\$8.4 million (2021: AU\$7.3 million) representing an increase of 14.2%. Vammala processed 324,940 ore tonnes (2021: 305,933 ore tonnes) representing an increase of 6.2%. The Vammala processing unit costs were AU\$25.74 per ore tonnes milled (2021: AU\$23.94 per ore tonne milled), an increase of 7.5%. Svartliden processed 4,771 tonnes of concentrate from Vammala (2021: 4,642 tonnes), an increase of 2.8%.
- c) When inventories are sold the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. During the year, the net inventory movement resulted in costs of AU\$0.6 million being transferred from the consolidated statement of profit or loss to inventory (2021: AU\$4.1 million transferred to inventory). Fluctuations in inventory levels and value are a normal part of the Group's business operations which stem from the timing of gold pours, shipments, grade, and ore source impacting leaching and residence times, and inventory valuations.
- d) Depreciation is incurred on a unit of production basis and is aligned to mined or milled tonnes over Ore Reserves, dependent on the class of asset.

### Gross Profit

The 5.0% increase in revenue from customers compared to the 13.7% increase in cost of sales delivered a 28.6% decrease in gross profit for the year of AU\$7.3 million (2021: AU\$10.3 million) and gross profit ratio of 14.0% (2021: 20.6%).

### Management and Administration and Other Expenses

Other expenses include the cost of evaluation assets written off as part of the Group's regular review of capitalised exploration and evaluation costs.

During the year, the Group spent €0.4 million of the additional €1.5 million (approximately AU\$2.4 million) previously recognised for the removal of litter stored between the 66m and 85m underground levels at Orivesi. The additional cost represents 50% of the total cost agreed with Outokumpu. The bulk material was deposited before the Company purchased the mine in 2003 and recommenced mining in 2007. Despite this, other changes in the Orivesi rehabilitation provision resulted in a net decrease. Movements in the Orivesi rehabilitation provision are recognised in Other Expenses directly in profit or loss.

## FINANCIAL REVIEW (CONT'D)

### Working Capital, Liquidity and Gearing Ratio

At 31 December 2022, the Group had net assets of AU\$60.6 million (2021: AU\$60.0 million); a working capital surplus of AU\$27.6 million (2021: surplus AU\$29.1 million); and a closing market capitalisation of AU\$24.6 million or HK\$129.7 million (2021: AU\$49.0 million or HK\$277.0 million). A market capitalisation deficiency compared to net assets is an indication of possible impairment. At the end of each period, the Group performs impairment testing which did not result in any asset impairment write downs for the year.

As at 31 December 2022, the Group had AU\$17.7 million in cash and cash equivalents (2021: AU\$14.4 million), including AU\$7.5 million restricted use net proceeds from the Company's Placement of Shares completed in January 2021. During the year, the Group has funded its activities with positive cash inflows from its Finnish operations.

As at 31 December 2022, the Company's gearing ratio was 2.4% (2021: 3.4%), calculated by dividing total borrowings by total equity.

### Interest Bearing Liabilities – AU\$12 million Unsecured Loan Facility with AP Finance Limited

The Company has an unsecured AU\$12.0 million Loan Facility with AP Finance Limited ("Loan Facility"). On 13 December 2022, the Company extended the Loan Facility availability period from 31 December 2023 to 30 June 2024. All other terms and conditions remain unchanged. The Company has not made any drawdowns since balance date. Refer to significant events after year end for changes to the Loan Facility up to the date of this Annual Report.

### Use of Net Proceeds from the Company's Placement

The net proceeds from the Placement in January 2021, were HK\$39.6 million (approximately AU\$7.5 million at that time), the entire amount will be used to contribute in part, to the funding of the various environmental bonds relating to the Company's operations in Finland and Sweden. The net placing price, after deducting such fees, costs, and expenses, is approximately HK\$1.99 per share (approximately AU\$0.33 per share at that time) under the Placement.

Purpose	Proposed use of proceeds HK\$ Million	Purpose of proceeds expressed as % of net proceeds %	Actual amount utilised from 22 Jan 2021 to 31 Dec 2021 HK\$ Million	Unutilised as at 31 Dec 2022 HK\$ Million	Revised expected timeline for the unutilised amount
Fund environmental bond obligations	\$39.6	100%	–	\$39.6	To be utilised by 31 December 2023

The Company operates a number of assets in both Finland and Sweden each with its own requirement for environmental bonds. As at 31 December 2022, 100% of the net proceeds remain available to fund the Group's environmental bond obligations for its operations in Finland and Sweden.

## FINANCIAL REVIEW (CONT'D)

### Use of Net Proceeds from the Company's Placement (Cont'd)

The net proceeds were initially expected to be used within 12-months from the Placement completion date. The reason for revising the expected timeline for the unutilised amount is that the Company has appealed each of the bonding requirements for the reduction of the quantum of the environmental bonds, while certain third parties have also appealed some of the bonding requirements but arguing the quantum should be increased instead. As at 31 December 2022, the various appeal proceedings were on-going and therefore the net proceeds were not yet utilised to fund the Group's environmental bond obligations.

The revised expected timeline for the unutilised amount is subject to the actual time taken for the appeals to be processed, as well as the final adjudication by the courts on the deadline for the Group to settle the payment for the environmental bonds. To the best estimates of the Company, based on its experience with the time to process appeals in the environmental courts in Finland and Sweden, the Company expects the majority of the appeals would have proceeded by the end of 2023. Based on the above and subject to any subsequent further appeals to be made by the Company and/or third parties, it is anticipated that the net proceeds of HK\$39.6 million (approximately AU\$7.5 million) will be utilised by 31 December 2023.

On receipt of confirmation from the relevant environmental courts in Finland and Sweden, the Company will update its shareholders as and when appropriate if there are material developments on the usage of the proceeds of the Placement.

### Financial Risks

The following is a summary of the Company's financial risk management policies, the full details of which are provided in note 24 of the consolidated financial statements. Details of the Company's Financial Risk exposures are provided as follows:

#### *Foreign Exchange*

The Company sells its bullion and gold concentrate in USD. Most of its costs are denominated in SEK and EUR, while the Company's presentation currency is AUD.

The Company may use foreign exchange forwards from time to time to reduce exposure to unpredictable fluctuations in the foreign exchange rates if considered suitable by the Directors. No hedging of foreign exchange exposure was used during the year.

#### *Commodity Price*

The Company is exposed to movements in the gold price. The Company may use a variety of financial instruments (such as gold forwards and gold call options) from time to time to reduce exposure to unpredictable fluctuations in the project life revenue streams if considered suitable by the Directors. At present the Company has no plans to hedge commodity price risk.

## FINANCIAL REVIEW (CONT'D)

### Financial Risks (Cont'd)

#### *Liquidity*

The Company is exposed to liquidity risk through its financial liabilities and its obligations to make payment on its financial liabilities as and when they fall due. The Company maintains a balance in its approach to funding using debt and or equity raisings.

#### *Credit*

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The Company's maximum exposures to credit risk at reporting date in relation to each class of financial asset is the carrying amount of those assets as indicated in the consolidated statement of financial position.

Credit risk is managed on a group basis and predominantly arises from cash and cash equivalents deposited with banks and financial institutions, trade and other receivables, environmental and other bonds. While the Company has policies in place to ensure that sales are made to customers with an appropriate credit history, the Company is exposed to a concentration of credit risk in relation to its gold concentrate sales to a nearby smelter in Finland.

#### *Interest Rate*

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Cash flow interest rate risk is the risk that the future cash flow from a financial instrument will fluctuate because of changes in market interest rates. The Company's policy is to manage its exposure to interest rate risk by holding cash in short term, fixed and variable rate deposits with reputable high credit quality financial institutions. The Company constantly analyses its interest rate exposure. Consideration is given to potential renewals of existing positions, alternative financing and or the mix of fixed and variable interest rates.

#### *Costs*

Fuel, power, labour and all other costs can vary from existing rates and assumptions.

### Charges on Company Assets

Other than the right-of-use assets which are subject to lease, there were no charges on the Company's assets as at 31 December 2022 and 31 December 2021.

### Contingent Liabilities

As at 31 December 2022, the Group has disclosed its contingent liabilities at note 22 of the consolidated financial statements.

## FINANCIAL REVIEW (CONT'D)

### Company Strategy and Future Developments

The Company is principally engaged in gold exploration, mining, and processing in the Nordic region. The Company's objective is to focus on the development of existing and new mining assets in reasonable proximity to our process plants in Vammala, Finland and Svartliden, Sweden. The Company operates with a long-term business strategy to operate responsibly considering the interests of all stakeholders including its staff, contractors, and the public including civic groups, together with the environment and the general amenity of its areas of operation. It aims to produce positive financial outcomes through (i) the economic operations of its operating mines and process plants; (ii) development of new projects consistent with the Company's objective, such as the Group's newest operations at Fäboliden; and (iii) attention to the Company's corporate governance and social responsibilities, including a focus on ongoing safety and environmental compliance, and ongoing positive interaction with the communities within which it operates.

On 19 July 2022, the Company lodged its initial appeal to the COA requesting an extension of time until 15 December 2022 to submit the full and detailed grounds of appeal on the LEC Ruling. On 15 December 2022, the Company submitted the full and detailed grounds of appeal to the COA. On 14 March 2023, the COA issued its decision, not granting the application for leave of appeal for Fäboliden. The Company intends to continue with the options available to it. Refer to Significant Events After Balance Date for further details.

At Orivesi, the Company expects to complete the clean-up activities with Outokumpu during 2023.

During the year, the Company repurchased 47,000 shares of the Company (the "Shares") pursuant to the Buy-back Mandate granted by shareholders of the Company at the annual general meeting held 23 May 2022 ("AGM"), to buy-back the Shares in the open market at approximate timing (the "Proposed Share Buy-back"). Pursuant to the Buy-back Mandate, the Company is allowed to buy back up to 15,817,361 Shares, being 10% of the total number of issued Shares as at the date of the AGM. The Company will carry out the Proposed Share Buy-back in compliance with the constitution of the Company, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Codes on Takeovers and Mergers and Share Buy-backs, the Corporations Act 2001 (Cth) in Australia and all other applicable laws and regulations to which the Company is subject to.

### Closure of Register of Members

For determining the entitlement to attend and vote at the AGM to be held on 22 May 2023, the registers of members of the Company will be closed from Wednesday, 17 May 2023 to Monday, 22 May 2023, both days inclusive, during which period no transfer of shares will be registered. To be eligible to attend and vote at the AGM, all duly completed and signed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 16 May 2023 (Hong Kong time).

## FINANCIAL REVIEW (CONT'D)

### Significant Investments Held, Material Acquisitions and Disposal of Subsidiaries, Associates or Joint Ventures and Future Plans for Material Investments or Capital Assets

Other than those disclosed in these consolidated financial statements, there were no other significant investments held, nor were there material acquisitions or disposals of subsidiaries, associates, or joint ventures during the year. Apart from those disclosed in these consolidated financial statements, there was no plan authorised by the Board for other material investments or additions of capital assets at the date of these consolidated financial statements.

### Purchase, Sale or Redemption of the Company's Listed Securities

During the year ended 31 December 2022, the Company repurchased a total of 47,000 shares of the Company on the Stock Exchange at an aggregate consideration (before expenses) of HK\$37,520 (approximately AU\$7,195). At 31 December 2022, 2,000 of the repurchased shares were cancelled. The remaining 45,000 repurchased shares were cancelled after year end. Having considered the present share price and the available financial resources of the Company, the Directors are of the view that the share buy-back and the subsequent cancellation of the bought-back shares should enhance the value of the shares and are in the interests of the Company and the shareholders as a whole.

Month	Number of Shares repurchased	Purchase price per Share		Aggregate consideration (before expenses) (HK\$)
		Highest (HK\$)	Lowest (HK\$)	
December	47,000	0.82	0.75	37,520
Total	47,000			37,520

### Significant Events after Year End

On 9 March 2023, the Company increased its unsecured AU\$12.0 million loan facility with AP Finance Limited ("Loan Facility") by AU\$15.0 million taking the available funding under the Loan Facility to AU\$27.0 million. The Loan Facility was increased to assist the Group with the expected payment of various rehabilitation bonds, the exact timing of which are unknown at the date of these consolidated financial statements, at the Groups operations in Finland and Sweden.

On 14 March 2023, the Swedish Land and Environmental Court of Appeal ("Court of Appeal") issued its decision, not granting the Company's application for a leave of appeal against the Land and Environmental Court's decision to deny the Company an Environmental Permit to commence full scale mining at Fäboliden. The decision does not state the reason of the Court of Appeal's rejection of the Company's application for leave of appeal.

## FINANCIAL REVIEW (CONT'D)

### Significant Events after Year End (Cont'd)

Dragon Mining will now appeal this judgment to the Swedish Supreme Court based on the following advice from its Swedish environmental lawyers:

1. The arguments remain as to the reason for a leave of appeal. In short, that there are reasons for another court to reconsider the facts of the case (a permit for a larger operation was issued previously), that the Ruling as to the questions of protected species shows that the legislation is not clear, that the scope of the Ruling can be questioned (the question of impact on reindeer has been decided upon in the mineral concession).
2. The above is supported by case law: in a ruling from the Swedish Supreme Court it is stated that the standard for granting a leave of appeal is set lower at the Land and Environmental Court of Appeal and that the granting of leave of appeals should be more often issued in environmental cases due to the most often complex matter of law and science.

The process is estimated to take between 6 and 8 months.

## ADVANCED PROJECTS AND EXPLORATION REVIEW

Dragon Mining is an established gold producer that holds a portfolio of prospective projects in Sweden and Finland. Since first entering the Nordic Region in 2000, the Company has successfully brought into operation a series of open-cut and underground gold mines that have produced over 800,000 ounces of gold over the past seventeen years. This has been achieved through the Company's ongoing commitment to actively explore its project holding to preserve and grow the Company's production profile.



## ADVANCED PROJECTS AND EXPLORATION REVIEW (CONT'D)

During 2022, the Company continued to advance exploration activities principally on two projects with drilling campaigns completed at the Jokisivu Gold Mine (“Jokisivu”) and the Kaapelinkulma Gold Mine (“Kaapelinkulma”).

In Finland, 63 diamond core drill holes were completed during the year totalling 9,312 metres (2021 – 69 diamond core holes for 10,075 metres).

In addition to drilling, the Company also received final results for drilling campaigns completed in late 2021 at Jokisivu, the results of an integrated review and targeting exercise of available geophysical datasets that cover the Fäboliden Gold Mine (“Fäboliden”) project area and the results of an archaeological survey over the Uunimäki Gold Project (“Uunimäki”).

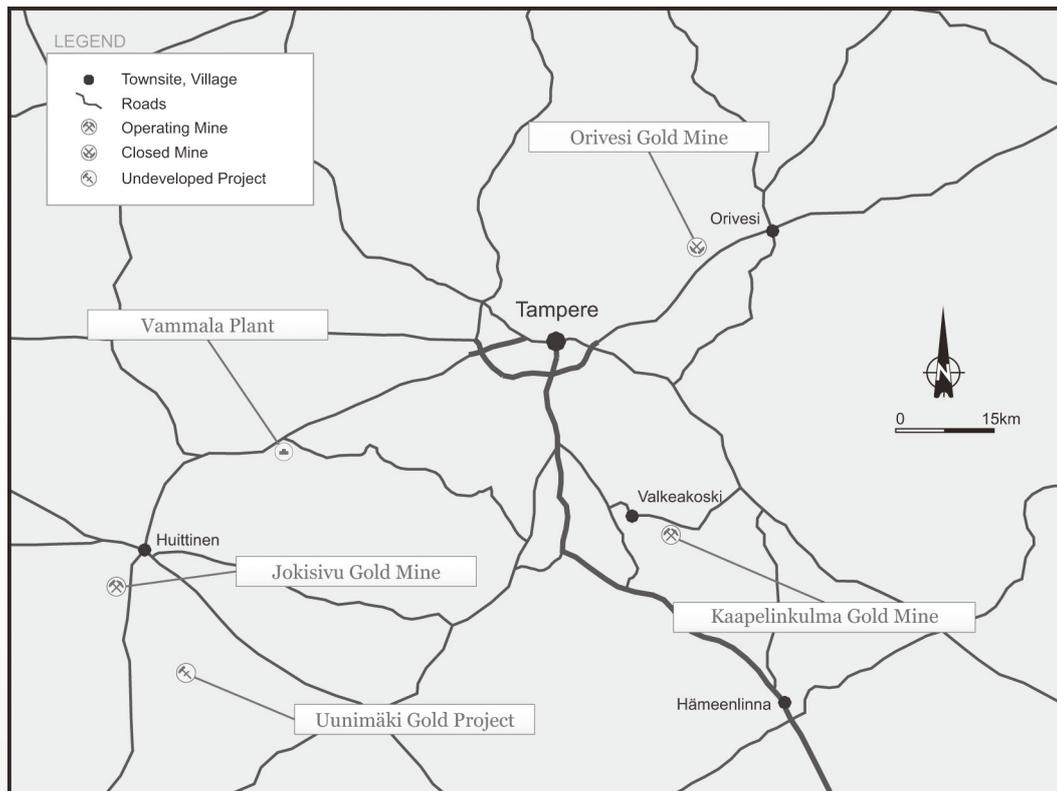
The information in this review that relates to exploration activities has been taken from announcements previously released to the Stock Exchange of Hong Kong Limited (“HKEx”) on:

- 6 April 2022 – Update on Exploration Activities in Southern Finland.
- 9 February 2023 – Jokisivu Drilling Continues to Return Encouraging Intercepts.

These releases can be found at [www.hkexnews.hk](http://www.hkexnews.hk) (Stock Code: 1712) and [www.dragonmining.com](http://www.dragonmining.com).

### Exploration Finland

In southern Finland, approximately 165 kilometres northwest of the Finnish capital Helsinki, the Company holds a series of projects that encompass a total area of 6,390 hectares that collectively form the Vammala Production Centre (“VPC”). The VPC includes the centrally located Vammala Plant, a 300,000 tonnes per annum conventional crushing, milling and flotation facility, the operational Jokisivu gold mine, Kaapelinkulma where mining ceased in April 2021, Orivesi where mining ceased in 2019 and Uunimäki.



**Vammala Production Centre**

**ADVANCED PROJECTS AND EXPLORATION REVIEW (CONT'D)****Exploration Finland (Cont'd)***Jokisivu Gold Mine*

At Jokisivu, 43 underground diamond core drill holes were completed during 2022 for an advance of 7,658 metres (2021 – 56 holes, 9,396 metres). Drilling was primarily directed at the Arpola area targeting the:

- depth extensions of the Arpola Footwall, Main and Hanging Wall Zones between the 400m and 450m levels ("Campaign 1" – 4 holes, 793.50 metres);
- Osmo Zone between the 250m and 300m levels ("Campaign 2" – 6 holes, 1,015.90 metres);
- Arpola Footwall Zone between the 250m and 300m levels ("Campaign 3" – 18 holes, 3,210.35 metres);
- Arpola Flying Squirrel Zone between the 230m and 300m levels ("Campaign 4" – 6 holes, 1,184.60 metres);
- Arpola Main Zone between the 250m and 330m levels ("Campaign 5" – 3 holes, 519.50 metres);
- Arpola Flying Squirrel Zone between the 230m and 300m levels ("Campaign 6" – 3 holes, 508.25 metres);
- Arpola Main Zone between the 380m and 420m levels ("Campaign 7" – 1 hole, 157.90 metres); and
- Arpola Hanging Wall Zone between the 380m and 420m levels ("Campaign 8" – 2 holes, 268.40 metres).

Final results have been received for 34 of the 43 holes drilled by the end of 2022, returning a series of significant intercepts above 1 g/t gold. Better intercepts received include 2.05 metres @ 19.47 g/t gold from Campaign 1; 21.45 metres @ 4.11 g/t gold, 19.70 metres @ 4.17 g/t gold and 8.00 metres @ 6.34 g/t gold from Campaign 2; 2.60 metres @ 57.31 g/t gold, 4.40 metres @ 7.88 g/t gold, 9.00 metres @ 3.37 g/t gold, 2.60 metres @ 23.11 g/t gold, 2.80 metres @ 20.21 g/t gold, 5.10 metres @ 9.57 g/t gold, 6.00 metres @ 6.98 g/t gold, 5.00 metres @ 6.05 g/t gold from Campaign 3; and 1.00 metre @ 24.7 g/t gold and 0.50 metres @ 69.7 g/t gold from Campaign 4. Results for Campaigns 5 to 8 were still pending at the end of 2022.

**ADVANCED PROJECTS AND EXPLORATION REVIEW (CONT'D)****Exploration Finland (Cont'd)***Jokisivu Gold Mine (Cont'd)*

During 2022, the Company reported results for the final two diamond core drilling campaigns that were completed at Jokisivu in 2021. Results reported were for a 7 hole, 1,185.00 metre campaign that was directed at the Kujankallio Main Zone from the 560m level ("2021 Campaign 5") and a 9 hole, 2,151.80 metre campaign that targeted the Arpola area between the 300m and 350m levels from drill stations located on the 350m level ("2021 Campaign 6"). These campaigns each returned a number of significant intercepts above 1 g/t gold, including 5.25 metres @ 7.71 g/t gold, 10.50 metres @ 5.04 g/t gold, 3.00 metres @ 9.00 g/t gold, and 1.20 metres @ 26.35 g/t gold from 2021 Campaign 5. 2021 Campaign 6 returned 0.75 metres @ 113.00 g/t gold, 3.90 metres @ 6.64 g/t gold, 13.70 metres @ 6.76 g/t gold and 2.00 metres @ 37.75 g/t gold.

All results received throughout 2022 aligned well with expectations, further defining the extent and geometry of the targeted mineralised zones in readiness for Mineral Resource and Ore Reserve updates.

Drilling has now recommenced at Jokisivu on the first of a series of campaigns for 2023. The initial campaigns will be directed at the Arpola area.

*Kaapelinkulma Gold Mine*

Drilling at Kaapelinkulma resumed during the latter part of the year, with the completion of a 20 hole diamond core drilling campaign targeting the near surface, northerly extensions of the northern gold occurrence at Kaapelinkulma.

Results have been received from seven holes to date.

*Orivesi Gold Mine*

On 4 March 2022 the Company lodged an application for a new Exploration Licence in the Orivesi area. The application covers an area of 130.94 hectares and encompasses a series of coincident geophysical anomalies in close proximity of the Koukkujärvi copper-zinc mineral occurrence, approximately 4.5 kilometres east of the Orivesi Gold Mine.

**ADVANCED PROJECTS AND EXPLORATION REVIEW (CONT'D)**

**Exploration Finland (Cont'd)**

*Uunimäki Gold Project*

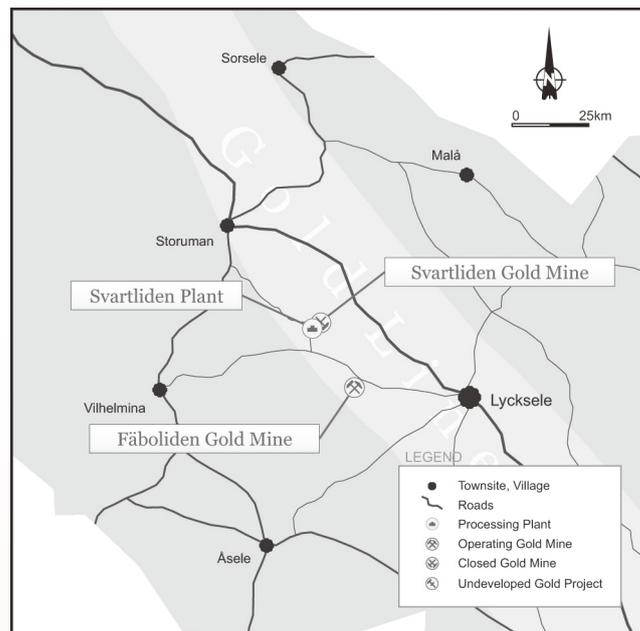
The Company applied for a new Exploration Licence covering 89.22 hectares and encompassing the Uunimäki gold occurrence in southern Finland during 2020. The Company was advised by the Finnish Safety and Chemicals Agency (“Tukes”) that the Exploration Licence had been granted on the 11 January 2022 and is now subject to an appeal against Tukes decision to grant.

As part of the granting process, the Company arranged for an archaeological survey to be undertaken over the Exploration Licence area. The archaeological survey report was received at the end of 2022 advising that two different kinds of structures were identified in the survey area, but in areas some distance away from the Company’s immediate interest.

Uunimäki represents an advanced gold opportunity that has previously been subjected to diamond core drilling (36 holes, 3,424 metres) and other exploratory activities including ground geophysical surveys and geochemical till surveys by the Geological Survey of Finland. Upon the Exploration Licence becoming legally valid, the Company will look to determine if the identified zones of higher-grade gold mineralisation within the Uunimäki mineralised system occurs at tonnage levels that could potentially be amenable to mining, and processing at the Company’s Vammala Plant.

**Exploration Sweden**

In northern Sweden, the Company holds 2,818.46 hectares of tenure that collectively is known as the Svartliden Production Centre (“SPC”). Located 750 kilometres north of Stockholm, the SPC includes the Svartliden Plant, a 300,000 tonne per annum conventional comminution and carbon in leach (“CIL”) plant, the Fäboliden Gold Mine (“Fäboliden”) and the closed Svartliden Gold Mine (“Svartliden”).



**Svartliden Production Centre**

## ADVANCED PROJECTS AND EXPLORATION REVIEW (CONT'D)

### Exploration Sweden (Cont'd)

#### *Fäboliden Gold Mine*

Independent consultants Resource Potentials Pty. Ltd. ("ResPot") in Western Australia completed an integrated review and targeting exercise of available historical geophysical datasets that cover the Fäboliden project area. This exercise represented the first of this nature to be undertaken incorporating data from detailed airborne magnetic, radiometric and frequency-domain electromagnetics surveys and IP and Slingram ground surveys over Fäboliden.

The study identified a series of targets that remain untested or under tested, prioritising these on a scale from 1 to 3. Priority 1 and 2 targets were identified where magnetic and conductive pyrrhotite mineralisation in flexure zones generated from dextral shearing occur and that have coincident anomalous geochemical results. Targets classified as Priority 3 did not meet all the criteria.

As a result of the study, the Company made application for a 959 hectare Exploration Permit in the Fäboliden area adjoining the Company's existing holding and encompassing portions of the targets identified in the study. The Company will look to advance exploration in these areas in the coming years.

#### *Svartliden Gold Mine*

The Company lodged application for a new Exploration Permit in the Svartliden area during the year. Encompassing areas previously held by the Company, the 813 hectare application secures identified targets and prospective geology as application activity by competitor companies has recently increased in the area.

## ENVIRONMENTAL REVIEW

The Company is very clear on the need to earn the respect and support of the community by operating in a socially responsible manner, and by demonstrating a tangible commitment to environmental sustainability.

The Company's operations are subject to environmental regulations under statutory legislation in relation to its exploration and mining activities. The Company believes that it has adequate systems in place for the management of its requirements under those regulations and is not aware of any breach of such requirements as they apply to the Company, except where indicated below.

## ENVIRONMENTAL REVIEW (CONT'D)

### Finland

#### *Vammala Production Centre*

The Company has previously advised that the Regional State Administration Agencies ("AVI") had issued a new Environmental Permit to process 300,000 tonnes per annum ore at Vammala. The Permit contains new crushing conditions, which the Company appealed to the Vaasa Administrative Court ("VAC") on 20 April 2020.

On 2 June 2022, a decision was received from the VAC giving the Company permission to crush ore at Vammala during the week and weekends provided that the groundwater effects of the tailings area were monitored. The VAC also requested that the environmental bond needed to be increased to include surface structures for the tailings area.

The Company submitted a leave to appeal against two of the VAC rulings. A decision from the Supreme Court is expected in early 2023.

During the year, the update of the discharge water monitoring program was completed by external consultants KVVY Tutkimus Oy ("KVVY"), and the groundwater monitoring plan was completed by Finnish consultants Envineer Oy ("Envineer"). The groundwater monitoring plan was submitted to the Pirkanmaa Centre for Economic Development, Transport, and the Environment ("PIR ELY") for approval in December 2022 and January 2023. Approval of the discharge water monitoring and groundwater monitoring plans had not been received at the date of this Annual Report.

During the year, several flow meters, data loggers and two measuring wells were installed at the Vammala mill water cycle and two continuous pH-sensors were installed at the discharge water monitoring points by EHP Environment Oy ("EHP"). Piping of the mill water from the pumping station to the Horvelo area was completed. In line with the Company's environmental plan, construction of embankments and a fence around the Horvelo pond were installed along with a new measuring well. The construction work was completed in October 2022 and process waters are now separated from natural surface runoff waters.

On 22 October 2022, the ELY conducted their annual inspection of Vammala and requested the Company update the Vammala precautionary plan. The Company lodged the updated plan with ELY on 14 November 2022.

## ENVIRONMENTAL REVIEW (CONT'D)

### Finland (Cont'd)

#### *Orivesi Gold Mine*

The Company has previously advised that its closure plan for the Orivesi mine was submitted to AVI for approval. In January 2022, AVI granted the Company additional time to provide its responses to statements and opinions received during 2021. The Company's response was submitted to AVI on 28 February 2022. The Natura screening study commenced in February 2022 by external consultants AFRY Oy ("AFRY"). The screening study includes water estimation and modelling work for the phases when the mine is full of water and diverted into Lake Ala-Jalkajärvi, and how it will affect downstream into the Natura area. Expected completion of the Natura screening study is early 2023.

The Company has previously announced the presence of litter stored between the 66m and 85m levels. The bulk of the material was deposited before the Company purchased the mine in late 2003 and recommenced mining in 2007.

In May 2022, the Company, and Outokumpu Mining Oy ("Outokumpu") signed a collaboration agreement to remove the litter. Work according to the workplan to remove litter stored between the 66m and 85m levels commenced with external consultants, YIT Suomi Oy ("Suomi"), commencing sitework during the first week of August 2022.

In early September 2022, the main contractor completed the decline and 66m level ground supporting and repair works including scaling, road reconstruction and meshing and bolting where required. The decline was repaired to the 85m level and all necessary mine infrastructure reconstruction works were completed. The diamond drilling program continued to check geotechnical conditions of the pillar above the 66m level and the area closest to the stope between 66m-85m levels. Development of the new tunnel commenced in December 2022 and completion is estimated in February 2023. The new tunnel is being developed to the bottom of the 66m-85m stope so that stope material can be safely removed. The emptying phase of the stope is estimated between April and July 2023.

There has been no discharge water from the mine site since mid-2019 resulting in a measurable decrease in nitrogen concentration in nearby lake Ala-Jalkajärvi. The Ala-Jalkajärvi Lake water has a pH of approximately 7, which reduces the harmful effects of metals. The metal concentrations in Lake Ala-Jalkajärvi have decreased significantly in recent years and the effect is also gradually being reflected in the metal concentrations in the downstream Lake Peräjärvi.

## ENVIRONMENTAL REVIEW (CONT'D)

### Finland (Cont'd)

#### *Jokisivu Gold Mine*

On 15 February 2021, the Company received the new Environmental Permit from AVI. The Environmental Permit included a significant, but not unexpected bond increase of 3.4 million EUR (approximately AU\$5.4 million) and a few new conditions, which will be difficult to achieve. On 26 March 2021, the Company submitted an appeal to the Administrative Court in relation to Environmental Permit Order 16, which required the waste rock area to be partially landscaped before the completion of mining operations. On 27 January 2023, the decision from the VAC overruling the updated Environment Permit, except for one amendment to the Permit Order 22 reducing the bond amount to 2.8 million EUR (approximately AU\$4.3 million), was received. According to the VAC, the Environmental Permit update was overruled as they considered AVI did not have sufficient technical information available to issue a revised Environmental Permit. The VAC has now returned their ruling pertaining to the Environmental Permit update back to AVI.

The Jokisivu flying squirrel mapping study was undertaken on 11 and 12 May 2022 by AFRY Oy ("AFRY") and their report was received 24 October 2022. Results of the study showed that there is a viable population of flying squirrels in the area. The AFRY report recommends the installation of new flying squirrel huts and repairing of the old huts located within the area. The installation of the new huts will be undertaken during the spring/summer season of 2023. A similar mapping study was undertaken in 2018.

The Geological Survey of Finland ("GTK") was contacted regarding the possibility of utilising Jokisivu waste rock outside of the mine site area. GTK responded on 7 November 2022 advising with recommendations going forward, that portion of the Jokisivu waste rock was thought to have utilisation potential outside of the mining area but additional sampling will be required along with a more detailed study on the occurrence of various waste rock types. It is anticipated that the Company will report to Southwest Finland Centre for Economic Development, Transport, and the Environment ("VAR ELY") and ELY Lapland in the early part of 2023.

Noise measurements were taken on 11 July 2022 by Forcic Consulting Oy ("Forcic") during the ore crushing campaign. Based on the results, the noise levels are below the limit value of 55 dB at all measuring points. The final report was sent to VAR ELY.

## ENVIRONMENTAL REVIEW (CONT'D)

### Finland (Cont'd)

#### *Kaapelinkulma Gold Mine*

On 28 January 2021, the Kaapelinkulma closure plan was submitted to PIR ELY. On 4 March 2021, the Company received a statement from PIR ELY requesting supplementary information, which was provided by KVVY and Envineer, and included in the Company's response to PIR ELY on 28 April 2021.

The Company is continuing exploration activities in the area with a view to recommencing mining operations and is investigating the possibility of utilising the waste rock outside the mine area. Changes to the current Environmental Permit are required before the recommencement of mining activities. If exploration results are unsuccessful, rehabilitation works are expected to commence in 2024. PIR ELY confirmed the supplemented closure plan is now in compliance with the Environmental Permit and no further supplements are needed. PIR ELY also confirmed the research plan for contaminated soils that was prepared by Envineer has been accepted. Planned activities would also commence in 2024 in line with the closure plan.

The sediment sampling report from Kaapelinkulma ditch monitoring points and lake Vallonjärvi bottom sediment point for 2021 was received on 7 October 2021 from KVVY. Metal concentrations in the sediments of the ditch points were mainly low and corresponded to the natural level, except for the ditch point below the mine (OP2), where the arsenic content of the sediment had increased from the natural level. Also, at the downstream ditch point of the Vallonoja (OP3), the concentrations of zinc and lead in the surface sediment were higher than the level estimated to be natural. Preliminary sediment monitoring was carried out before the start of mining operations in 2017. Compared to 2017, the mercury and uranium content of the sediment had increased in the area below the mine at ditch OP2, but concentrations were still at the level estimated to be natural at all observation sites, except at ditch point OP3. As a rule, elemental concentrations were higher in Lake Vallonjärvi than in ditch points. In Lake Vallonjärvi chromium, copper, nickel, and zinc were found to be higher than the background level and the levels were higher than in 2017. Lake Vallonjärvi sediment reflects the load flowing from the entire catchment area. The next sediment survey will be conducted in 2024.

On 18 November 2022, GTK finalised their report on the possibility of utilising waste rock outside the mine area. GTK responded, advising Kaapelinkulma's waste rock was estimated to have utilisation potential outside of the mining area, however due to elevated arsenic content it will need further investigation. The Company plans to carry out additional detailed studies and sampling of different waste rock types in the waste rock stockpiling area during 2023. GTK's report has been sent to PIR ELY and ELY Lapland. The Ministry of Economic Affairs and Employment of Finland has commenced a project on the mine waste circular economy to save the natural environment, which forms part of the national circular economy program. The program is coordinated by ELY Lapland.

## ENVIRONMENTAL REVIEW (CONT'D)

### Sweden

#### *Svartliden Rehabilitation Plan (U3)*

The Company has previously announced that work to update the Svartliden Rehabilitation Plan ("Closure Plan") was submitted to the Swedish Land and Environment Court ("LEC") in April 2017. In May 2018, the Company updated the Closure Plan cost assessment and provided its responses to comments received from the Environmental Protection Agency ("EPA") and the County Administrative Board ("CAB"), both of whom considered the Closure Plan and the proposed closure bond as insufficient. From 24 to 26 April 2019, the Closure Plan, U1 and U2 investigations were heard by the LEC. On 3 September 2019, delivered its rulings on each of the matters. On 18 November 2019, the Company lodged an appeal in the Environment Court of Appeal ("COA") against the following rulings by the LEC:

- the 41.0 million SEK (approximately AU\$6.4 million) additional collateral security being requested;
- the Permit conditions during the closure phase; and
- restrictions that would prevent the CAB from incrementally returning the Company's security bond as rehabilitation work is progressed.

On 21 February 2021, the Company submitted its responses to statements issued by the CAB, EPA and Vapsten reindeer herders to the COA. The main hearing in the COA was held on 21-22 September 2021. On 25 February 2022, the COA determined further studies are required to reduce the level of uncertainty in the investigations before it can consider the EPA request for additional collateral security. The COA decision was appealed by the Company to the Supreme Court on 25 March 2022. The Supreme Court denied leave to appeal on 20 September 2022, whereby the COA decision gained legal force and the rehabilitation plan items have been sent back to the LEC. There have been no further developments as at the date of this Annual Report.

As at 31 December 2022, the Company has not recognised the additional rehabilitation costs nor deposited the associated security required by the LEC for an engineered cover to the entire waste rock area on the basis that the Company has assessed that any fundamental change to the acid forming characteristics of the NAF waste rock is not probable.

#### *Svartliden Conditions of Tailings Depositions (U1)*

On 3 September 2019, the LEC approved the Company's application to deposit tailings into the Svartliden open-pit to +441 meters above sea level subject to the Company's other permit conditions, which excludes the deposition of tailings from full-scale mining at Fäboliden. As a result, the Company is applying to change the permit to include the deposition of tailings from full-scale mining at Fäboliden. A contingent liability in relation to the Group's Svartliden rehabilitation provision has been disclosed in note 22 of this Annual Report.

**ENVIRONMENTAL REVIEW (CONT'D)****Sweden (Cont'd)***Svartliden Change Permit for Fäboliden Ore Processing*

The Company submitted its EIA with the change permit application to the LEC on 30 June 2021. The LEC thereafter requested supplementary information, which was submitted on 1 November 2021. The CAB, EPA, Vapsten reindeer herders and Lycksele Municipality has thereafter submitted further questions in August 2022. The Company submitted its responses to the LEC on 15 November 2022.

*Svartliden Permit Conditions (U2)*

In April 2018, the Company submitted an additional investigation report proposing changes to the final permit conditions for the clarification pond discharge limits to the LEC. In July 2018, the CAB provided its comments, which disagreed with the Company's proposals.

In October 2018, the Company responded with investigations and calculations that showed the proposed changes did not pose any further risk to the environment.

On 3 September 2019, the LEC provided additional rulings on clarification pond discharge limits that remained consistent with the existing permit conditions.

On 16 December 2019, the COA granted the Company leave to appeal the Court's rulings on the clarification pond discharge limits. The Company submitted its appeal on 18 November 2019.

On 21 February 2021, the Company submitted its responses to statements issued by the CAB, EPA and Vapsten reindeer herders to the COA. The main hearing in the COA was held 21-22 September 2021. The COA ruling was postponed from 22 November 2021 to 25 February 2022. On 25 February 2022, the COA determined that the permit levels will be set according to the Ruling from the LEC. The Company appealed the COA decision to the Supreme Court on 25 March 2022. The Supreme Court denied leave to appeal on 20 September 2022, whereby the COA decision gained legal force.

## ENVIRONMENTAL REVIEW (CONT'D)

### Sweden (Cont'd)

#### *Fäboliden Environmental Permit*

On 1 December 2017, the Company was granted an Environmental Permit to conduct test-mining activities at Fäboliden. The Company's test-mining operations were completed during September 2020 whereby all test-mining activities ceased as per the Environmental Permit. The Company submitted a request to the CAB on 19 August 2021 to transport and process up to 29,000 tonnes of marginal low grade waste rock from the test-mining stockpiles in Fäboliden. The CAB confirmed the request on 3 September 2021. Transport and processing was successfully carried out during October to December 2021. As a result, the environmental impact associated with the waste rock dump in Fäboliden has reduced.

The Company is actively pursuing environmental approval of its application for full-scale mining activities at Fäboliden, which was submitted to the LEC in July 2018. On 4 April 2020, the application was publicly announced, and the Company submitted its responses to statements issued by the CAB and other stakeholders on 5 March 2021. Following this, additional information was deemed necessary by the CAB and as a result further field work and investigations were conducted during the remainder of year and submitted 8 December 2021. The LEC had preliminarily booked the main hearing for week 11, commencing 14 March 2022.

On 11 March 2022, the Company was informed that the main hearing had been postponed due to Covid infection of several court members. The main hearing was held during April 2022. No material problems were indicated by the LEC or the CAB who stated that the permit is permissible based on their suggested permit conditions.

On 28 June 2022, the LEC rejected the Group's Environmental Permit application for full-scale mining at Fäboliden, despite approving the EIA. The LEC cited the impact ore transports may have on reindeer herding and property owners along the public road. The LEC questioned the necessity of gold mining versus reindeer herding. Some species protection issues were raised, and the LEC stated that the water quality and discharge limit investigations were difficult to understand.

Having obtained legal advice, the Company submitted its detailed appeal to the COA on 15 December 2022. On 14 March 2023, the COA issued its decision, not granting the application for leave of appeal for Fäboliden. Refer to Significant Events After Balance Date for further details.

## DIRECTORS

### Non-Executive Director and Chairman – Mr Arthur George Dew

Mr Arthur George Dew, aged 81, was appointed as the Chairman and a Non-Executive Director of the Company on 7 February 2014. Mr Dew graduated from the Law School of the University of Sydney, Australia, and was admitted as a solicitor and later as a barrister of the Supreme Court of New South Wales, Australia. Mr Dew is currently a non-practising barrister. He has a broad range of corporate and business experience and has served as a director, and in some instances chairman of the board of directors, of a number of public companies listed in Australia, Hong Kong and elsewhere. He is the chairman and a non-executive director of Hong Kong listed companies Allied Group Limited (Stock Code: 373) and APAC Resources Limited (Stock Code: 1104), both substantial shareholders of the Company. He is also the non-executive chairman and a non-executive director of ASX listed company Tanami Gold NL (ASX: TAM) and a non-executive director of ASX listed company Tian An Australia Limited (ASX: TIA). Mr Dew was previously the chairman and a non-executive director of Allied Properties (H.K.) Limited (“APL”, a substantial shareholder of the Company which was previously listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) (Stock Code: 56) until 26 November 2020) from January 2007 to December 2020, and a non-executive director of SHK Hong Kong Industries Limited (“SHK IND”, a company previously listed on the Main Board of the Stock Exchange (Stock Code: 666) until 22 April 2021) from November 2007 to April 2021.

### Executive Director – Mr Brett Robert Smith

Mr Brett Robert Smith, aged 62, was appointed as an Executive Director of the Company on 7 February 2014. Mr Smith is the Chief Executive Officer of the Company. He is also a director of certain subsidiaries of the Company. Mr Smith graduated from Melbourne University, Australia with a Bachelor’s Degree in Chemical Engineering with Honours. He has also obtained a Master’s Degree in Business Administration from Henley Management College, the United Kingdom and a Master’s Degree in Research Methodology from Macquarie University, Australia. Mr Smith has participated in the development of a number of mining and mineral processing projects including coal, iron ore, base and precious metals. He has also managed engineering and construction companies in Australia and internationally. Mr Smith has served on the board of private mining and exploration companies and has over 36 years international experience in the engineering, construction and mineral processing businesses. Mr Smith is currently an executive director and deputy chairman of Hong Kong listed company APAC Resources Limited (Stock Code: 1104), a substantial shareholder of the Company, an executive director of ASX listed company Metals X Limited (ASX: MLX), an interim executive director of ASX listed company Prodigy Gold NL (formerly known as ABM Resources NL) (ASX: PRX) and a non-executive director of ASX listed companies Tanami Gold NL (ASX: TAM), Elementos Limited (ASX: ELT) and Nico Resources Limited (ASX: NC1).

### **Alternate Director to Mr Arthur George Dew – Mr Wong Tai Chun Mark**

Mr Wong Tai Chun Mark, aged 58, was appointed as an alternate Director to Mr Arthur George Dew on 19 May 2015. Mr Wong has a Master's Degree in Business Administration and is a fellow of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, The Chartered Governance Institute and The Hong Kong Chartered Governance Institute. Mr Wong is the director of investment of Hong Kong listed company Allied Group Limited (Stock Code: 373), a substantial shareholder of the Company, and an alternate director to Mr Arthur George Dew in Hong Kong listed company APAC Resources Limited (Stock Code: 1104), a substantial shareholder of the Company, and ASX listed companies Tanami Gold NL (ASX: TAM) and Tian An Australia Limited (ASX: TIA). He is also a director of each of APL and SHK IND.

### **Non-Executive Director – Ms Lam Lai**

Ms Lam Lai, aged 44, was appointed as a Non-Executive Director of the Company on 18 July 2019. Ms Lam graduated from the University of Western Sydney in 2001 with a Bachelor Degree of Business majoring in marketing. She is currently an executive director and authorised representative of Hong Kong listed company Ernest Borel Holdings Limited ("EBH") (Stock Code: 1856). EBH is a subsidiary of Hong Kong listed company Citychamp Watch & Jewellery Group Limited ("Citychamp") (Stock Code: 256). Ms Lam joined Citychamp in 2008 as an investment manager and has been redesignated as CEO assistant, mainly responsible for merger and acquisition as well as business development. Since April 2021, Ms Lam has been redesignated as the vice president of Citychamp. She is also a director of various subsidiaries of Citychamp, including Bendura Bank AG.

### **Independent Non-Executive Director – Mr Carlisle Caldwell Procter**

Mr Carlisle Caldwell Procter, aged 82, was appointed as an Independent Non-Executive Director of the Company on 19 May 2015. Mr Procter graduated from the University of Sydney with a Bachelor's Degree and a Master's Degree in Economics. He is a fellow of the Financial Services Institute of Australasia (FFin.) and a member of the Australian Institute of Company Directors (MAICD). Based in Australia, Mr Procter worked in the Reserve Bank of Australia for over 30 years, holding various senior management positions. Since leaving the Reserve Bank, he has worked as a consultant to the International Monetary Fund and the Asian Development Bank and has also undertaken private consulting work in South East Asia and the Pacific. Mr Procter has been a non-executive director of a number of public companies, both in Australia and overseas. He is currently an independent non-executive director of ASX listed company Tanami Gold NL (ASX: TAM).

**Independent Non-Executive Director – Mr Pak Wai Keung Martin**

Mr Pak Wai Keung Martin, aged 59, was appointed as an Independent Non-Executive Director of the Company on 24 May 2018 with effect from 5 November 2018 (the listing date of the Company on the Stock Exchange). Mr Pak graduated with a Bachelor of Commerce from the Murdoch University, Australia and a Master of Corporate Governance from The Hong Kong Polytechnic University. Mr Pak has been a fellow of The Hong Kong Institute of Certified Public Accountants and CPA Australia. Mr Pak has also been an associate member of The Corporate Governance Institute in the United Kingdom and an associate member of the Hong Kong Chartered Governance Institute. Mr Pak has over 25 years of experience in accounting and financial management and has previously worked at several international audit firms and other private companies from 1987 to 2000. Thereafter, Mr Pak has served as chief financial officer and Company Secretary of a number of listed companies in Hong Kong since 2001.

Mr Pak is an independent non-executive director of Hong Kong listed companies Nan Nan Resources Enterprise Limited (Stock Code: 1229) and Viva China Holdings Limited (Stock Code: 8032). Mr Pak was an independent non-executive director of China Huiyuan Juice Group Limited (Stock Code: 1886) from June 2019 to January 2021, the shares of which were delisted on 18 January 2021 from the Main Board of the Stock Exchange. Mr Pak was also an independent non-executive director of Convoy Global Holdings Limited (Stock Code: 1019) from December 2017 to May 2021, the shares of which were delisted on 4 May 2021 from the Main Board of the Stock Exchange.

**Independent Non-Executive Director – Mr Poon Yan Wai**

Mr Poon Yan Wai, aged 52, was appointed as an Independent Non-Executive Director of the Company on 24 May 2018 with effect from 5 November 2018 (the listing date of the Company on the Stock Exchange). Mr Poon holds a Bachelor's Degree in Accountancy and a Master's Degree in Corporate Finance from the Hong Kong Polytechnic University. He is a fellow member of The Hong Kong Institute of Certified Public Accountants. Mr Poon has over 20 years of experience in the auditing and accounting field and is the Financial Controller, Company Secretary and an authorised representative of a Hong Kong listed company. Mr Poon is an independent non-executive director of Emperor International Holdings Limited (Stock Code: 163) and was an independent non-executive director of Emperor Capital Group Limited (Stock Code: 717) from 22 January 2014 to 28 February 2023, both are Hong Kong listed companies.

## SENIOR MANAGEMENT

### Chief Financial Officer – Mr Daniel Broughton

Mr Daniel Broughton, aged 47, was appointed Chief Financial Officer of the Company on 8 September 2014 and is responsible for ensuring the Company's compliance with corporate and statutory obligations and financial reporting. Mr Broughton has over 15 years' experience with financial operations of listed mining companies. Mr Broughton is also the Chief Financial Officer of ASX listed companies Tanami Gold NL (ASX: TAM) and Metals X Limited (ASX: MLX). Mr Broughton graduated with a Bachelor of Commerce from Murdoch University, Australia in September 2005 and obtained a Graduate Diploma of Chartered Accounting from The Institute of Chartered Accountants, Australia in July 2010.

### General Manager of Finance and Administration – Ms Päivi Mikkonen

Ms Päivi Mikkonen, aged 56, joined the Company on 13 November 2006. Ms Mikkonen is responsible for overseeing the administrative and finance function in the Nordic region. Ms Mikkonen has a Master's degree from the University of Tampere and a degree from the University of Sydney, Australia, majoring in accounting, finance and international business. Ms Mikkonen obtained a Diploma in Business Administration, majoring in public administration, from Valkeakosken seudun kauppaoppilaitos (Valkeakoski Regional Business College), Finland in May 1988. Ms Mikkonen completed the qualification of a press officer in the Institute of Marketing, Finland in March 1993. Ms Mikkonen graduated with a Bachelor of Science in Economics and Business from the University of Tampere, Finland in May 1998, a Master of International Business from the University of Sydney, Australia in March 2000, and a Master of Science (Business Administration) from the University of Tampere, Finland in December 2006.

### Chief Geologist – Mr Neale Edwards

Mr Neale Edwards, aged 58, joined the Company in 1996 and has over 30 years' experience in the mineral exploration and mining industry. Mr Edwards holds a Bachelor of Applied Science in Applied Geology and Bachelor of Science with Honours and is a Fellow of the Australian Institute of Geoscientists. Mr Edwards experience covers projects ranging from grassroots level through to mine development and mining in major geological provinces in Australia, the Pacific Rim, northern Africa and northern Europe. Mr Edwards was responsible for the discovery of gold resources in the Southern Cross Province of Western Australia for Samantha Gold and the identification of the key project opportunity that resulted in Dragon Mining becoming an established gold producer in the Nordic Region.

Mr Edwards is a Non-Executive Director of ASX listed entities Tanami Gold NL (ASX: TAM) appointed 28 May 2021 and Prodigy Gold NL (ASX: PRX) appointed 29 November 2021.

### General Manager – Vammala Production Centre – Mr Petteri Tanner

Mr Petteri Tanner, aged 45, joined the Company on 1 September 2009. Mr Tanner graduated with a Master of Science in Mining Engineering from Helsinki University of Technology in 2006. Prior to his current role, Mr Tanner has worked as a Mine Manager at the Company's Jokisivu and Orivesi mines.

### **Project Manager at Fäboliden – Mr Joshua Stewart**

Mr Joshua Stewart, aged 41, joined the Company in 2004. He has over 20 years' experience in the mining industry and holds a Bachelor of Mining Engineering from the University of Queensland, Australia and is a member of the Australasian Institute of Mining and Metallurgy. Mr Stewart joined the Company during the construction and commissioning of the Svartliden Gold Mine. During his time with the Company, Mr Stewart has held various technical and management roles with the Group, ranging from mine planning to Chief Operating Officer. Mr Stewart's current role is leadership of the test mining and full-scale mining permit application processes for the Fäboliden Gold Project. Mr Stewart has a broad range of experience from operation disciplines including safety, environmental performance, mining, mineral processing, near mine exploration, human resources and administration.

### **Process Plant Manager at Svartliden – Mr Heikki Miettunen**

Mr Heikki Miettunen, aged 45, joined the Company in 2015 and is the Process Plant Manager at Svartliden, Sweden. Mr Miettunen graduated with a diploma as Master of Science in Process Engineering from the University of Oulu, 60 credits mineral processing from the Aalto University, and has held positions in Mineral Process Plants for Belvedere Mining Oy (Hitura mine), Endomines Oy (Pampalo mine) and Dragon Mining Oy.

### **Mill Manager at Vammala – Mr Jaakko Larkomaa**

Mr Jaakko Larkomaa, aged 51, joined the Company in 2015 and is the Mill Manager at the Vammala Production Centre, Finland. Mr Larkomaa graduated with a Master of Science Diploma in Process Engineering from the University of Oulu in 1999. Later he studied at Aalto University gaining 60 credits in mineral processing. Prior to his current role, Mr Larkomaa worked in the processing plant at the Northern Resources, Pajala iron ore mine in Sweden.

## **JOINT COMPANY SECRETARIES**

### **Australia – Mr Hai-Young Lu**

Mr Hai-Young Lu, aged 35, was appointed as the joint Company Secretary (for Australian regulations) on 16 December 2021. Mr Lu graduated from Bond University with a Bachelor of Commerce (Accounting & Finance Majors) and Bachelor of Laws (Specialised in Commercial Law), and a Graduate Diploma in Legal Practice in 2010. Mr Lu is a member of the Law Society of New South Wales and is admitted to practice in the Supreme Court of New South Wales. He has been the Company Secretary and Legal Counsel of Tian An Australia Limited ("Tian An") a company listed on the Australian Stock Exchange (ASX:TIA) since 2013, and assisted the CEO of Tian An, in the management of the affairs of Tian An, including but not limited to, coordinating various acquisitions, equity fund raising and loan financing activities and liaising with major shareholders. Mr Lu also oversees the company secretarial and corporate governance matters of Tian An and provides and procures legal advice to Tian An. In 2019, Mr Lu was appointed as the Chief Operating Officer of Tian An responsible for the day-to-day operations of the company. Mr Lu was previously employed by various law firms advising clients on mergers and acquisitions, corporate restructuring, compliance and corporate governance matters including the ASX Listing Rules and Australian Corporations Act 2001.

### **Hong Kong – Ms Lau Tung Ni**

Ms Lau Tung Ni, aged 41, was appointed as the joint Company Secretary (for Hong Kong regulations) on 1 July 2021. Ms Lau is a fellow member of The Chartered Governance Institute and The Hong Kong Chartered Governance Institute. Ms Lau is also the Company Secretary of Hong Kong listed companies Allied Group Limited (Stock Code: 373) and APAC Resources Limited (Stock Code: 1104).

The Directors submit their report together with the consolidated financial statements of the Company and its subsidiaries (“Consolidated Entity”) for the year ended 31 December 2022 and the Independent Auditor’s Report thereon.

## 1. REGISTRATION AND LISTING

The Company was registered in Western Australia under the Australian Corporations Act 2001 (Cth) with limited liability on 23 April 1990. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) on 5 November 2018.

## 2. PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries during the year continued to be:

- gold mining, and processing ore in Finland;
- processing gold concentrate in Sweden; and
- exploration, evaluation, and development of gold projects in the Nordic region.

## 3. DIRECTORS

The Directors during the year ended 31 December 2022 and up to the date of this Annual Report are:

Mr Arthur George Dew	Chairman and Non-Executive Director	Appointed 7 February 2014
Mr Brett Robert Smith	Chief Executive Officer and Executive Director	Appointed 7 February 2014
Ms Lam Lai	Non-Executive Director	Appointed 18 July 2019
Mr Carlisle Caldwell Procter	Independent Non-Executive Director	Appointed 19 May 2015
Mr Pak Wai Keung Martin	Independent Non-Executive Director	Appointed 5 November 2018
Mr Poon Yan Wai	Independent Non-Executive Director	Appointed 5 November 2018
Mr Wong Tai Chun Mark	Alternate Director to Mr Arthur George Dew	Appointed 19 May 2015

Pursuant to code provision B.2.2 of the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “HKEx Listing Rules”), every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years and under articles 14.3 and 14.4 of the Constitution of the Company, one-third of the Directors (who are the longest in the office) retire and are being eligible for re-appointment. Accordingly, it was determined by the Board that Mr Brett Robert Smith and Mr Carlisle Caldwell Procter shall retire by rotation at the forthcoming Annual General Meeting (“AGM”) and, being eligible, would offer themselves for re-election at the AGM.

None of the Directors proposed for re-election at the forthcoming annual general meeting of the Company has an unexpired service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Director biographies are set out on pages 40 to 44 of this Annual Report.

#### 4. INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS (“INEDS”)

The Company has received annual confirmations of independence from Mr Carlisle Caldwell Procter, Mr Pak Wai Keung Martin and Mr Poon Yan Wai, pursuant to Rule 3.13 of the HKEx Listing Rules. As at the date of this Annual Report, the Company still considers them to be independent.

#### 5. DIRECTORS' MEETINGS

The details of Director attendance at Board and Committee meetings is included in the Corporate Governance Report on page 57.

#### 6. DIRECTORS' INTEREST AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2022, the following Directors of the Company had the following interests in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance) (Cap. 571 of the Laws of Hong Kong) (the “SFO”), as recorded in the register required to be kept pursuant to Section 352 of the SFO.

Name of Directors	Capacity/ Nature of interest	Number of Shares interested	Approximate % of the total number of issued shares in Company
Mr Arthur George Dew	Beneficial Owner/ Personal Interest	220,000	0.14%
Mr Carlisle Caldwell Procter	Beneficial Owner/ Personal Interest	102,602	0.06%

Note: All interests stated above represent long positions.

Save as disclosed above, at 31 December 2022, none of the Directors or Chief Executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations, within the meaning of Part XV of the SFO, as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the HKEx Listing Rules.

#### 7. DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed herein, at no time during the year was the Company, any of its holding companies, its fellow subsidiaries, its subsidiaries, or its associated corporation a party to any arrangements to enable the Directors, their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## 8. PURCHASE, SALE, OR REDEMPTION OF THE COMPANY'S LISTED SHARES

During the year ended 31 December 2022, the Company repurchased a total of 47,000 shares of the Company on the Stock Exchange at an aggregate consideration (before expenses) of HK\$37,520 (approximately AU\$7,195). At 31 December 2022, 2,000 of the repurchased shares were cancelled. The remaining 45,000 repurchased shares were cancelled after year end.

Having considered the present share price and the available financial resources of the Company, the Directors are of the view that the share buy-back and the subsequent cancellation of the bought-back shares should enhance the value of the shares and are in the interests of the Company and the shareholders as a whole.

Month	Number of Shares repurchased	Purchase price per Share Highest (HK\$)	Lowest (HK\$)	Aggregate consideration (before expenses) (HK\$)
December	47,000	0.82	0.75	37,520
<b>Total</b>	<b>47,000</b>			<b>37,520</b>

## 9. DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No Director nor an entity connected with a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Company to which the Company or any of its subsidiaries was a party subsisted at the end of the year or at any time during the year ended 31 December 2022.

## 10. MANAGEMENT CONTRACTS

On 30 June 2021, the Company entered into a sharing of administrative services and management services agreement (the "Services Agreement") with Allied Group Limited ("AGL"), pursuant to which, AGL shall provide, or procure its agents or nominees to provide, the Company and its subsidiaries with the management services as set out in the Services Agreement for a term of eighteen months commenced on 1 July 2021 and ended on 31 December 2022. On 23 December 2022, the Company renewed the Services Agreement with AGL for a term of three years commenced on 1 January 2023 and ending on 31 December 2025 subject to the terms and conditions contained herein.

Other than disclosed above, no other contracts concerning the management and/or administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2022.

## 11. SHARE CAPITAL, DEBENTURE, SHARE OPTIONS AND PRE-EMPTIVE RIGHTS

Details of the movements in share capital of the Company during the financial year ended 31 December 2022 are shown in note 14 to the consolidated financial statements.

The Group has not issued any debentures during the year.

During the current year, no employee share option scheme has been adopted by the Company.

There are no provisions for pre-emptive rights under the Company's Constitution although there are no restrictions against such rights under the Australian Corporations Act 2001 (Cth).

## 12. SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2022, as far as the Directors' are aware, the following Shareholders (other than Directors' or Chief Executives of the Company), held an interest in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

Name of Shareholders	Capacity/Nature of interest	Number of Shares interested	Approximate % of the total number of issued shares	Notes
APAC Resources Limited ("APAC")	Interest of Controlled Corporations	45,596,727	28.82%	1
Allied Group Limited ("AGL")	Interest of Controlled Corporations	45,596,727	28.82%	2
Lee and Lee Trust	Interest of Controlled Corporations	45,596,727	28.82%	3
Sincere View International Limited	Beneficial Owner	31,111,899	19.59%	-
Mr Hon Kwok Lung	Interest of a Controlled Corporation	31,111,899	19.59%	4
Ms Lam Suk Ying	Interest of Spouse	31,111,899	19.59%	5

Notes:

- The interest in 45,596,727 shares of the Company are held by Allied Properties Resources Limited ("APRL"), a wholly-owned subsidiary of Genuine Legend Limited, which in turn is a wholly-owned subsidiary of APAC. APAC is therefore deemed to have an interest in the shares in which APRL holds an interest.
- APAC is owned approximately 43.12% by Allied Properties Investments (1) Company Limited ("API(1)"), a wholly-owned subsidiary of Allied Properties Overseas Limited ("APOL"), which in turn is a wholly-owned subsidiary of Allied Properties (H.K.) Limited ("APL"). AGL directly and indirectly (through Capscore Limited, Citiwealth Investment Limited and Sunhill Investments Limited, all being direct wholly-owned subsidiaries of AGL), owned in aggregate 100% of the total number of issued shares of APL. AGL is therefore deemed to have an interest in the shares in which APAC holds an interest.
- Mr Lee Seng Hui, Ms Lee Su Hwei and Mr Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust. The Lee and Lee Trust controlled approximately 74.99% of the total number of issued shares of AGL (inclusive of Mr Lee Seng Hui's personal interests) and is therefore deemed to have an interest in the shares in which AGL holds an interest.
- Mr Hon Kwok Lung controlled 80% of the total number of issued shares of Sincere View International Limited. Mr Hon Kwok Lung is therefore deemed to have an interest in the shares in which Sincere View International Limited holds an interest.
- Ms Lam Suk Ying is the spouse of Mr Hon Kwok Lung and is therefore deemed to have an interest in the shares in which Mr Hon Kwok Lung deemed to holds an interest.
- All interests stated above represent long positions.

Save as disclosed above, as at 31 December 2022, the Directors were not aware of any other persons who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

### 13. RESULTS AND BUSINESS REVIEW

The results of the Company for the year ended 31 December 2022 are set out in the consolidated financial statements on pages 149 to 238 of the Annual Report.

The Company's results and Business Review, including future developments, financial performance analysis, principal risks and uncertainties facing the Company, environmental policies and performance, compliance with relevant laws and regulations that have a significant impact on the Company and key relationships with stakeholders, in accordance with Schedule 5 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong), are set out in the Chairman's Statement on page 4, the Management Discussion and Analysis on page 12 and the Environmental, Social and Governance Report to be separately released on the website of the Stock Exchange and the website of the Company in the "Company Reports" section under "Investor", the discussions of which form part of this Annual Report.

A summary of the results, assets and liabilities of the Group for the last five years is set out on page 239 of the Annual Report.

### 14. REMUNERATION POLICY

The Board recognises that the Company's performance depends upon the quality of its Directors and Executives. To achieve its financial and operating activities, the Company must attract, motivate, and retain highly skilled Directors and Executives.

The Company embodies the following principles in its remuneration framework:

- Provides competitive rewards to attract high calibre Executives;
- Structures remuneration at a level that reflects the Executive's duties, accountabilities and is competitive within Australia, Sweden, Finland, and Hong Kong;
- Benchmarks remuneration against appropriate industry groups; and
- Aligns Executive incentive rewards with the creation of value for shareholders.

Performance-related Executive remuneration, including cash bonuses, are based on the Company's and individual performance against key performance indicators ("KPI") which are determined annually at the Board's discretion.

### 15. REMUNERATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

The Board is responsible for determining, with recommendation from the Remuneration Committee of the Company, the compensation arrangements for the Chairman, Directors, and Key Management Personnel ("KMP").

For the purposes of this Annual Report, KMP of the Company are defined as those persons having authority and responsibility for planning, directing, and controlling the major activities of the Group, including any Director (whether executive or otherwise) of the Company.

Details of the Directors' and KMP remuneration are set out in note 17 to the consolidated financial statements.

### 15.1 Service Contracts and Letter of Appointment

Compensation and other terms of employment for the Company's Executive Directors and other KMP are formalised in contracts of employment. The major provisions of each of the agreements relating to compensation are set out below.

#### *Mr Brett Robert Smith – Chief Executive Officer and Executive Director*

Mr Smith has a contract of employment with the Company dated 11 October 2018 and was employed on a fixed term as Executive Director. On 5 November 2022, Mr Smith's appointment as Chief Executive Officer and Executive Director was renewed until termination. The contract specifies the duties and obligations to be fulfilled by the Chief Executive Officer and Executive Director. The arrangement can be terminated by either party by providing six month's written notice, which based on current remuneration rates would amount to a termination payment of AU\$160,350.

#### *Mr Neale Martin Edwards – Chief Geologist*

Mr Edwards commenced employment on 19 August 1996 and does not have an employment contract.

#### *Mr Daniel Broughton – Chief Financial Officer*

Mr Broughton has an Executive Employment Agreement ("Agreement") with the Company dated 6 August 2021. The Agreement specifies the duties and obligations to be fulfilled by Executive. The Executive's employment may be terminated by either party giving (6) month's written notice for all or part of the notice period, which based on current remuneration rates would amount to a termination payout of AU\$150,000.

Each of the Non-Executive Directors has entered into an appointment letter with the Company which may only be terminated in accordance with the provisions of the appointment letter or by (i) the Company giving to the Non-Executive Director not less than three months' prior notice in writing or (ii) the Non-Executive Director giving to the Company not less than three months' prior notice in writing.

Each of the Independent Non-Executive Directors has entered into an appointment letter with the Company which may only be terminated in accordance with the provisions of the respective appointment letter or by (i) the Company giving to any Independent Non-Executive Director not less than one month's prior notice in writing or (ii) any Independent Non-Executive Director giving to the Company not less than one month's prior notice in writing.

## 16. RESERVES AND DISTRIBUTABLE RESERVES

Movements in the reserves of the Company during the year are set out in note 14 and note 16 to the consolidated financial statements.

The Company had no reserves available for cash distribution and/or distribution in specie as calculated under the Australian Corporations Act 2001 (Cth) as at 31 December 2022 (as at 31 December 2021: Nil).

## 17. SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this Annual Report, the Company has maintained sufficient public float as required under the HKEx Listing Rules.

## 18. EQUITY-LINKED AGREEMENTS

Save as disclosed herein, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

## 19. DEED OF NON-COMPETITION

Each of Mr Brett Robert Smith, Mr Arthur George Dew, Mr Carlisle Caldwell Procter, and Mr Wong Tai Chun Mark (collectively the "Covenantors") executed the Deed of Non-Competition (the "Deed") with the Company (for the Company and for the benefit and on behalf of the subsidiaries) on 11 October 2018. Pursuant to the Deed, each of the Covenantors has irrevocably and unconditionally undertaken to the Company that, during the period that the Deed remains effective, (i) he shall not, and shall procure that his close associates shall not, directly or indirectly, develop, acquire, participate, hold any right or interest in or invest in or render any services to or otherwise be involved in any business in competition with or likely to be in competition with the business engaged by our Company from time to time in the Nordic region; and (ii) support any person, company or entity that is not part of the Company to engage in any business which is in competition with or is likely to be in competition with the existing or future business carried by the Company.

Each of the Covenantors further undertakes to and covenants with the Company (for the Company and for the benefit and on behalf of the subsidiaries) that if they become aware of any potential gold mining business opportunities in the Nordic region, they will only refer the opportunities to the Company. If they become aware of gold or other mining opportunities outside the Nordic region, they will refer to other companies of which they are directors. Further, if any gold exploration or mining opportunities in the Nordic region are identified by other companies of which the Covenantors are directors and these companies intend to pursue the opportunities, the Covenantors will abstain from the discussion as well as voting on the matters.

The Company has received declarations from the Covenantors of their compliance with the terms of the Deed. The Covenantors declared that they have fully complied with the Deed since the effective date of the Deed and up to the date of this Annual Report. The Independent Non-Executive Directors also reviewed the compliance of the Deed.

## 20. DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Mr Arthur George Dew and Mr Brett Robert Smith are both directors of Tanami Gold NL ("Tanami Gold"). Mr Wong Tai Chun Mark is an alternate director to Mr Dew in Tanami Gold. Tanami Gold, through certain of its subsidiaries, is involved in the exploration for gold in Australia; while the Company is involved in the exploration for, and mining and processing gold ores in the Nordic region. As such, the business of Tanami Gold does not compete or is not likely to compete, directly or indirectly, with the business of the Company.

Save as disclosed herein, none of the Directors had any interests in any business which competes or is likely to compete, directly or indirectly, with the business of the Company.

## 21. MAJOR CUSTOMERS AND SUPPLIERS

External sales in Finland relate to concentrate from the Vammala Production Centre in Finland. These sales are all made under an ongoing arrangement to one customer and the quantity of concentrate sales is agreed by the parties in advance of delivery.

Intersegment sales in Finland relate to concentrate on-sold to the Svartliden Processing Centre for further processing.

External sales in Sweden relate to the gold bullion sold on-market through third parties.

In the year under review, sales to the Group's five largest customers accounted for 100% of the total sales for the year and sales to the largest customer included therein amounted to 94.8% (2021: 75.4%). Purchases from the Group's five largest suppliers accounted for less than 30% of the total purchases for the year.

None of the Directors, their close associates, or any shareholders, which to the knowledge of the Directors owned more than 5% of the Company's total number of issued shares, had a beneficial interest in any of the Group's five largest suppliers and customers.

## 22. PENSION SCHEME ARRANGEMENTS

Employers in Australia are obligated to make superannuation contributions for eligible employees of 10.5% on gross earnings up to a maximum quarterly superannuation payment of AU\$6,323 per quarter. No forfeited contribution is available to reduce the contribution payable in the future. The contribution charged to the Consolidated Statement of Profit or Loss represents the contribution payable to employees' funds during the year.

## 23. CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 56 to 71.

## 24. RELATED PARTY TRANSACTIONS

Details of the related party transactions are set out in note 20 to the consolidated financial statements. The related party transactions did not constitute connected transactions or are exempted connected transactions under the HKEx Listing Rules.

## 25. INDEMNIFICATION AND INSURANCE OF DIRECTORS, OFFICERS AND AUDITORS

The Company provides Directors' and Officers' liability insurance covering Directors and Officers of the Company against liability in their role with the Company, except where:

- the liability arises out of conduct involving a wilful breach of duty; or
- there has been a contravention of Sections 232(5) or (6) of the Australian Corporations Act 2001 (Cth).

The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of this insurance, as such disclosure is prohibited under the terms of the contract.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

## 26. DIVIDENDS

No dividend has been paid or declared and no dividend has been recommended by the Directors for the year ended 31 December 2022 (2021: nil).

## 27. SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

On 9 March 2023, the Company increased its unsecured AU\$12.0 million loan facility with AP Finance Limited ("Loan Facility") by AU\$15.0 million taking the available funding under the Loan Facility to AU\$27.0 million. The Loan Facility was increased to assist the Group with the expected payment of various rehabilitation bonds, the exact timing of which are unknown at the date of this Annual Report, at the Groups operations in Finland and Sweden.

On 14 March 2023, the Swedish Land and Environmental Court of Appeal ("Court of Appeal") issued its decision, not granting the Company's application for a leave of appeal against the Land and Environmental Court's decision to deny the Company an Environmental Permit to commence full scale mining at Fäboliden. The decision does not state the reason of the Court of Appeal's rejection of the Company's application for leave of appeal.

Dragon Mining will now appeal this judgment to the Swedish Supreme Court based on the following advice from its Swedish environmental lawyers:

1. The arguments remain as to the reason for a leave of appeal. In short, that there are reasons for another court to reconsider the facts of the case (a permit for a larger operation was issued previously), that the Ruling as to the questions of protected species shows that the legislation is not clear, that the scope of the Ruling can be questioned (the question of impact on reindeer has been decided upon in the mineral concession).
2. The above is supported by case law: in a ruling from the Swedish Supreme Court it stated that the standard for granting a leave of appeal is set lower at the Land and Environmental Court of Appeal and that the granting of leave of appeals should be more often issued in environmental cases due to the most often complex matter of law and science.

The process is estimated to take between 6 and 8 months.

## 28. AUDIT AND NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties, where the auditor's expertise and experience with the Company and the Group are important. The Board of Directors has considered the position and, in accordance with the advice received from the Audit and Risk Management Committee, is satisfied that the provision of the non-audit services did not compromise the auditor for the following reasons:

- all non-audit services have been reviewed by the Audit and Risk Management Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in Professional Statement F1, including reviewing, or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

During the year, the following fees were paid or payable for audit and non-audit services provided by Ernst & Young.

The Auditor of Dragon Mining Limited is Ernst & Young.

	2022 AU\$	2021 AU\$
<hr/>		
Ernst & Young (Australia)		
<i>Fees for audit and review of any statutory financial reports covering the Group</i>	<b>245,237</b>	237,825
<i>Fees for assurance services that are required by legislation to be provided by the auditor</i>	<b>11,440</b>	10,400
<i>Fees for other services</i>		
– Tax compliance	<b>18,000</b>	17,000
– Tax advice	<b>84,310</b>	44,500
– Other non-audit services	<b>6,000</b>	46,800
<hr/>		
<b>Total</b>	<b>364,987</b>	356,525
<hr/>		
Ernst & Young (other than Australia)		
<i>Fees for audit and review of any statutory financial reports covering the Group</i>	<b>82,786</b>	81,250
<hr/>		
<b>Total</b>	<b>82,786</b>	81,250
<hr/>		

## 29. RE-APPOINTMENT OF AUDITOR

The consolidated financial statements for the year ended 31 December 2022 were audited by Ernst & Young who will retire and being eligible, offer themselves for re-appointment. A resolution will be submitted to the AGM to re-appoint Ernst & Young as auditor of the Company.

By Order of the Board  
**Dragon Mining Limited**  
**Brett Robert Smith**  
*Executive Director*

Hong Kong, 3 April 2023

The Company is committed to maintaining a high standard of corporate governance within a sensible framework with an emphasis on the principles of transparency, accountability and independence. The Board of Directors of the Company (“Board”) believes that good corporate governance is essential to the success of the Company and to the enhancement of shareholders’ value.

### CORPORATE GOVERNANCE CODE

In light of the Corporate Governance Code (“CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”), the Board has reviewed the corporate governance practices of the Company with the adoption of the various enhanced procedures which are detailed in this report. The Company has applied the principles of, and complied with, the applicable code provisions set out in the section headed “Part 2 – Principles of good corporate governance, code provisions and recommended best practices” of the CG Code during the year ended 31 December 2022. The Board will review the current practices at least annually, and make appropriate changes if considered necessary.

### THE BOARD

The Board currently comprises six directors (“Directors”) in total, with one Executive Director, two Non-Executive Directors (“NEDs”) and three Independent Non-Executive Directors (“INEDs”), and one alternate director (“Alternate Director”). The composition of the Board during the year and up to the date of this report is set out as follows:

<b>Executive Director:</b>	Brett Robert Smith ( <i>Chief Executive Officer</i> )
<b>Non-Executive Directors:</b>	Arthur George Dew ( <i>Chairman</i> ) Lam Lai
<b>Independent Non-Executive Directors:</b>	Carlisle Caldow Procter Pak Wai Keung Martin Poon Yan Wai
<b>Alternate Director:</b>	Wong Tai Chun Mark ( <i>alternate to Arthur George Dew</i> )

The brief biographical details of the Directors are set out in the Biographies of Directors and Senior Management on pages 40 to 44. There are no financial, business, family or other material or relevant relationships among members of the Board.

## THE BOARD (CONT'D)

### Board Process

During the year ended 31 December 2022, the NEDs (a majority of whom are independent) provided the Company and its subsidiaries (collectively "Group") with a wide range of expertise and experience. Their active participation in the Board and committee meetings brought independent judgment on issues relating to the Group's strategy, performance and management process, taking into account the interests of all shareholders of the Company ("Shareholders").

Throughout the year and up to the date of this report, the Company has had at least three INEDs representing not less than one-third of the Board. At least one of the INEDs has the appropriate professional qualifications or accounting or related financial management expertise under Rule 3.10 of the Listing Rules. The Board has received from each INED an annual confirmation of his independence and considers that all the INEDs are independent under the guidelines set out in Rule 3.13 of the Listing Rules.

The Board meets regularly to discuss the overall strategy as well as the operation and financial performance of the Group, and to review and approve the Group's annual and interim results and other ad hoc matters which need to be dealt with. During the year, four Board meetings were held and the individual attendance records of each Director at the meetings of the Board, Audit and Risk Management Committee, Remuneration Committee and general meeting during the year ended 31 December 2022 are set out below:

Name of Directors	Number of meetings attended/ Number of meetings during the term of office held			
	Board	Audit and Risk Management Committee	Remuneration Committee	General Meeting
<b>Executive Director:</b>				
Brett Robert Smith ( <i>Chief Executive Officer</i> )	4/4	N/A	N/A	1/1
<b>Non-Executive Directors:</b>				
Arthur George Dew ( <i>Chairman</i> )	4/4	N/A	N/A	1/1
Lam Lai	4/4	N/A	N/A	1/1
<b>Alternate Director:</b>				
Wong Tai Chun Mark ( <i>alternate to Arthur George Dew</i> )	N/A	N/A	N/A	1/1
<b>Independent Non-Executive Directors:</b>				
Carlisle Caldwell Procter	4/4	2/2	1/1	1/1
Pak Wai Keung Martin	4/4	2/2	1/1	1/1
Poon Yan Wai	4/4	2/2	1/1	1/1

## THE BOARD (CONT'D)

### Board Process (Cont'd)

The Board has reserved for its decision or consideration matters covering mainly the Group's overall strategy, annual operating budget, annual and interim results, approval of Directors' appointment or re-appointment (based on the recommendations made by the Nomination Committee), material contracts and transactions, corporate governance as well as other significant policy and financial matters. The Board has delegated the day-to-day management and operation responsibility to the executive management. The respective functions of the Board and management of the Company have been formalised and set out in writing and will be reviewed and updated by the Board from time to time to ensure that they are consistent with the existing rules and regulations.

Regular Board meetings each year are scheduled in advance to facilitate maximum attendance of Directors. At least 14 days' notice of a Board meeting is normally given to all Directors who are given an opportunity to include matters for discussion in the agenda. The joint company secretaries of the Company ("Company Secretaries", each a "Company Secretary") assist the Chairman of the Board in preparing the agenda for meetings and ensures that all applicable rules and regulations are complied with. The agenda and the accompanying Board papers are normally sent to all Directors at least 3 days before the intended date of a regular Board meeting (and so far as practicable for such other Board meetings). Draft minutes of each Board meeting are circulated to all Directors for their comment before being tabled at the following Board meeting for approval. All minutes are kept by the joint Company Secretary in Australia and are open for inspection at any reasonable time on reasonable notice by any Director.

According to the current Board practice, if a substantial Shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by the Board at a duly convened Board meeting and INEDs who, and whose close associates, have no material interest in the transaction should be present at that Board meeting. The constitution of the Company ("Constitution") also stipulates that save for the exceptions as provided therein, a Director shall abstain from voting on any Board resolution and not be counted in the quorum at meetings for approving any contract or arrangement in which such Director or any of his/her close associates has a material interest.

Every Director is entitled to have access to Board papers and related materials and has access to the advice and services of the Company Secretaries. The Board and each Director also have separate and independent access to the Company's management. Directors will be continuously updated on the major development of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices. In addition, as part of the mechanism to encourage independent views and input from Directors, a written procedure has been established and reviewed annually to enable the Directors, in discharge of their duties, to seek external independent professional advice in appropriate circumstances at a reasonable cost to be borne by the Company.

## THE BOARD (CONT'D)

### Directors' Continuous Professional Development

For continuous professional development, in addition to Directors' attendance at meetings and review of papers and circulars sent by the management of the Company, Directors participated in the activities including the following:

#### Participation in Continuous Professional Development Activities

Name of Directors	Reading relevant materials relating to the latest development of the Listing Rules, other applicable regulatory requirements and directors' duties and responsibilities	Attending training sessions, including but not limited to, briefing, seminars, conferences, forums and workshops
<b>Executive Director:</b>		
Brett Robert Smith ( <i>Chief Executive Officer</i> )	✓	✓
<b>Non-Executive Directors:</b>		
Arthur George Dew ( <i>Chairman</i> )	✓	✓
Lam Lai	✓	✓
<b>Independent Non-Executive Directors:</b>		
Carlisle Caldwell Procter	✓	✓
Pak Wai Keung Martin	✓	✓
Poon Yan Wai	✓	✓
<b>Alternate Director:</b>		
Wong Tai Chun Mark	✓	✓

### Board Diversity

The Company has adopted the Board Diversity Policy which sets out the objectives and principles regarding board diversity for the purpose of achieving the Company's strategic objectives of balanced diversity at the Board as far as practicable. Board appointments will be based on merit and candidates will be considered against measurable objectives, taking into account the Company's business and needs.

Selection of candidates will be based on a range of diversity criteria, including but not limited to gender, age, cultural and educational background, knowledge, professional experience and skills. The ultimate decision will be based on merit and the contribution that the selected candidates may bring to the Board.

## THE BOARD (CONT'D)

### Board Diversity (Cont'd)

The proportion of female Board representation is a measurable objective of the Company in assessing the implementation of the diversity policy. The Board currently has one female Director out of six Directors, achieving the gender diversity of the Board at 16.7%. The Board targets to maintain at least the current level of female representation, with the ultimate goal of increasing the proportion of female members over time as and when suitable candidates are identified.

The six Directors are from diverse and complementary backgrounds, including management, mining and exploration, engineering and construction, legal, mergers and acquisitions, accounting and finance management. The valuable experience and expertise they bring to our business are critical for the long-term growth of the Group.

During the year, the Board conducted an annual review of the implementation and effectiveness of the Board Diversity Policy and is satisfied that the Board Diversity Policy has been properly implemented and is effective.

### Workplace diversity

The Company and its subsidiaries are committed to workplace diversity and recognise the benefits arising from employee and board diversity, including having a broader pool of quality and talented employees, improving employee retention, and being able to access different perspectives. Diversity includes, without limitation, different gender, age, ethnicity and cultural background.

As of 31st December, 2022, the ratio of the number of male to female employees is approximately 76% to 24% (2021: 75% to 25%) as the Group is principally engaged in the exploration for, and mining and processing gold ores related works. The Group recognises, and endeavours to protect, the rights of its employees and is committed to providing equal opportunities. The Group engages in transparent and fair recruitment practices, and fair remuneration and disciplinary decisions without regard to gender, age, family position, or ethnic background. Further information about the composition of the Group's workforce can be found in the Environmental, Social and Governance Report 2022 separately released on the websites of The Stock Exchange of Hong Kong Limited ("Stock Exchange") and the Company.

Details are available on the Company's website at [www.dragonmining.com](http://www.dragonmining.com).

## ROLES OF CHAIRMAN AND CHIEF EXECUTIVE

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr Arthur George Dew, being the Chairman of the Board, is primarily responsible for the leadership of the Board, ensuring that (i) all significant policy issues are discussed by the Board in a timely and constructive manner; (ii) all Directors are properly briefed on issues arising at Board meetings; and (iii) the Directors receive accurate, timely and clear information. The functions of the chief executive are performed by Mr Brett Robert Smith, the Chief Executive Officer and Executive Director of the Company, who is responsible for the day-to-day management of the Group's business. Their responsibilities are clearly segregated and have been set out in writing and approved by the Board.

## APPOINTMENT AND RE-ELECTION OF DIRECTORS

The terms of reference of the Nomination Committee include the nomination procedure specifying the process and criteria for the selection and recommendation of candidates for directorship of the Company.

Every newly appointed Director will receive an induction package from the joint Company Secretary in Australia on the first occasion of his/her appointment. This induction package is a comprehensive, formal and tailored induction on the responsibilities and on-going obligations to be observed by a director pursuant to the Australian Corporations Act 2001, Hong Kong Companies Ordinance, the Listing Rules and the Securities and Futures Ordinance. In addition, this induction package includes materials briefly describing the operations and business of the Company, the latest published financial reports of the Company and the documentation for the corporate governance practices adopted by the Board. Directors will be continuously updated on any major developments of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeeping of good corporate governance practices.

All NEDs (including INEDs) of the Company were appointed for a specific term of two years. All terms of appointments of NEDs (including INEDs) of the Company are subject to the relevant provisions of the Constitution or any other applicable laws whereby the Directors shall vacate or retire from their office but eligible for re-election. The appointment of all NEDs (including INEDs) has been renewed from 5 November 2022.

In considering the appointment or re-appointment of Directors, in addition to the diversity criteria set out in the paragraphs headed "Board Diversity" under "The Board" above, the Board, with the assistance and recommendation from the Nomination Committee, will also take into account a number of factors, including but not limited to the structure, size and composition of the Board, the candidates' qualifications and their ability to devote sufficient time as and when required to discharge their responsibilities as a director and to make positive contribution to the development of the Company's strategy, policies and performance.

According to the Constitution, at each annual general meeting of the Company ("AGM"), one-third of the Directors for the time being (or, if that number is not a whole number, the next lowest whole number nearest to one-third) shall retire from office by rotation, other than newly appointed Director, managing Director or alternate Director. Further, any Director appointed by the Board to fill a casual vacancy or as an addition to the Board shall automatically retire at the next AGM and those Directors shall then be eligible for re-election at the relevant meeting. Every Director shall be subject to retirement by rotation at least once every three years.

## CORPORATE GOVERNANCE FUNCTION

The Board is responsible for performing corporate governance duties and has adopted the written terms of reference on its corporate governance functions. The duties of the Board in respect of the corporate governance functions include:

- (i) developing and reviewing the Company's policies and practices on corporate governance;
- (ii) reviewing and monitoring the training and continuous professional development of Directors and senior management;
- (iii) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- (iv) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (v) reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

During the year ended 31 December 2022 and up to the date of this report, the Board has performed this corporate governance duties in accordance with its terms of reference.

## BOARD COMMITTEES

The Board has established various committees, including a Nomination Committee, a Remuneration Committee and an Audit and Risk Management Committee in accordance with the Listing Rules, each of which has its specific written terms of reference. Copies of minutes of all meetings and resolutions of the committees, which are kept by the joint Company Secretary in Australia, are circulated to all Board members and the committees are required to report back to the Board on their decision and recommendations where appropriate. The procedures and arrangements for a Board meeting, as mentioned in the section headed "The Board" of this report, have been adopted for the committee meetings so far as practicable.

### Nomination Committee

The Nomination Committee was established effective on 5 November 2018 and is chaired by the Chairman of the Board and comprises a majority of INEDs. Currently, the Nomination Committee consists of three members, including Mr Arthur George Dew (Chairman of the Nomination Committee), being a NED, Mr Carlisle Caldwell Procter and Mr Pak Wai Keung Martin, both being INEDs. The Nomination Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice at the cost of the Company according to the Company's policy if considered necessary. The major roles and functions of the Nomination Committee are included in its terms of reference, which are available on the websites of the Stock Exchange and the Company.

## BOARD COMMITTEES (CONT'D)

### Nomination Committee (Cont'd)

The Nomination Committee has formulated and set out the nomination policy ("Nomination Policy") in its terms of reference. The objectives of the Nomination Policy are to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business, and that the Directors can devote sufficient time and make contributions to the Company that are commensurate with their role and board responsibilities. A balanced composition of executive and non-executive directors (including INEDs) shall be included in the Board so that there is a strong independent element in the Board, which can effectively exercise independent judgment.

To ensure changes to the Board composition can be managed without undue disruption, a formal, considered and transparent procedure is in place for selection, appointment and re-appointment of Directors, as well as plans in place for orderly succession (if considered necessary), including periodical review of such plans. The appointment of a new Director (to be an additional Director or fill a casual vacancy as and when it arises) or any re-appointment of Directors is a matter for decision by the Board upon the recommendation of the proposed candidate by the Nomination Committee.

The criteria to be applied in considering whether a candidate is qualified shall be his or her ability to devote sufficient time and attention to the affairs of the Company and contribute to the diversity of the Board as well as the effective carrying out by the Board of the responsibilities. Further details of the selection criteria and the procedure are set out in the terms of reference of the Nomination Committee which are available on the websites of the Stock Exchange and the Company.

The Nomination Committee will meet as and when necessary in accordance with its terms of reference and may also deal with matters by way of circulation. During the year ended 31 December 2022, no Nomination Committee meeting was held while the Nomination Committee dealt with matters by way of circulation.

During the year ended 31 December 2022 and up to the date of this report, the Nomination Committee performed the works as summarised below:

- (i) reviewed and recommended for the Board's approval the proposed resolution for re-election of the retiring Director at 2022 AGM and 2023 AGM;
- (ii) reviewed the structure, size, composition and diversity of the Board and assessed the qualifications, time commitments, contributions and independence of each INED;
- (iii) reviewed and recommended for the Board's approval the revised terms of reference of the Nomination Committee and the updated Board Diversity Policy; and
- (iv) reviewed and recommended for the Board's approval the renewal of appointment of the re-appointing Executive Director and NEDs (including the INEDs).

## BOARD COMMITTEES (CONT'D)

### Remuneration Committee

The Remuneration Committee was established effective on 5 November 2018 and currently consists of three members, including Mr Carlisle Caldwell Procter (Chairman of the Remuneration Committee), Mr Pak Wai Keung Martin and Mr Poon Yan Wai, all being INEDs. The Remuneration Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice at the cost of the Company according to the Company's policy if considered necessary. The major roles and functions of the Remuneration Committee are included in its terms of reference, which are available on the websites of the Stock Exchange and the Company.

The Company has adopted model (ii) as set out in code provision E.1.2(c) of the CG Code, under which the Remuneration Committee makes recommendation to the Board on the remuneration package of individual executive Director and senior management.

The Remuneration Committee shall meet at least once a year in accordance with its terms of reference. During the year ended 31 December 2022, one Remuneration Committee meeting was held and the attendance of each member is set out in the section headed "The Board" of this report.

In addition to the Remuneration Committee meeting, the Remuneration Committee also dealt with matters by way of circulation during the year ended 30 June 2022. During the year ended 31 December 2022 and up to the date of this report, the Remuneration Committee performed the works as summarised below:

- (i) reviewed and recommended for the Board's approval the revised policy and structure for the remuneration of Directors;
- (ii) reviewed the existing remuneration packages of the Executive Director and senior management;
- (iii) reviewed the existing remuneration of the NEDs (including the INEDs);
- (iv) reviewed and recommended for the Board's approval the bonus for the year ended 31 December 2021 of the Chief Executive Officer; and
- (v) reviewed and recommended for the Board's approval the remuneration and the renewal of appointment of the re-appointing Executive Director and NEDs (including the INEDs).

The remuneration payable to Directors will depend on their respective contractual terms under their employment contracts or service contracts or appointment letters as approved by the Board on the recommendation of the Remuneration Committee. Details of the Directors' remuneration are set out in note 17 to the Consolidated Financial Statements whereas detailed changes in the remunerations of Directors during the interim period and up to the date of the Interim Report (where applicable) were also disclosed in the Interim Report of the Company dated 18 August 2022. Details of the remuneration policy of the Group as well as Directors' and Key Management Personnel remuneration and company performance, etc. are also set out in notes 14 and 15 of the Directors' Report on pages 49 to 50.

**BOARD COMMITTEES (CONT'D)****Remuneration Committee (Cont'd)**

The remuneration of the members of the senior management (including the Executive Director) by band for the year ended 31 December 2022 is set out below:

<b>Remuneration bands (AU\$)</b>	<b>Number of Persons</b>
1 to 50,000	1
150,001 to 200,000	1
200,001 to 250,000	3
250,001 to 300,000	1
300,001 to 350,000	2
350,001 to 400,000	1
600,001 to 650,000	1

**Audit and Risk Management Committee**

The Audit and Risk Management Committee was established effective on 5 November 2018 and currently consists of three INEDs. To retain independence and objectivity, the Audit and Risk Management Committee is chaired by an INED with appropriate professional qualifications or accounting or related financial management expertise. The current members of the Audit and Risk Management Committee are Mr Poon Yan Wai (Chairman of the Audit and Risk Management Committee), Mr Carlisle Caldwell Procter and Mr Pak Wai Keung Martin. The Audit and Risk Management Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice at the cost of the Company according to the Company's policy if considered necessary. The major roles and functions of the Audit and Risk Management Committee are included in its terms of reference, which are available on the websites of the Stock Exchange and the Company.

The Audit and Risk Management Committee shall meet at least twice a year in accordance with its terms of reference. During the year ended 31 December 2022, two meetings of the Audit and Risk Management Committee were held and the attendance of each member is set out in the section headed "The Board" of this report.

## BOARD COMMITTEES (CONT'D)

### Audit and Risk Management Committee (Cont'd)

During the year ended 31 December 2022 and up to the date of this report, the Audit and Risk Management Committee performed the works as summarised below:

- (i) reviewed and approved the audit scope and fees proposed by the external auditor;
- (ii) reviewed the reports of findings/independent review report from the external auditor and the management's response in relation to the final audit for the year ended 31 December 2021, the interim results review for the six months ended 30 June 2022 and the final audit for the year ended 31 December 2022 of the Group;
- (iii) reviewed and recommended for the Board's approval the financial report of the Group for the year ended 31 December 2021, for the six months ended 30 June 2022 and for the year ended 31 December 2022 together with the relevant management representation letters and announcements;
- (iv) reviewed and recommended for the Board's annual review the Group's risk management and internal control systems;
- (v) reviewed and recommended for the Board's annual review the report on the substantiation of resources, qualifications and experience of staff of the Group's accounting, internal audit and financial reporting functions, as well as those relating to ESG performance and reporting, and their training programmes and budget; and
- (vi) reviewed and recommended for the Board's approval the revised Whistle Blower Policy, Policy on the Disclosure of Inside Information and Related Party Transaction Policies and Procedures.

## COMPANY SECRETARY

The current Company Secretaries are Mr Hai-Young Lu ("Mr Lu") (for Australian regulations) and Ms Lau Tung Ni ("Ms Lau") (for Hong Kong regulations).

All Directors have access to the advice and services of the Company Secretaries. The Company Secretaries report to the Chairman on board governance matters, and are responsible for ensuring that Board procedures are followed and for facilitating communications among Directors as well as with the Shareholders and management.

The brief biographical details of Mr Lu and Ms Lau are set out in the Biographies of Directors and Senior Management on page 44.

The Company Secretaries have duly complied with the relevant training requirement under rule 3.29 of the Listing Rules during the year ended 31 December 2022.

## **CODES FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code throughout the year ended 31 December 2022.

The Company has also adopted the Model Code as the Code for Securities Transactions by Relevant Employees to regulate dealings in securities of the Company by certain employees of the Company or any of its subsidiaries who are considered to be likely in possession of inside information in relation to the Company or its securities.

## **ACCOUNTABILITY AND AUDIT**

### **Financial Reporting**

The Directors acknowledge their responsibility for preparing, with the support from the Accounts Department, the Consolidated Financial Statements of the Group, and the Directors were not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. The Consolidated Financial Statements for the year ended 31 December 2022 have been prepared in accordance with the International Financial Reporting Standards promulgated by the International Accounting Standards Board (the "IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. The Directors believe that they have selected suitable accounting policies and applied them consistently, and made judgments and estimates that are prudent and reasonable and have ensured that the Consolidated Financial Statements are prepared on a going concern basis.

The reporting responsibilities of the Company's external auditor, Ernst & Young, are set out in the Independent Auditor's Report on pages 141 to 148.

## ACCOUNTABILITY AND AUDIT (CONT'D)

### Risk Management and Internal Control

The Board oversees management in the design, implementation and monitoring of the risk management and internal control systems and has the responsibility to review annually the effectiveness of the Group's risk management and internal control systems covering all material controls, including financial, operational, compliance and Environmental, Social and Governance-related controls. For the year ended 31 December 2022, the Board, through the Audit and Risk Management Committee, had conducted a group-wide review of its risk management and internal control systems for the assessment on the adequacy of resources, qualifications and experience of staff of the Company's accounting, internal audit and financial reporting functions, as well as those relating to ESG performance and reporting, and their training programmes and budget.

The Group's risk management and internal control systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss; to manage rather than completely eliminate the risk of system failure; and to assist in the achievement of the Group's agreed objectives and goals. They have a key role in the management of risks that are significant to the fulfilment of business objectives. In addition, they should provide a basis for the maintenance of proper accounting records and assist in the compliance with relevant laws and regulations.

Systems and procedures are put in place to identify, evaluate and monitor the risks of different businesses and activities. Annual assessment is performed by the Company and presented to the Audit and Risk Management Committee on the effectiveness of the risk management and internal control systems, who then will put forward the results and findings to the Board for review on the effectiveness of the risk management and internal control systems. For the year ended 31 December 2022, the risk management and internal control systems have been considered effective and adequate and no significant deficiency was noted.

The Company's principal subsidiaries are managed under independent systems of risk management and internal controls. These subsidiaries have provided appropriate assurance to the Company on their compliance with the CG Code regarding risk management and internal control systems in general to the Company.

A discussion of the policies and procedures on the management of each of the major types of risk which the Group is facing is included in note 24 to the Consolidated Financial Statements and under the "Operational Risks" and "Financial Risks" sections contained in the Management Discussion and Analysis on page 18 and 23 respectively.

## ACCOUNTABILITY AND AUDIT (CONT'D)

### Internal Audit Function

The Company's Internal Audit Function ("IAF") is considered suitable for a small company such as the Company. The Company's risk management and internal control systems have been established in light of the Company's small operating scale and uncomplicated structure and are designed to provide reasonable assurance against material misstatement or loss, and to manage the risk of system failure. Systems and procedures are in place to identify, evaluate, and manage, the risks attached to the Company's different business and financial activities.

The IAF is based on a matrix of delegated authorities that defines the level of authority individual staff have for all financial and operational activities. These procedures allow a hierarchical system of checking and review.

Budgets are prepared and approved by the Board. All capital expenditure must be approved by an established authorisation for expenditure process. Items above a defined value, together with any non-budgeted expenditure, must be authorised by Board resolution.

The matrix of authority requires sign-off by the level above the individual initiating the transaction.

The Company's corporate governance and control functions were reviewed in 2022. These will be reviewed again in 2023, and periodically thereafter.

### Policy on Disclosure of Inside Information

The Board adopted the Policy on the Disclosure of Inside Information ("Policy") effective on 8 November 2018 with respect to the procedures and internal controls for the handling and dissemination of inside information. The Policy sets out guidelines and procedures to the directors of the Company and relevant officers of the Group to ensure inside information of the Group is to be disseminated to the public on an equal basis and in timely manner. Directors and relevant officers in possession of potential inside information and/or inside information are required to take reasonable measures to ensure that proper safeguards are in place to preserve strict confidentiality of inside information and to ensure that its recipients recognise their obligations to maintain the information confidential. The Policy shall be updated and revised as and when necessary in light of changes in circumstances and changes in the Listing Rules, Part XIVA of the Securities and Futures Ordinance and relevant statutory and regulatory requirements from time to time.

### External Auditors' Remuneration

The remuneration paid to the Group's external auditors during the year ended 31 December 2022 is set out in note 28 of the Directors' Report on page 54.

## SHAREHOLDERS ENGAGEMENT

The Board recognises the importance of good communication with Shareholders. Information in relation to the Group is disseminated to Shareholders in a timely manner through a number of formal channels, which include interim and annual reports, announcements and circulars. Such published documents together with the latest corporate information and news are also made available on the website of the Company.

The Company's AGM is a valuable forum for the Board to communicate directly with Shareholders. The Chairman actively participates at the AGM to answer any questions from Shareholders. The chairman of each of the Audit and Risk Management Committee, the Remuneration Committee and the Nomination Committee or in their absence, another member of the respective committees or failing that their respective duly appointed delegate, are also available to answer questions at the AGM. The chairman of any independent board committee formed as necessary or pursuant to the Listing Rules (or if no such chairman is appointed, at least a member of the independent board committee) is also available to answer questions at any general meeting of Shareholders to approve a connected transaction or any other transaction that is subject to independent Shareholders' approval.

During the year, the 2022 AGM of the Company was held on 23 May 2022. The attendance records of the Directors at the general meeting are set out in the section headed "The Board" of this report.

Separate resolutions are proposed at the general meetings for each substantial issue, including the re-election of retiring Directors.

The notification of general meeting to Shareholders is to be sent in the case of the AGM at least 28 clear days and 20 clear business days before the meeting and to be sent at least 28 clear days and 10 clear business days before the meeting for all other general meetings. An explanation of the detailed procedures of conducting a poll is provided to the Shareholders at the commencement of the meeting. The chairman of the meeting answers questions from Shareholders regarding voting by way of a poll. The poll results are published in the manner prescribed under the requirements of the Listing Rules.

Shareholder(s) representing at least 5% of the votes that may be cast at the general meeting can request the Directors to call and arrange a general meeting of Shareholders ("General Meeting") by providing a written request to the registered office of the Company in Australia or the principal place of business of the Company in Hong Kong. Such requisition must state any resolution to be proposed at the General Meeting and must be signed by Shareholder(s) making the request. Directors must call the meeting within 21 days after the request is given to the Company.

In addition, shareholders representing at least 5% of the votes that may be cast at the general meeting or at least 100 shareholders who are entitled to vote at a general meeting may give the Company notice of a resolution they propose to move at a general meeting. Such proposal must be in writing to the registered office of the Company in Australia or the principal place of business of the Company in Hong Kong, must set out the wording of the proposed resolution and must be signed by shareholder(s) making the request in accordance with the Australian Corporations Act and Constitution, where applicable.

The Board established a shareholders' communication policy. A Shareholder may serve an enquiry to the Board at the registered office of the Company in Australia or the principal place of business of the Company in Hong Kong for the attention of the Board or either of the Company Secretaries in written form and state the nature of the enquiry and the reason for making the enquiry. In addition, Shareholders can contact Computershare Hong Kong Investor Services Limited, the share registrar of the Company in Hong Kong, for any questions about their shareholdings.

## SHAREHOLDERS ENGAGEMENT (CONT'D)

During the year, the Board conducted a review of the implementation and effectiveness of the shareholders' communication policy. Having considered the multiple channels of communication and engagement in place as detailed above and in the shareholders' communication policy, the Board is satisfied that the shareholders' communication policy has been properly implemented and is effective.

## DIVIDEND POLICY

The Board has adopted a Dividend Policy which aims at providing reasonable and sustainable returns to its shareholders whilst maintaining a position of financial stability which allows the Company to take advantage of any investment and expansion opportunities that may arise from time to time.

The Board may declare or propose dividends on an annual basis and/or may declare interim dividends or special dividends. Proposal or declaration of dividends by the Board is subject to consideration of the Company's and the Group's operating results, accumulated and future earnings, gearing, liquidity position, capital commitment requirement and future expansion plan as well as general economic conditions and external factors that may have impact on the financial performance and position of the Company and the Group. In addition, as the Company is a holding company, the Board will also consider the dividends received or to be received from its subsidiaries and associates at the time of any proposal or declaration of a dividend of the Company.

The Board will regularly review the Dividend Policy and will amend and/or modify the Dividend Policy if necessary.

## CORPORATE GOVERNANCE ENHANCEMENT

Enhancing corporate governance is not simply a matter of applying and complying with the CG Code but also about promoting and developing an ethical and healthy corporate culture. The Board will continue to review and, where appropriate, improve our current practices on the basis of our experience, regulatory changes and developments. Any views and suggestions from our Shareholders to promote and improve our transparency are also welcome.

On behalf of the Board  
**Dragon Mining Limited**  
**Arthur George Dew**  
*Chairman*

Hong Kong, 3 April 2023



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**Independent auditor's report to the members of Dragon Mining Limited**  
(incorporated in Australia with limited liability)

致龍資源有限公司股東的  
獨立核數師報告  
(於澳洲註冊成立的有限公司)

## OPINION

We have audited the consolidated financial statements of Dragon Mining Limited (the Company) and its subsidiaries (the Group) set out on pages 149 to 238, which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing issued by the International Federation of Accountants. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Australia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## 意見

我們已審計列載於第149至238頁的龍資源有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，此綜合財務報表包括於2022年12月31日的綜合財務狀況表與截至該日止年度的綜合損益表及綜合其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據《國際財務報告準則》真實而中肯地反映了貴集團於2022年12月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為編製。

## 意見的基礎

我們已根據國際會計師聯合會頒佈的《國際審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師對綜合財務報表審計的責任」一節中作進一步闡述。根據與我們在澳洲審計綜合財務報表相關的國際會計師職業道德準則理事會的《專業會計師道德守則》(包括《國際獨立性準則》)(「國際會計師職業道德準則理事會守則」)以及道德規範，我們獨立於貴集團，並已按照該等規範及國際會計師職業道德準則理事會守則履行其他道德責任。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

## Impairment assessment of property, plant and equipment

Why significant  
為何重要

As disclosed in Note 8 *Property, Plant and Equipment*, the Group recognised property, plant and equipment, including capitalised mine properties, of AU\$54.427 million as at 31 December 2022.

International Financial Reporting Standards require an assessment of indicators of impairment annually or more frequently if indicators of impairment exist, for each cash generating unit (CGU).

如附註8—物業、廠房及設備所披露，於2022年12月31日，貴集團確認物業、廠房及設備，包括資本化的礦場物業54.427百萬澳元。

國際財務報告準則要求每年對各現金產生單位進行減值跡象評估，或於存在減值跡象的情況下更頻繁地進行有關評估。

## 關鍵審計事項

關鍵審計事項是我們根據專業判斷，認為對本年度綜合財務報表的審計最為重要的事項。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下來進行處理，我們不對該等事項提供單獨的意見。我們對下述每一事項在審計中是如何應對的描述也以此為背景。

我們已經履行了本報告「核數師對綜合財務報表審計的責任」一節闡述的責任，包括與該等事項相關的責任。相應地，我們的審計工作包括執行為應對評估的綜合財務報表存在重大錯報風險而設計的審計程序。我們執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為就隨附的綜合財務報表發表審計意見提供了基礎。

## 物業、廠房及設備的減值評估

How our audit addressed the key audit matters  
我們的審計如何應對該關鍵審計事項

We performed an independent analysis for indicators of impairment, which included considering the performance of the assets and external market conditions.

Our audit procedures included an evaluation of the assumptions and methodology applied in the recoverable value assessment, with emphasis on key inputs such as gold price forecasts, operating costs, discount rates and reserve estimation.

貴集團的減值跡象評估包括對資產經營表現及市值的評估。

年內，貴集團評定減值跡象存在，需要進行減值測試，以確定Vammala及Fäboliden現金產生單位的可收回金額。

## KEY AUDIT MATTERS (CONT'D)

## 關鍵審計事項(續)

Why significant  
為何重要

How our audit addressed the key audit matters  
我們的審計如何應對該關鍵審計事項

The Group's assessment of impairment indicators included an evaluation of asset operating performance and market capitalisation.

We involved our valuation specialists to assist in evaluating, amongst other things, the discount rates applied, foreign exchange rates and gold price forecasts.

During the year, the Group assessed that indicators of impairment existed requiring an impairment test to determine the recoverable amount of the Vammala and Fäboliden CGUs.

For the Fäboliden CGU, we assessed the competence, capability and objectivity of the external experts who compiled the Independent Expert's Valuation and engaged our valuation specialists to assess Independent Expert's Valuation against comparable transaction data and related market participant information.

The Group assessed the recoverable amount of the Vammala CGU using a Value in Use (VIU) methodology and the Fäboliden CGU using a Fair Value Less Cost of Disposal methodology (FVLCD) as disclosed in Note 8 to the financial statements.

We performed sensitivity analysis to evaluate the impact of reasonably possible changes in key assumptions such as commodity price forecasts, discount rates, production, operating costs and capital expenditure.

No impairment was recognised during the year.

We also considered the adequacy of the financial report disclosures included in Note 8 to the financial statements regarding the impairment testing approach, key assumptions and sensitivity analysis.

The assessment of the recoverable amounts was determined to be a key audit matter as it involves significant judgement. Auditing the recoverable amount of Vammala and Fäboliden CGUs is complex and subjective due to the use of forward-looking estimates, which are inherently difficult to determine with precision. There is also a level of judgement applied by the Group in determining the key inputs used in these forward-looking estimates.

Key assumptions, judgements and estimates used in the formulation of the Group's impairment assessment and the impact of reasonable possible changes are disclosed in Note 8 to the financial statements.

貴集團的減值跡象評估包括對資產經營表現及市值的評估。

我們讓估值專家協助評估，其中包括所應用的貼現率、外匯匯率及黃金價格預測。

年內，貴集團評定減值跡象存在，需要進行減值測試，以確定Vammala及Fäboliden現金產生單位的可收回金額。

對於Fäboliden現金產生單位，我們評估了編製獨立專家估值的外聘專家的勝任能力、專業能力和客觀性，並讓估值專家對照可比較交易資料及相關市場參與者資訊對獨立專家估值進行評估。

如財務報表附註8所披露，貴集團採用使用價值法評估Vammala現金產生單位的可收回金額，以及採用公平值減出售成本法評估Fäboliden現金產生單位的可收回金額。

我們進行了敏感度分析，以評估商品價格預測、貼現率、生產、經營成本及資本開支等關鍵假設的合理可能變化的影響。

年內，概無確認任何減值。

我們亦考慮了財務報表附註8所載有關減值測試方法、主要假設及敏感度分析的財務報告披露是否充足。

對可收回金額的評估被認定為關鍵審計事項，因為其涉及重大判斷。由於使用前瞻性估計，審計Vammala及Fäboliden現金產生單位的可收回金額為複雜和主觀，本質上難以精準地確定。貴集團在確定這些前瞻性估計所使用的關鍵輸入數據時，亦作出若干程度的判斷。

用於制定貴集團的減值評估的主要假設、判斷和估計以及合理可能變化的影響於財務報表附註8披露。

## KEY AUDIT MATTERS (CONT'D)

## 關鍵審計事項(續)

## Rehabilitation provisions

## 復墾準備金

Why significant  
為何重要

How our audit addressed the key audit matters  
我們的審計如何應對該關鍵審計事項

As disclosed in Note 12 *Provisions*, the Group recorded rehabilitation provisions totalling AU\$30.791 million as at 31 December 2022 relating to the Group's mine sites and processing facilities in Sweden and Finland.

We evaluated the legal and/or constructive obligations with respect to the rehabilitation for all mine sites and processing facilities, the intended method of rehabilitation and the associated cost estimates.

As disclosed in Note 12 *Provisions* and Note 1aa *Significant accounting estimates and assumptions*, the calculation of these provisions required judgment in estimating the future costs to undertake the rehabilitation activities, the timing of future costs, inflation rates utilised and the determination of an appropriate rate to discount the future costs to their present value.

We assessed the Group's estimation of the rehabilitation costs and obtained evidence to support material movements during the year.

The Group reviews rehabilitation obligations that have arisen semi-annually, or as new information becomes available, including an assessment of the underlying assumptions used, effects of any changes in local regulations and the expected approach to rehabilitation.

We assessed the competence, capability and objectivity of the external experts who compiled the data that supported the cost estimates and provisions and considered the appropriateness of their work in conducting our procedures.

We consider this a key audit matter because estimating the costs associated with these future activities requires judgment and estimation for factors such as timing of when rehabilitation will take place, the extent of the rehabilitation and restoration activities and economic assumptions such as inflation rates and discount rates which are used to determine the provision amount.

We involved our valuation specialists to assist in evaluating the inflation and discount rates applied.

We assessed the accuracy of the calculations used to determine the rehabilitation provision including the economic assumptions applied.

如附註12－撥備所披露，於2022年12月31日，貴集團計提的復墾準備金合共為30.791百萬澳元，用於貴集團於瑞典和芬蘭的礦場和加工設施。

We assessed the adequacy of the Group's disclosures relating to the recognition and measurement of rehabilitation provisions in Note 12 and Note 1aa of the financial statements.

如附註12－撥備及附註1aa－主要會計估計及假設所披露，計算該等準備金需要作出判斷，包括估計未來進行復墾活動的成本、未來成本的時間，所使用的通脹率並釐定將未來成本貼現至其現值的合適比率。

我們評估了所有礦場和處理設施的復墾相關的法定和／或推定義務、預期的復墾方法和相關成本費用的估算。

我們評估了貴集團對復墾成本的估計，並獲得年內發生重大變化的憑證。

貴集團每半年或在獲得新資料時複核所承擔的復墾義務，包括評估所使用的基本假設、地方條例的任何變化的影響和預期的復墾方法。

我們評估了編製成本估計及準備金支持數據的外部專家的勝任能力、專業能力和客觀性，並考慮了他們在執行我們的程序方面的工作是否適當。

我們邀請估值專家協助評估所應用的通脹率及貼現率。

我們認為這屬於關鍵審計事項，因為估計與這些未來活動相關的成本需要對若干因素，例如復墾何時進行、復墾及恢復活動的程度以及通脹率和貼現率等經濟假設進行判斷和估計，用於確定撥備金額。

我們評估了用於確定復墾準備金的計算的準確性，包括已應用的經濟假設。

我們評估了貴集團於財務報表附註12及附註1aa中對有關復墾撥備的確認及計量的披露是否充足。

## OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information consists of the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit and Risk Management Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

## 年報中的其他資料

貴公司董事對其他資料負責。其他資料包括載於年報中的資料，但不包括綜合財務報表和我們的核數師報告。

我們對綜合財務報表的意見不包括其他資料，我們不對其表示任何形式的保證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們所執行的工作，如果我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

## 董事就綜合財務報表須承擔的責任

本公司董事須負責根據國際會計準則理事會頒布的《國際財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核及財務管理委員會協助貴公司董事履行監督貴集團的財務報告過程的責任。

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

## 核數師對審計綜合財務報表的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們遵照香港《公司條例》第405條僅對全體成員作出報告，除此以外，本報告並無其他用途。我們不會就核數師報告的內容向任何其他人士負責或承擔任何責任。

合理保證是高水平的保證，但不能保證按照《國際審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴該等綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《國際審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的成效發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Risk Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Risk Management Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

**核數師對審計綜合財務報表的責任(續)**

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審計及風險管理委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審計及風險管理委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅而採取的行動或所應用的防範措施。

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

From the matters communicated with the Audit and Risk Management Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Jemma K Newton.

**Ernst & Young**  
Perth, Western Australia  
3 April 2023

**核數師對審計綜合財務報表的責任(續)**

從與審核及風險管理委員會溝通的事項中，我們確定哪些事項對本年度綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是 Jemma K Newton。

**安永會計師事務所**  
西澳洲珀斯  
2023年4月3日

# Consolidated Statement of Profit or Loss

For the year ended 31 December 2022

# 綜合損益表

截至2022年12月31日止年度

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		Note	2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
		附註		
Revenue from customers	客戶收益	21	52,514	50,003
Cost of sales	銷售成本	2(a)	(45,173)	(39,721)
<b>Gross profit</b>	<b>毛利</b>		<b>7,341</b>	<b>10,282</b>
Other revenue	其他收益	2(b)	104	9
Other income	其他收入	2(c)	723	805
Exploration expenditure	勘探支出		(262)	(458)
Management and administration expenses	管理及行政開支	2(d)	(4,619)	(4,356)
Exploration and evaluation costs written off	勘探及評估成本撇銷	2(d)	(34)	(561)
Operating expenses	營運開支	2(d)	879	(2,252)
Finance costs	財務成本	2(e)	(21)	(29)
Foreign exchange gain	外匯溢利		628	541
<b>Profit before tax</b>	<b>除稅前溢利</b>		<b>4,739</b>	<b>3,981</b>
Income tax expense	所得稅開支	3	(2,250)	(3,689)
<b>Profit after income tax</b>	<b>除所得稅後溢利</b>		<b>2,489</b>	<b>292</b>
<b>Basic and diluted earnings per share attributable to ordinary equity holders of the parent (cents per share)</b>	<b>母公司普通股持有人應佔每股基本及攤薄盈利(仙/股)</b>			
Basic and diluted earnings per share	每股基本及攤薄盈利	19	1.57	0.19

# Consolidated Statement of Other Comprehensive Income 綜合其他全面收益表

For the year ended 31 December 2022

截至2022年12月31日止年度

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
<b>Profit after income tax (brought forward)</b>	除所得稅後溢利(承前)	<b>2,489</b>	292
<b>Other comprehensive loss</b>	<b>其他全面虧損</b>		
<i>Other comprehensive loss to be reclassified to profit or loss in subsequent periods:</i>	<i>將於其後期間重新分類至損益的其他全面虧損：</i>		
Exchange differences on translation of foreign operations	換算海外業務時的匯兌差額	(1,855)	(230)
<b>Net other comprehensive loss to be reclassified to profit or loss in subsequent periods (net of tax)</b>	<b>將於其後期間重新分類至損益的其他全面虧損淨額(稅後淨額)</b>	<b>(1,855)</b>	(230)
<b>Total comprehensive income for the year</b>	<b>年內全面收入總額</b>	<b>634</b>	62
<b>Profit attributable to:</b>	<b>以下人士應佔溢利：</b>		
Members of Dragon Mining Limited	龍資源有限公司股東	2,489	292
		<b>2,489</b>	292
<b>Total comprehensive income attributable to:</b>	<b>以下人士應佔全面收入總額：</b>		
Members of Dragon Mining Limited	龍資源有限公司股東	634	62
		<b>634</b>	62

## Consolidated Statement of Financial Position

## 綜合財務狀況表

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For the year ended 31 December 2022

截至2022年12月31日止年度

			2022	2021
		Note	2022年	2021年
		附註	AU\$'000	AU\$'000
			千澳元	千澳元
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Cash and cash equivalents	現金及現金等價物	4	17,671	14,370
Trade and other receivables	貿易及其他應收款項	5	3,462	5,225
Inventories	存貨	6	19,991	19,679
Other assets	其他資產	7	627	825
<b>TOTAL CURRENT ASSETS</b>	<b>流動資產總值</b>		<b>41,751</b>	40,099
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant, and equipment	物業、廠房及設備	8	54,427	46,246
Mineral exploration and evaluation costs	礦產勘探及評估成本	9	2,242	1,625
Right-of-use assets	使用權資產	10	1,531	2,043
Other assets	其他資產	7	4,927	5,287
<b>TOTAL NON-CURRENT ASSETS</b>	<b>非流動資產總值</b>		<b>63,127</b>	55,201
<b>TOTAL ASSETS</b>	<b>資產總值</b>		<b>104,878</b>	95,300
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	11	8,101	5,496
Provisions	撥備	12	3,114	3,114
Interest bearing liabilities	計息負債	13	572	622
Other liabilities	其他負債		82	122
Current tax liability	即期稅項負債		2,291	1,697
<b>TOTAL CURRENT LIABILITIES</b>	<b>流動負債總額</b>		<b>14,160</b>	11,051
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Provisions	撥備	12	29,245	22,889
Interest bearing liabilities	計息負債	13	877	1,391
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>非流動負債總額</b>		<b>30,122</b>	24,280
<b>TOTAL LIABILITIES</b>	<b>負債總額</b>		<b>44,282</b>	35,331
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>60,596</b>	59,969
<b>EQUITY</b>	<b>權益</b>			
Contributed equity	實繳股本	14	140,420	140,454
Reserves	儲備	16	(2,588)	(760)
Accumulated losses	累計虧損		(77,236)	(79,725)
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>60,596</b>	59,969

## Consolidated Statement of Changes in Equity

For the year ended 31 December 2022

## 綜合權益變動表

截至2022年12月31日止年度

		Contributed Equity	Accumulated Losses	Foreign Currency Reserve	Convertible Note Premium Reserve	Equity Reserve Purchase of Non- controlling Interest	Treasury Shares Reserve	Total Equity
		實繳股本 AU\$'000 千澳元	累計虧損 AU\$'000 千澳元	外幣儲備 AU\$'000 千澳元	可轉換票據 溢價儲備 AU\$'000 千澳元	非控股權益 的權益 儲備購買 AU\$'000 千澳元	庫務 股份儲備 AU\$'000 千澳元	權益總額 AU\$'000 千澳元
<b>At 1 January 2021</b>	於2021年1月1日	133,991	(80,017)	(3,633)	2,068	1,069	-	53,478
Profit after income tax for the year	年內除所得稅後溢利	-	292	-	-	-	-	292
Other comprehensive loss	其他全面虧損	-	-	(230)	-	-	-	(230)
Total comprehensive income for the year	年內全面收入總額	-	292	(230)	-	-	-	62
Shares issued	已發行股份	6,862	-	-	-	-	-	6,862
Share issue transaction costs	股份發行交易成本	(229)	-	-	-	-	-	(229)
Share buy-back transactions	股份回購交易	(170)	-	-	-	-	(34)	(204)
Total transactions with owners	與擁有人的交易總額	6,463	-	-	-	-	(34)	6,429
<b>At 31 December 2021</b>	於2021年12月31日	140,454	(79,725)	(3,863)	2,068	1,069	(34)	59,969
<b>At 1 January 2022</b>	於2022年1月1日	140,454	(79,725)	(3,863)	2,068	1,069	(34)	59,969
Profit after income tax for the year	年內除所得稅後溢利	-	2,489	-	-	-	-	2,489
Other comprehensive loss	其他全面虧損	-	-	(1,855)	-	-	-	(1,855)
Total comprehensive income for the year	年內全面收入總額	-	2,489	(1,855)	-	-	-	634
Share buy-back transactions	股份回購交易	(34)	-	-	-	-	27	(7)
Total transactions with owners	與擁有人的交易總額	(34)	-	-	-	-	27	(7)
<b>At 31 December 2022</b>	於2022年12月31日	140,420	(77,236)	(5,718)	2,068	1,069	(7)	60,596

# Consolidated Statement of Cash Flows

For the year ended 31 December 2022

# 綜合現金流量表

截至2022年12月31日止年度

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			2022	2021
		Note	2022年	2021年
		附註	AU\$'000	AU\$'000
			千澳元	千澳元
<b>Cash flows from operating activities</b>	<b>經營活動現金流量</b>			
Receipts from customers	收到客戶款項		54,227	51,487
Payments to suppliers and employees	向供應商及僱員付款		(44,223)	(39,606)
Payments for mineral exploration	就礦產勘探付款		(482)	(1,223)
Interest received	已收利息		103	3
Interest paid	利息開支		(6)	(15)
Income taxes paid	已付所得稅		(1,233)	(1,950)
<b>Net cash from operating activities</b>	<b>經營活動所得現金淨額</b>	4	<b>8,436</b>	8,696
<b>Cash flows from investing activities</b>	<b>投資活動現金流量</b>			
Payments for property, plant, and equipment	就物業、廠房及設備付款		(1,461)	(7,219)
Proceeds from sale of property, plant, and equipment	銷售物業、廠房及設備所得款項		-	374
Payments for development activities	就開發活動付款		(2,754)	(2,335)
Payments for exploration and evaluation	就勘探及評估付款		(1,075)	(1,463)
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>		<b>(5,290)</b>	(10,643)
<b>Cash flows from financing activities</b>	<b>融資活動現金流量</b>			
Lease liability payments	租賃負債付款		(231)	(1,501)
Repayment of loan facility	償還貸款		-	(3,000)
Net proceeds from issue of shares	發行股份所得款項淨額		-	6,633
Payments for share buy-back	股份回購付款		(7)	(204)
<b>Net cash (used in)/from financing activities</b>	<b>融資活動(所用)/所得現金淨額</b>		<b>(238)</b>	1,928
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等價物增加/(減少)淨額</b>		<b>2,908</b>	(19)
Cash and cash equivalents at the beginning of the year	年初現金及現金等價物		14,370	14,352
Effects of exchange rate changes on cash and cash equivalents	匯率變動對現金及現金等價物的影響		393	37
<b>Cash and cash equivalents at the end of the year</b>	<b>年末現金及現金等價物</b>	4	<b>17,671</b>	14,370

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### a) Reporting entity

Dragon Mining Limited (the “Company” or the “Parent Entity”) was incorporated as an Australian Public Company, limited by shares on 23 April 1990, and is subject to the requirements of the Australian Corporations Act 2001 as governed by the Australian Securities and Investments Commission. The Company is domiciled in Australia and its registered office is located at Unit 202, Level 2, 39 Mends Street, South Perth, Western Australia 6151 Australia.

The Company’s announcement of the results for the year ended 31 December 2022 was authorised for issue at the meeting of the Board of Directors held on 9 March 2023 and the Company’s Annual Report for the year ended 31 December 2022 was authorised for issue in accordance with a resolution of the Directors on 3 April 2023.

The consolidated financial statements of the Company for the year ended 31 December 2022, comprise the Company and its subsidiaries (together referred to as the “Consolidated Entity” or the “Group”). The Group is a for profit entity, primarily involved in gold mining operations and gold mineral exploration. The Company has direct and indirect interests in its subsidiaries, all of which have substantially similar characteristics to a private company incorporated in Hong Kong, the particulars of which are set out below:

Name	Place and date of incorporation/ registration and place of operations 註冊成立/註冊 地點及日期 以及營運地點	Nominal value of issued ordinary share capital 已發行普通 股本的面值	Percentage of equity attributable to the Company 本公司應佔 股本百分比	Principal activities 主要業務
Dragon Mining (Sweden) AB	Sweden 27 April 1993 瑞典 1993年4月27日	SEK100,000 100,000瑞典克朗	100%	Gold Production 黃金生產
Viking Gold & Prospecting AB	Sweden 3 April 1996 瑞典 1996年4月3日	SEK100,000 100,000瑞典克朗	100%	Dormant 暫無業務
Dragon Mining Oy	Finland 24 March 1993 芬蘭 1993年3月24日	EUR100,000 100,000歐元	100%	Gold Production 黃金生產
龍資源有限公司 (Dragon Mining Limited) <sup>1</sup>	Hong Kong 17 May 2017 香港 2017年5月17日	HK\$1.00 1.00港元	100%	Dormant 暫無業務

<sup>1</sup> For translation purposes

### a) 報告實體

龍資源有限公司(「本公司」或「母公司」)於1990年4月23日註冊成立為一間澳洲公眾公司，為股份有限公司，並須遵守澳洲2001年公司法的規定，由澳洲證券及投資監察委員會監管。本公司於澳洲註冊成立，其註冊辦事處位於Unit 202, Level 2, 39 Mends Street, South Perth, Western Australia 6151 Australia。

本公司截至2022年12月31日止年度的業績公告，已於2023年3月9日舉行的董事會會議上獲准刊發，而本公司截至2022年12月31日止年度的年報，已根據董事日期為2023年4月3日的決議案獲准刊發。

本公司截至2022年12月31日止年度的綜合財務報表涵蓋本公司及其附屬公司(統稱為「綜合實體」或「本集團」)。本集團為營利性實體，主要從事黃金開採業務及金礦勘探。本公司於其附屬公司擁有直接及間接權益，全部均具備與香港註冊成立的私人公司大致相同的特點，詳情載列如下：

## 1. 公司資料及主要會計政策概要

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****b) Basis of preparation***Statement of compliance*

The consolidated financial statements for the year ended 31 December 2022 have been prepared in accordance with International Financial Reporting Standards (“IFRS”), International Accounting Standards, and Interpretations issued by the International Accounting Standards Board (“IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

All IFRSs effective for the accounting period commencing 1 January 2022 have been adopted by the Group and, except as noted below, accounting policies have been consistently applied throughout all periods presented. The adoption of the new and revised standards and interpretations effective 1 January 2022 had no material impact on the financial position or performance of the Group. The Group’s accounting policies have been updated to reflect the new standards where applicable.

The consolidated financial statements have been prepared under the historical cost convention, except for certain financial instruments which are measured at fair value. These financial statements are presented in Australian dollars (“AUD”) and all values are rounded to the nearest thousand except when otherwise specified.

The Group has adopted the going concern basis for the preparation of consolidated financial statement.

**b) 編製基準***合規聲明*

截至2022年12月31日止年度的綜合財務報表乃根據國際財務報告準則(「國際財務報告準則」)(包括所有適用的個別國際財務報告準則、國際會計準則及國際會計準則理事會(「國際會計準則理事會」)發佈的詮釋及香港公司條例的披露規定編製。該等綜合財務報表亦符合香港聯合交易所有限公司證券上市規則(「上市規則」)的適用披露規定。

本集團已採納於2022年1月1日開始的會計期間內生效的所有國際財務報告準則，除下文所述者外，會計政策已於所呈列的所有相關期間內貫徹應用。採納於2022年1月1日生效的新訂及經修訂準則及詮釋對本集團的財務狀況或業績並無重大影響。本集團的會計政策已作出適當更新以反映新訂準則。

綜合財務報表乃使用歷史成本法編製，惟若干金融工具按公平值計量。該等綜合財務報表以澳元(「澳元」)呈列，且除非另有說明，否則所有數值均已約整至最接近的千位。

本集團已採納持續經營基準編製綜合財務報表。

For the year ended 31 December 2022

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****c) Liquidity management**

The Group achieved a profit before tax of AU\$4.7 million (31 December 2021: AU\$4.0 million) and a net profit after income tax of AU\$2.5 million for the year ended 31 December 2022 (31 December 2021: net profit after income tax of AU\$0.3 million).

At 31 December 2022, the Group has cash and equivalents of AU\$17.7 million (31 December 2021: AU\$14.4 million), including the restricted use net proceeds from the placement completed 22 January 2021 of AU\$7.5 million ("Net Proceeds"). On 13 December 2022, the Company extended the expiry date of its unsecured AU\$12.0 million loan facility with AP Finance Limited ("Loan Facility") from 31 December 2023 to 30 June 2024. On 9 March 2023, the Company increased its Loan Facility to AU\$27.0 million, all other terms and conditions remain unchanged (together the "Available Funds").

As at 31 December 2022, the Group has a net current asset position of AU\$27.6 million (31 December 2021: AU\$29.1 million) including the restricted use net proceeds and current liabilities. The Loan Facility is undrawn at the date of these consolidated financial statements.

The Group has prepared a cash flow forecast ("Forecast") extending for at least 12-months from the signing date of the consolidated financial report ("Forecast Period"). The Forecast includes the following significant assumptions:

- based on production forecasts, the Group's Finnish activities are expected to generate positive operating cash flows.
- the Group will continue to support the Swedish operations at below break-even to maintain operational readiness pending the outcome of the Group's Environmental Permit application for the Fäboliden Gold Mine ("Fäboliden").

截至2022年12月31日止年度

**1. 公司資料及主要會計政策概要(續)****c) 流動資金管理**

截至2022年12月31日止年度，本集團實現除稅前溢利4.7百萬澳元(2021年12月31日：4.0百萬澳元)，實現除所得稅後純利2.5百萬澳元(2021年12月31日：所得稅後純利0.3百萬澳元)。

於2022年12月31日，本集團擁有現金及等價物17.7百萬澳元(2021年12月31日：14.4百萬澳元)，包括2021年1月22日完成配售的限制用途所得款項淨額7.5百萬澳元(「所得款項淨額」)。於2022年12月13日，本公司已將其與AP Finance Limited為數12.0百萬澳元的無擔保貸款融資(「貸款融資」)的到期日由2023年12月31日延長至2024年6月30日。於2023年3月9日，本公司增加其貸款融資至27.0百萬澳元，所有其他條款及條件仍維持不變(統稱「可動用資金」)。

於2022年12月31日，本集團流動資產狀況淨額為27.6百萬澳元(2021年12月31日：29.1百萬澳元)，包括受限制用途的所得款項淨額及流動負債。於此等綜合財務報表日期，貸款融資尚未提取。

本集團已編製一份涵蓋綜合財務報告簽署日期起至少12個月(「預測期」)的現金流量預測(「預測」)。預測包括以下重要假設：

- 根據產量預測，本集團在芬蘭的業務預期將產生正經營現金流量。
- 在本集團對Fäboliden金礦(「Fäboliden」)的環境許可證申請結果之前，本集團將繼續在盈虧平衡點以下水平支持瑞典業務，以保持運營準備狀態。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****c) Liquidity management (Cont'd)**

- while the timing of additional environmental bond payments is ultimately determined by the relevant authority, the Forecast includes AU\$35.1 million of additional environmental bond payments ("Bond Payments") throughout the Forecast Period. The Bond Payments consist of approximately AU\$28.7 million during 2023 and AU\$6.4 million during 2024.
- the Forecast assumes the progressive drawdown from the Loan Facility during the Forecast Period.
- the Forecast excludes cash flows associated with commencing full-scale mining activities at Fäboliden including any associated environmental bond.

Based on the Forecast, the expected positive cash margins generated from Finnish operations and available Loan Facility, the Directors consider these are reasonable grounds to believe the Group will be able to pay its debts as and when they fall due.

**d) Basis of consolidation**

Control is achieved when the Company is exposed, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Company controls an investee if and only if the Company has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

**c) 流動資金管理(續)**

- 儘管額外環境債券付款的時間由有關當局最終決定，但預測包括整個預測期內35.1百萬澳元的額外環境債券付款(「債券付款」)。2023年的債券付款約為28.7百萬澳元，2024年約為6.4百萬澳元。
- 預測假設在預測期逐步提款融資貸款。
- 預測不包括在Fäboliden展始全面採礦活動的相關現金流量，包括任何聯屬環境債券。

根據預測，芬蘭業務產生的預期正面現金利潤及可動用融資貸款，董事認為上述各項實屬合理理由，認為本集團將有能力支付到期債務。

**d) 綜合基準**

當本公司因參與投資對象業務而承擔可變回報風險或享有可變回報且能透過對投資對象的權力影響該等回報時，即取得控制權。

具體而言，當且僅當本公司擁有下列各項時方才控制投資對象：

- 對投資對象的權力(即現有權力賦予其目前掌控投資對象的有關業務的能力)；
- 來自投資對象的可變回報風險或權利；及
- 行使對投資對象的權力以影響其回報的能力。

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### d) Basis of consolidation (Cont'd)

When the Company has less than a majority of the voting or similar rights in an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Company's voting rights and potential voting rights.

The Company re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

The income, expenses, assets, and liabilities of a subsidiary acquired or disposed of during the year are included in the Company's consolidated statement of profit or loss or the consolidated statement of financial position from the date the Company gains control until the date the Company ceases to have control.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Company's accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Company are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### d) 綜合基準(續)

倘本公司擁有少於投資對象大多數投票或類似權利的權利，則本公司於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況，包括：

- 與投資對象的其他投票權持有人的合約安排；
- 其他合約安排所產生的權利；及
- 本公司的投票權及潛在投票權。

倘有事實及情況顯示三項控制因素中有一項或多項出現變化，本公司將重新評估其是否對投資對象擁有控制權。合併一間附屬公司於本公司取得該附屬公司的控制權時開始，並於本公司失去該附屬公司的控制權時終止。

年內收購或出售的附屬公司的收益、開支、資產及負債，自本公司取得控制權當日起直至本公司失去控制權當日止列入本公司的綜合損益表或綜合財務狀況表內。

如有需要，將對附屬公司的財務報表作出調整，致使彼等的會計政策與本公司的會計政策一致。與本公司成員公司交易有關的所有集團內公司間資產及負債、權益、收入、開支及現金流量，將於綜合賬目時悉數撇銷。

於一間附屬公司的擁有權權益變動，惟並無失去控制權，則以權益交易入賬。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****d) Basis of consolidation (Cont'd)**

If the Company loses control of a subsidiary, the Company:

- derecognises the assets (including goodwill) and liabilities of the subsidiary;
- derecognises the carrying amount of any non-controlling interest;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of any investment retained;
- recognises the fair value of the consideration received;
- recognises any surplus or deficit in the consolidated statement of profit or loss; and
- reclassifies the Company's share of items previously recognised in other comprehensive income to the consolidated statement of profit or loss or retained earnings as appropriate.

Investments in subsidiaries are carried at cost less impairment in the Company's separate statement of financial position.

**d) 綜合基準(續)**

倘本公司失去附屬公司的控制權，則本公司會：

- 終止確認該附屬公司的資產(包括商譽)及負債；
- 終止確認任何非控股權益的賬面值；
- 終止確認計入權益的累計匯兌差額；
- 確認任何保留投資的公平值；
- 確認已收取代價的公平值；
- 於綜合損益表內確認任何盈餘或虧絀；及
- 將先前已於其他全面收入確認的本公司應佔項目重新分類至綜合損益表或保留盈利(如適用)。

於附屬公司的投資按成本減去減值於本公司的獨立財務狀況表內列賬。

For the year ended 31 December 2022

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****e) Revenue from contracts with customers**

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue from the sale of gold bullion and concentrate when control of the product has been transferred to the customer.

*Concentrate sales*

Concentrate is sold to a third-party through a standard Incoterm Delivery-At-Place (“DAP”) agreement. Once the concentrate has been delivered, the Group has met its performance obligations and control passes. Revenue is recognised based on the estimated final settlement price and is determined with reference to the forward gold price. Adjustments are made for variations in assay and weight between delivery and final settlement. The final settlement price received is based on the monthly average London Metal Exchange (“LME”) gold price for the month following delivery. Adjustments relating to quotational period pricing are recognised and measured in accordance with the policy at note 1(i).

*Bullion sales*

Bullion is sold on the market through the Group's metal account. The only performance obligation under the contract is the sale of gold bullion. Revenue from bullion sales is recognised at a point in time when control passes to the buyer. This generally occurs when the Group instructs the refiner to transfer the gold to the customer by crediting the metal account of the customer. As all performance obligations are satisfied at that time, there are no remaining performance obligations under the contract. The transaction price is determined at transaction date and there are no further adjustments to this price.

截至2022年12月31日止年度

**1. 公司資料及主要會計政策概要(續)****e) 與客戶訂立合約的收益**

收益按與客戶訂立合約所列明代價計量。本集團於產品控制權轉讓至客戶時從金錠及精礦銷售確認收益。

*精礦銷售*

精礦通過標準國際商業條款目的地交貨(「目的地交貨」)協議售予第三方。一旦交付了精礦，本集團已符合其履約責任及控制權轉移。收益根據估計最終結算價確認，並參考遠期金價釐定。就交付與最終結算間的含量及重量差異進行調整。於交付後根據當月的每月平均倫敦金屬交易所(「LME」)黃金價格接收最終結算價。有關報價期間定價相關調整乃根據附註1(i)的政策進行確認及計量。

*金銀錠銷售*

金銀錠透過本集團金屬賬戶於市場出售。合約項下唯一的履約責任為銷售金銀錠。銷售金銀錠的收益於控制權轉移予買家的時間點確認，一般於本集團指示精煉者透過存入客戶的金屬賬戶將黃金轉移予買家時發生。由於所有履約責任於該時間完成，合約項下再無任何剩餘的履約責任。交易價於交易日期釐定，且該價格概無進一步調整。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****f) Income taxes**

The income tax expense or benefit for the year is the tax payable on the current year's taxable income based on the national income tax rate for each jurisdiction adjusted for changes in deferred tax assets and liabilities attributable to the temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and for unused tax losses.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting or taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and interests in associates, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent it is probable that a taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting nor taxable profit or loss; and

**f) 所得稅**

年內所得稅開支或利益乃按當年應課稅收入以各司法權區的國家所得稅率計算，並按資產及負債的稅基與各自於綜合財務報表內的賬面值之間的暫時差額引致的遞延稅項資產及負債變動以及未動用稅項虧損予以調整後的應付稅款。

遞延所得稅乃按報告日期資產及負債的稅基與就財務報告目的而言的賬面值之間的所有暫時差額作出撥備。

遞延所得稅負債將就所有應課稅暫時差額確認，惟：

- 倘若遞延所得稅負債的起因，是由於在一宗並非業務合併的交易中首次確認資產或負債，而且在交易時，對會計或應課稅溢利或虧損均無影響；及
- 對於涉及附屬公司的投資及聯營公司的權益的應課稅暫時差額而言，倘若撥回暫時差額的時間可以控制，以及暫時差額不大可能在可見將來撥回，則屬例外。

對於所有可扣減暫時差額、結轉的未用稅項資產及未用稅項虧損，若日後有可能出現應課稅溢利，可用以抵扣該等可扣減暫時差額、結轉的未用稅項資產及未用稅項虧損，則遞延所得稅資產均確認入賬，惟：

- 倘若有關可扣減暫時差額的遞延所得稅資產的起因，是由於在一宗並非業務合併的交易中首次確認資產或負債，而且在交易時，對會計或應課稅溢利或虧損均無影響；及

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### f) Income taxes (Cont'd)

- in respect of deductible temporary differences associated with investments in subsidiaries and interests in associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxable authority.

#### *Tax consolidation legislation*

The Company implemented the Australian tax consolidation legislation as of 1 July 2003. The Company has applied the group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### f) 所得稅(續)

- 對於涉及附屬公司的投資及聯營公司的權益的可扣減暫時差額而言，只有在暫時差額有可能在可見將來撥回，而且日後有可能出現應課稅溢利，可用以抵扣該等暫時差額時，方會確認遞延稅項資產。

遞延所得稅資產的賬面值於各報告日期予以審閱。若不再可能有足夠應課稅溢利用以抵扣遞延所得稅資產的全部或部分，則扣減遞延所得稅資產賬面值。

未確認的遞延所得稅資產於各報告日期重新評估，並在可能有未來應課稅溢利以收回遞延稅項資產時予以確認。變現資產或清償負債的年度預期適用的稅率，會用作計量遞延所得稅資產及負債，並以報告日期已經生效或基本已經生效的稅率(及税法)為基準。

惟倘存在法律上可強制執行的權利，可將即期稅項資產與即期稅項負債互相抵銷，而遞延稅項資產及負債乃涉及同一應課稅實體及同一稅務機關，則遞延稅項資產可與遞延稅項負債互相抵銷。

#### *稅務合併法例*

本公司於2003年7月1日實施澳洲稅務合併法例。本公司採用集團分配方式確定適當金額的即期稅項及遞延稅項，以分配予稅務合併集團的成員。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****g) Goods and services tax**

Revenues, expenses, and assets are recognised net of the amount of good and services tax ("GST") except:

- where the GST incurred on a purchase of goods and services is not recoverable from the tax authority; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the tax authority is included as part of receivables or payables in the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from or payable to the tax authority, is classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

**h) Foreign currency transactions and balances***Functional and presentation currency*

The functional currency of each Company is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

*Transaction and balances*

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss.

**g) 商品及服務稅**

收益、支出及資產乃扣除商品及服務稅(「商品及服務稅」)金額後確認，惟：

- 因購買商品及服務時產生的商品及服務稅不獲稅務局退回；及
- 應收款項及應付款項按已計入商品及服務稅的金額列賬。

稅務局退回或應付予稅務局的商品及服務稅淨額於綜合財務狀況表以部分應收款項或應付款項列賬。

現金流量按總額基準計入綜合現金流量表，而因投資及融資活動而產生的現金流量商品及服務稅組成部分(稅務局退回或應付予稅務局者)列為經營現金流量。

承擔及或然事項則於扣除稅務局退回或應付予稅務局的商品及服務稅金額後披露。

**h) 外幣交易及結餘***功能及呈列貨幣*

各公司功能貨幣均以該實體經營所在地區的主要經濟環境通行的貨幣計量。綜合財務報表以本公司的功能及呈列貨幣澳元呈列。

*交易及結餘*

外幣交易均按交易當日的匯率換算為功能貨幣。於結算上述交易，及年終換算以外幣計值的貨幣資產與負債產生的匯兌盈虧，均在綜合損益表中確認。

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### h) Foreign currency transactions and balances (Cont'd)

#### *Transaction and balances (Cont'd)*

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

#### *Group Companies*

The results and financial position of all the subsidiaries of the Company (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that reporting date;
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the rates prevailing on the transaction date, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any monetary items that form part of the net investment in a foreign entity are taken to shareholders' equity. When a foreign operation is sold, or borrowings are repaid the proportionate share of such exchange differences are recognised in the consolidated statement of profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate at the reporting date.

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### h) 外幣交易及結餘(續)

#### *交易及結餘(續)*

以外幣按歷史成本計量的非貨幣項目使用初始交易之日的匯率進行換算。以外幣按公平值計量的非貨幣項目使用釐定公平值之日的匯率進行換算。換算按公平值計量的非貨幣項目產生的損益按確認該項目公平值變動損益的方式處理。

#### *集團公司*

所有功能貨幣有別於呈列貨幣的本公司附屬公司(該等公司概無惡性通貨膨脹經濟體的貨幣)的業績及財務狀況均按以下方式換算為呈列貨幣：

- 資產及負債按該報告日期當日的收市匯率換算；
- 收益及開支按平均匯率換算，除非此匯率不足以合理地概括反映於交易日期適用匯率，則在此情況下，收益及開支按交易日期的匯率換算；及
- 一切因此而產生的匯兌差額均確認為權益的一個獨立組成部分。

於綜合賬目時，因換算任何貨幣項目(構成於海外實體投資淨額的一部分)而產生的匯兌差額，均計入股東權益內。當出售海外業務或償還借貸時，按比例分佔的有關匯兌差額於綜合損益表中確認。

因收購海外實體而產生的商譽及公平值調整，均視作該海外實體的資產及負債，並於報告日期按收市匯率換算。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****i) Trade and other receivables**

Trade receivables are initially recognised at their transaction price and other receivables at fair value. Receivables that are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest are classified and subsequently measured at amortised cost. Receivables that do not meet the criteria for amortised cost are measured at fair value through profit or loss. This category includes trade receivables relating to concentrate sales that are subject to quotation period pricing.

The terms of the concentrate sales contract contain provisional pricing arrangements. Adjustments to the sales price are based on movements in metal prices up to the date of final pricing. The final settlement is based on the monthly average LME gold price for the month following delivery (the "quotational period"). Movements in the fair value of the concentrate debtors are recognised in other revenue.

The group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since the initial recognition of the respective financial instrument. The Group always recognises the lifetime expected credit loss for trade receivables carried at amortised cost. The expected credit losses on these financial assets are estimated based on the Group's historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current as well as forecast conditions at the reporting date.

For all other receivables measured at amortised cost, the Group recognised lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. If on the other hand the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to expected credit losses within the next 12 months.

**i) 貿易及其他應收款項**

貿易應收款項初步按交易價格及其他應收款項按公平值計量。應收款項為持有作收取合約現金流量，並預期產生現金流量(即僅支付分類及其後按攤銷成本計量的本金及利息)。不符合攤銷成本準則的應收款項於損益按公平值計量。有關類別包括與視乎報價期定價的精礦銷售相關的貿易應收款項。

精礦銷售合約條款載有臨時定價安排。銷售價格調整乃根據直至最終定價日期的金屬價格變動而定。最終結算乃根據交付後當月(「報價期」)的每月平均LME黃金價格而定。精礦應收款項公平值變動乃確認為其他收益。

集團按遠期基準評估按攤銷成本計息的債務工具相關預期信貸虧損。預期信貸虧損金額於各報告日期更新以反映自各項金融工具初始確認以來的信貸風險變動。本集團經常性確認按攤銷成本計量的貿易應收款項的全期預期信貸虧損。該等金融資產預期信貸虧損乃根據本集團歷史信貸虧損而定，並就與應收款項及整體經濟環境特定因素以及於報告日期對現時及預測狀況的評估作調整。

對於按攤銷成本計量的所有其他應收款項，本集團於自初始確認起信貸風險大幅增加時確認全期預期信貸虧損。如於另一方面，金融工具自初始確認起信貸風險並無大幅增加，則本集團按相等於未來12個月內預期信貸虧損的金額計量金融工具虧損撥備。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****i) Trade and other receivables (Cont'd)**

The Group considers an event of default has occurred when a financial asset is more than 90 days past due or external sources indicate that the debtor is unlikely to pay its creditors, including the Group. A financial asset is credit impaired when there is evidence that the counterparty is in significant financial difficulty or a breach of contract, such as a default or past due event has occurred. The Group writes off a financial asset when there is information indicating the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

**j) Inventories**

Finished goods, gold concentrate, gold in circuit and stockpiles of unprocessed ore have been valued at the lower of cost and net realisable value. Cost comprises direct materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure.

Costs are assigned to stockpiles and gold in circuit inventories based on weighted average cost. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the cost to sell. Consumables have been valued at cost less an appropriate provision for obsolescence. Cost is determined on a first-in-first-out basis.

**k) Deferred waste**

As part of open-pit mining operations, the Group incurs stripping (waste removal) costs during the development and production phase of its operations.

When development stripping costs are incurred, expenditure is capitalised as part of the cost of constructing the mine and subsequently amortised over its useful life using a unit of production ("UOP") method. The capitalisation of development stripping costs ceases when the mine/component is commissioned and ready for use as intended by management.

**1. 公司資料及主要會計政策概要(續)****i) 貿易及其他應收款項(續)**

本集團認為於金融資產逾期逾90日或外界來源顯示債務人不太可能向債權人(包括本集團)付款時視為違約事件。金融資產於有證據顯示對手方處於嚴重財政困難或違反合約時(如發生違約或逾期事件)發生信貸減值。本集團於有資料顯示對手方處於嚴重財政困難及並無現實收回前景時撇銷金融資產。

**j) 存貨**

製成品、金精礦、流通中的黃金及庫存的未加工礦石已按成本及可變現淨值兩者中的較低者估價。成本包括直接材料、直接人工以及可變和固定間接開支的適當比例部分。

成本按加權平均成本基準計入庫存及流通中的黃金存貨。可變現淨值乃於日常業務過程中的估計售價減去估計完工成本及銷售成本。消耗品已按成本減適當的廢舊撥備估價。成本乃按先進先出基準釐定。

**k) 遞延廢料**

作為露天採礦作業的一部分，本集團在開發及生產階段產生剝採(廢料移除)成本。

當產生開發剝採成本時，支出资本化為建設礦山成本的一部分，隨後使用生產單位(「生產單位」)法於其使用年內攤銷。當礦山/組成部分被委託並按管理層的意圖準備就緒時，開發剝採成本的資本化將終止。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****k) Deferred waste (Cont'd)**

Stripping costs incurred in the production phase create two benefits:

- the production of inventory; or
- improved access to future ore.

Where the benefits are realised in the form of inventories produced in the period, production stripping costs are accounted for as part of the cost of producing those inventories. Where production stripping costs are incurred, and the benefit is improved access to future ore, the costs are recognised as a stripping activity asset in mine properties.

If the costs of the inventories produced and the stripping asset are not separately identifiable, an allocation is undertaken based on the waste to ore stripping ratio (for the ore component concerned). If mining of waste in a period occurs more than the expected stripping ratio, the excess is recognised as part of the stripping asset. Where mining occurs at or below the expected life of component stripping ratio in a period, the entire production stripping cost is allocated to the cost of the ore inventories produced.

Amortisation is provided using a UOP method over the life of the identified component of orebody. The UOP method results in an amortisation charge proportional to the depletion of the economically recoverable mineral resources (comprising proven and probable reserves) component.

**l) Property, plant, and equipment**

*Mine properties: areas in production*

Areas in production represent the accumulation of all acquired exploration, evaluation and development expenditure incurred by or on behalf of the Group in relation to an area of interest in which mines are being prepared for production or the economic mining of a mineral reserve has commenced.

When further development expenditure, including waste development, is incurred in respect of a mine property after the commencement of production, such expenditure is carried forward to the extent that a future economic benefit is established, otherwise such expenditure is classified as part of the cost of production. Amortisation of costs is provided using a UOP method (with separate calculations being made for each mineral resource).

**k) 遞延廢料(續)**

生產階段產生的剝採成本會帶來兩大利益：

- 存貨的生產；或
- 日後能獲得更多礦石。

倘該等利益以期內所生產的存貨形式實現，則生產剝採成本乃列賬為該等存貨的生產成本的一部分。倘產生生產剝採成本且該等利益使日後能獲得更多礦石，則有關成本乃確認為礦場物業的剝採活動資產。

倘生產存貨的成本及剝採資產不可單獨識別，則按照廢料對礦石剝採比率（就相關礦石組成部分而言）進行分配。倘若一段期間內的廢料開採超過預期剝採比率，則超出部分被確認為剝採資產的一部分。倘若一段期間內的開採等於或低於預期年期組成部分剝採比率，則整個生產剝採成本分配予生產礦石存貨成本。

本集團使用生產單位法按已識別礦體組成部分年期進行攤銷。生產單位法導致與經濟上可收回礦產資源（包括探明及概算儲量）組成部分的消耗成正比的攤銷費用。

**l) 物業、廠房及設備**

*礦場物業：生產區域*

生產區域指由本集團或其代表就礦山準備生產或礦產儲備的經濟開採已開始的擬開發之地所產生的所有勘探、評估及開發支出的累積。

倘在礦場物業開始生產後產生進一步開發支出（包括廢料開發），則在確立未來經濟利益的情況下結轉有關支出，否則將有關支出分類為生產成本的一部分。使用生產單位法攤銷成本（對每個礦產資源進行單獨計算）。

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### l) Property, plant, and equipment (Cont'd)

#### *Mine properties: areas in production (Cont'd)*

The UOP method results in an amortisation charge proportional to the depletion of the economically recoverable mineral reserves.

The costs are carried forward to the extent that these costs are expected to be recouped through the successful exploitation of the Group's mining leases. The net carrying value of each mine property is reviewed regularly and, to the extent that its carrying value exceeds its recoverable amount, the excess is fully provided against in the financial year in which it is determined.

#### *Plant and equipment*

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment.

The cost of an item of plant and equipment comprises:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and
- The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

#### *Depreciation*

Depreciation is provided on a straight-line basis on all items of property, plant, and equipment other than mining plant and equipment and land. The depreciation rates used for each class of depreciable assets are:

Other plant and equipment	5-50%
Buildings	4-33%

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each reporting date.

#### *Impairment*

The carrying values of mine properties, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Refer to note 1(o).

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### l) 物業、廠房及設備(續)

#### *礦場物業：生產區域(續)*

生產單位法導致與經濟上可收回礦產儲量的消耗成正比的攤銷費用。

倘若預計將通過成功利用本集團的採礦租賃來收回成本，則結轉有關成本。本集團定期審查各礦場物業的賬面淨值，在賬面值超過可收回金額的情況下，於釐定超額的財政年度內全額計提超額部分。

#### *廠房及設備*

各類物業、廠房及設備以成本減去(如適用)任何累計折舊及減值列賬。

廠房及設備項目的成本包括：

- 其購買價格，包括進口關稅及不可退還的購買稅，並扣除貿易折扣及回扣；
- 使資產達到能夠按照管理層擬定的方式開展經營所必要的位置及條件而直接產生的任何成本；及
- 拆除及移除項目並恢復其所在場地的成本的初步估計。

#### *折舊*

所有物業、廠房及設備(礦區廠房及設備以及土地除外)項目均按直線法折舊。各類可折舊資產的折舊率如下：

其他廠房及設備	5%至50%
樓宇	4%至33%

本集團在各報告日期均會檢討資產的剩餘價值、可使用年期及攤銷方法，並在適當時作出調整。

#### *減值*

礦場物業、廠房及設備的賬面值會於有事件發生或情況改變顯示賬面值可能無法收回時進行減值檢討。請參閱附註1(o)。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****l) Property, plant, and equipment (Cont'd)***Disposal*

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss in the year the asset is derecognised.

**m) Mineral exploration and evaluation costs**

Exploration expenditure is expensed to the consolidated statement of profit or loss as and when it is incurred and included as part of cash flows from operating activities in the consolidated statement of cash flows. Exploration costs are only capitalised to the consolidated statement of financial position if they result from an acquisition.

Evaluation expenditure is capitalised to the consolidated statement of financial position. Evaluation is deemed to be activities undertaken from the beginning of the definitive feasibility study conducted to assess the technical and commercial viability of extracting a mineral resource before moving into the development phase.

The criteria for carrying forward costs are:

- Such costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively by its sale; or
- Exploration and/or evaluation activities in the area of interest have not yet reached a state which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in or in relation to the area are continuing.

Costs carried forward in respect of an area of interest which is abandoned are written off in the year in which the abandonment decision is made.

**l) 物業、廠房及設備(續)***出售*

物業、廠房及設備項目於出售時或當使用或出售該資產預期不會產生任何日後經濟利益時終止確認。

於終止確認該資產時產生的任何收益或虧損(按出售所得款項淨額與該資產賬面值的差額計算)乃計入該資產終止確認年度的綜合損益表內。

**m) 礦產勘探及評估成本**

勘探支出於產生時在綜合損益表內支銷，並作為經營活動產生的現金流量的一部分計入綜合現金流量表。倘若勘探成本乃由於收購產生，則僅在綜合財務狀況表內予以資本化。

評估支出在綜合財務狀況表內予以資本化。評估被視為從開始最終可行性研究即進行的活動，以評估在進入開發階段之前提取礦物資源的技術及商業可行性。

結轉成本的條件如下：

- 有關成本預期可透過成功開發及開採擬開發之地，或者透過出售而收回；或
- 擬開發之地的勘探及/或評估活動尚未達至可容許對在或有關擬開發之地繼續存在或可經濟地收回儲量和活躍及重大營運作合理評估的狀態。

就廢棄的擬開發之地結轉的成本於作出廢棄決定的年度內撇銷。

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### m) Mineral exploration and evaluation costs (Cont'd)

#### *Farm Out arrangements*

In respect of Farm Outs, the Company does not record any expenditure made by the Farmee on its account. Where there is capitalised exploration expenditure it also does not recognise any gain or loss on its exploration and evaluation Farm Out arrangements but redesignates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained. Cash received from the Farmee is treated as a reimbursement of expenditure incurred (where expenditure is capitalised) or gains on disposal if there is no capitalised expenditure.

### n) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities normally of three months or less, and bank overdrafts excluding any restricted cash. Restricted cash is not available for use by the Company and is therefore not considered highly liquid (i.e., rehabilitation bonds).

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above net of outstanding bank overdrafts. Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the consolidated statement of financial position.

### o) Impairment

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the consolidated statement of profit or loss. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### m) 礦產勘探及評估成本(續)

#### *轉讓安排*

轉讓方面，本公司並無記錄承讓人賬戶上的任何支出。倘若有資本化的勘探開支，本集團亦不會確認勘探及評估轉讓安排的任何損益，但會將先前就全部利益資本化的任何成本重新指定為就所保留的部分利益資本化的成本。自承讓人收到的現金被視為償付所產生的支出(如果支出被資本化)或出售所得收益(倘若並無資本化支出)。

### n) 現金及現金等價物

現金及現金等價物包括手頭現金、銀行通知存款、其他短期及流動性高而原到期日通常為三個月或以內的投資以及銀行透支(不包括任何受限制現金)。本公司不能使用受限制現金，因此受限制現金不被視為高流動性(即復墾保證金)。

就綜合現金流量表而言，現金及現金等價物包括上文所定義的現金及現金等價物扣除未償還的銀行透支。銀行透支計入綜合財務狀況表流動負債項下的計息貸款及借款。

### o) 減值

本集團於各報告日期審閱其非金融資產(存貨及遞延稅項資產除外)的賬面值，以確定是否存在任何減值跡象。倘若存在有關跡象，則估計資產的可收回金額。

倘若資產或其現金產生單位的賬面值超過可收回金額，則確認減值虧損。減值虧損於綜合損益表中確認。現金產生單位是可產生大致上獨立於其他資產及組別的現金流量的最小可識別資產組別。就現金產生單位確認的減值虧損，其分配次序如下：首先用以減少該等單位獲分配的任何商譽的賬面值，然後用以按比例減少該單位(或單位組別)內其他資產的賬面值。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****o) Impairment (Cont'd)**

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**p) Trade and other payables**

Trade and other payables are carried at amortised cost due to their short-term nature and they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender, is recognised as an expense on an accrual basis.

**q) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) because of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all the provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of profit or loss net of any reimbursement.

**o) 減值(續)**

一項資產或現金產生單位的可收回金額按其使用價值與公平值減處置成本的較高者釐定。在評估使用價值時，會採用反映當時市場評估的貨幣時間價值及該資產的獨有風險的稅前貼現率，將估計未來現金流量貼現為現值。

於各報告日期對過往期間確認的減值虧損進行評估，以確定是否有任何跡象顯示虧損減少或不再存在。倘用以釐定可收回金額的估計出現變動，則減值虧損會被撥回。減值虧損僅在資產賬面值不高於假設並無確認減值虧損時原應釐定的已扣除折舊或攤銷的賬面值的範圍內才予以撥回。

**p) 貿易及其他應付款項**

由於屬短期性質及無貼現，貿易及其他應付款項按攤銷成本列賬。貿易及其他應付款項指於財政年度完結前因向本集團提供貨品及服務而出現的未繳負債，且該等負債乃於本集團有責任就購買該等貨品及服務而作出日後付款時產生。該等款項並無抵押，且通常須於確認後30日內支付。

應付關連方款項按本金列賬。利息由貸款人收取時，按累計基準確認為開支。

**q) 撥備**

倘本集團因過往事件而承擔現時責任(法定或推定)，而履行該責任很可能需要含有經濟利益的資源流出，且能可靠地估計有關責任的金額，則確認撥備。

倘本集團預期部分或全部撥備可獲償付，例如有保險合約作保障，則將償付金確認為獨立資產，惟僅於償付金可實質確定時方會確認。與任何撥備有關的開支於綜合損益及其他全面收益表內呈列(扣除任何償付金)。

For the year ended 31 December 2022

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****q) Provisions (Cont'd)**

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**r) Interest bearing liabilities**

Interest bearing liabilities includes leases, loans and borrowings.

*Leases*

The Group assesses each contract at inception to determine whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for the period of time in exchange for consideration.

**(i) Group as lessee**

The Group applies a single recognition and measurement approach for all leases, except short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**(ii) Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets:

Property	5-50%
Plant and equipment	4-33%

截至2022年12月31日止年度

**1. 公司資料及主要會計政策概要(續)****q) 撥備(續)**

在貨幣時間價值的影響屬重大的情況下，以按反映貨幣時間價值及(如適用)有關負債特定風險的現時市場評估的稅前貼現率貼現未來預期現金流量的方式撥備。

倘使用貼現法，隨著時間過去而增加的撥備確認為財務成本。

**r) 計息負債**

計息負債包括租賃、貸款及借款

*租賃*

本集團於開始時評估每份合約是否為租賃或包含租賃，即倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約為租賃或包含租賃。

**(i) 本集團作為承租人**

本集團就所有租賃應用單一確認及計量方法，惟短期租賃及低價值資產租賃除外。本集團確認租賃負債以作出租賃付款，而使用權資產指使用相關資產的權利。

**(ii) 使用權資產**

本集團於租賃開始日期(即相關資產可供使用的日期)確認使用權資產。使用權資產乃按成本減任何累計折舊及減值虧損計量，並根據租賃負債的任何重新計量作出調整。使用權資產的成本包括已確認的租賃負債金額、產生的初始直接成本、以及於開始日期當日或之前支付的租賃款項減任何收取的租賃獎勵。使用權資產於資產的租賃期或估計可使用年期(以較短者為準)按直線法基準予以折舊：

物業	5至50%
廠房及設備	4至33%

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****r) Interest bearing liabilities (Cont'd)***Leases (Cont'd)***(ii) Right-of-use assets (Cont'd)**

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 1(o).

The Group's right-of-use assets are included in note 10.

**(iii) Short-term leases and low value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as an expense on a straight-line basis over the lease term.

**(iv) Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

**r) 計息負債(續)***租賃(續)***(ii) 使用權資產(續)**

倘租賃資產的擁有權於租賃期結束時轉讓予本集團或成本反映行使購買選擇權，折舊按資產的估計可使用年期計算。使用權資產亦會減值。請參閱附註1(o)的會計政策。

本集團的使用權資產載於附註10。

**(iii) 短期租賃及低價值資產**

本集團對其機器及設備的短期租賃(即該等租賃期於開始日期起計為12個月或以下的租賃)應用短期租賃確認豁免。其亦對被認為價值低的辦公室設備的租賃應用低價值資產租賃確認豁免。短期租賃及低價值資產租賃的租賃款項於租賃期按直線法基準確認為開支。

**(iv) 租賃負債**

於租賃開始日期，本集團確認按租賃期內將支付的租賃款項現值計量的租賃負債。租賃款項包括定額付款(包含實質定額款項)減任何租賃獎勵應收款項、取決於指數或利率的可變租賃款項以及預期根據剩餘價值擔保支付的金額。租賃款項亦包括本集團合理確定行使的購買選擇權的行使價及在租賃期反映本集團行使終止租賃選擇權時，有關終止租賃的罰款。並非取決於指數或利率之可變租賃款項在出現觸發付款的事件或條件的期間內確認為開支(除非彼等為產生存貨而造成)。

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### r) Interest bearing liabilities (Cont'd)

#### *Leases (Cont'd)*

#### (iv) Lease liabilities (Cont'd)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date where the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in interest-bearing liabilities in note 13.

#### *Loans and borrowings*

All loans and borrowings are initially recognised at fair value net of issue costs associated with the borrowing.

After initial recognition, interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated considering any issue costs, and any discount or premium on settlement.

Gains and losses are recognised in the consolidated statements of profit or loss when the liabilities are derecognised, as well as through the amortisation process.

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### r) 計息負債(續)

#### *租賃(續)*

#### (iv) 租賃負債(續)

於計算租賃款項的現值時，倘租賃隱含利率不易釐定，則本集團使用租賃開始日期的增量借款利率計算。於開始日期後，租賃負債金額的增加反映利息的增長，並會因支付租賃款項而減少。

此外，倘出現修訂、租賃期有所變更、租賃款項有所變更(例如因用於釐定有關租賃款項的指數或利率變動導致未來款項有所變更)或購買有關資產的評估出現變動，租賃負債的賬面值將會重新計量。

本集團的租賃負債載於附註13計息負債內。

#### *貸款及借款*

所有貸款及借款初始按公平值(扣除借款相關發行成本)確認。

於初始確認後，計息負債其後使用實際利率法按攤銷成本計量。攤銷成本經考慮任何發行成本以及結算時的任何折扣或溢價而計算。

收益及虧損於債務取消確認時於綜合損益表內以及透過攤銷流程確認。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****s) Employee benefits***Wages, salaries, and other short-term benefits*

The liability for wages, salaries and other short-term benefits is recognised at the present value of expected future payments.

*Long service leave*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds or national government bonds as appropriate with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*Superannuation*

Contributions made by the Group to employee superannuation funds, defined contribution plans, are charged to the consolidated statement of profit or loss in the period employees' services are provided.

**t) Restoration and rehabilitation costs**

The Group records the present value of the estimated cost of legal and constructive obligations to restore operating locations in the period in which the obligation is incurred. The nature of restoration activities includes dismantling and removing structures, rehabilitating mines, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation, and revegetation of affected areas.

An obligation arises when the asset is installed at the production location. When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related mining assets. Over time, the liability is increased for the change in the present value based on the discount rates that reflect the current market assessments and the risks specific to the liability. Additional disturbances or changes in rehabilitation costs will be recognised as additions or changes to the corresponding asset and rehabilitation liability when incurred.

The unwinding of the effect of discounting on the provision is recorded as a finance cost in the consolidated statement of profit or loss. The carrying amount capitalised is depreciated over the life of the related asset.

**s) 僱員福利***工資、薪金及其他短期福利*

有關工資、薪金及其他短期福利的付款責任按照預計未來付款的現值確認。

*長期服務假期*

長期服務假期的相關責任於僱員福利撥備內確認，並按將就僱員截至報告日期提供的服務而作出的預計未來付款的現值計量。其中將會考慮預計未來工資薪金的水平、離職僱員的年資與服務年期。預計未來付款以到期期限與幣值應盡可能與估計未來現金流出相近的優質企業債券或國家政府債券(視情況而定)於報告日期的市場收益率計算貼現。

*養老金*

本集團向僱員養老金、界定供款計劃所作供款，於僱員提供服務期間自綜合損益表中扣除。

**t) 恢復及復墾成本**

本集團於產生責任期間將恢復經營地點的法律及推定責任的估計成本現值記賬。修復活動的性質包括拆除及移除建構物、修復礦山、拆除經營設施、關閉廠房和廢物場所以及修復、開墾及恢復受影響地區。

當資產於生產地點安裝時，則產生責任。當初步記錄責任時，估計成本乃藉增加相關採礦資產的賬面值時資本化。隨著時間過去，負債乃按反映現時對負債的市場評估及特定風險的貼現率就現值變動增加。復墾成本的額外干擾或變動將於產生時確認為相應資產及復墾負債的添置或變動。

貼現對撥備影響的解除乃於綜合損益表內確認為融資成本。已資本化賬面值乃於相關資產年內折舊。

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### u) Earnings per share

Basic earnings per share ("EPS") is calculated as net profit attributable to members of the parent divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as net profit attributable to members of the parent, adjusted for:

- Costs of servicing equity (other than dividends);
- The after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares.

The result is then divided by the weighted average number of ordinary shares and dilutive potential ordinary shares adjusted for any bonus element.

### v) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

There were no borrowing costs eligible for capitalisation during the year (2021: no borrowing costs eligible for capitalisation).

### w) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity). Operating segments results are regularly reviewed by the Company's chief operating decision makers and are used to make decisions about the allocation of resources and to assess performance using discrete financial information. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the Board of Directors.

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### u) 每股盈利

每股基本盈利(「每股盈利」)按母公司的成員公司應佔純利除以普通股加權平均數計算(就任何花紅部分作出調整)。

每股攤薄盈利乃按母公司的成員公司應佔純利計算，並已就以下各項作出調整：

- 償還股本(股息除外)的成本；
- 股息及利息的除稅後影響(乃與已確認為開支的具潛在攤薄影響普通股有關)；及
- 因具潛在攤薄影響的普通股而導致期內收益或開支的其他非酌情變動。

其後，該結果除以普通股及具潛在攤薄影響的普通股的加權平均數(就任何花紅部分作出調整)。

### v) 借款成本

由購買、建造或生產任何需要一段相當長時間才可以投入其擬定用途或銷售的資產所產生的直接借款成本會資本化，作為資產成本之一部分。所有其他借款成本於發生的期間支銷。借款成本包括實體就借用資金所產生的利息及其他成本。

年內並無合資格撥充資本的借款成本(2021年：並無合資格撥充資本的借款成本)。

### w) 分部報告

經營分部為本集團可賺取收益及產生開支(包括與相同實體其他組成部分進行交易有關的收益及開支)的業務活動的組成部分。經營分部業績由本公司主要經營決策者定期審閱，用於對資源分配作出決定，並使用離散財務資料對業績進行評估。這包括尚未賺取收益的業務初創階段。管理層於確定經營分部時亦將考慮其他因素，如直線經理的存在以及提交給董事會的分部資料水平。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****w) Segment reporting (Cont'd)**

Operating segments have been identified based on the information provided to the chief operating decision makers, being the executive management team.

The Company aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in each of the following respects:

- geographical location;
- national regulatory environment;
- nature of the products and services; and
- nature of the production processes.

Operating segments that do not meet the quantitative criteria as prescribed by IFRS 8 *Operating Segments* are reported separately. An operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the consolidated financial statements.

Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for "all other segments".

**x) Contributed equity**

Issued and paid-up capital is recognised at the fair value of the consideration received by the Company.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**w) 分部報告(續)**

根據提供給主要經營決策者(即執行管理團隊)的資料確定經營分部。

本公司將具有類似經濟特徵且在以下各方面相似的兩個或兩個以上經營分部合併：

- 地理位置；
- 國家監管環境；
- 產品及服務的性質；及
- 生產流程的性質。

不符合國際財務報告準則第8號經營分部規定的定量標準的經營分部單獨列報。當關於分部的資料對綜合財務報表使用者有用時，不符合定量標準的經營分部仍然單獨列報。

有關低於定量標準的其他業務活動及經營分部的資料，在「所有其他分部」的單獨類別中合併及披露。

**x) 實繳股本**

已發行及繳足股本按本公司收取的代價的公平值確認。

發行新股份或購股權直接產生的遞增成本於權益內確認為所得款項的減少(扣除稅項)。

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### y) Fair value

The Group measures financial instruments, such as derivatives at fair value at each reporting date. Fair values of financial instruments measured at amortised cost are disclosed in note 24.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, if market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### y) 公平值

本集團於各報告日期按公平值計量金融工具(如衍生工具)。按攤銷成本計量的金融工具的公平值於附註24中披露。

公平值為市場參與者於計量日期在有序交易中出售資產所收取的價格或轉讓負債所支付的價格。公平值計量乃根據假設出售資產或轉讓負債的交易於以下情況下進行而作出：

- 資產或負債的主要市場；或
- 在無主要市場的情況下，資產或負債的最具優勢市場。

主要或最具優勢市場須為本集團可進入的市場。

資產或負債的公平值乃按假設市場參與者於資產或負債定價時會以最佳經濟利益行事計量。

本集團採納適用於不同情況且具備充分數據以供計量公平值的估值方法，以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

所有於財務報表計量或披露的資產及負債乃基於對公平值計量整體而言屬重大的最低層輸入數據按以下公平值等級分類：

- 第一級－相同資產或負債於活躍市場的報價(未經調整)
- 第二級－估值技術(對公平值計量而言屬重要的最低層級輸入數據可直接或間接觀察)
- 第三級－估值技術(對公平值計量而言屬重要的最低層級輸入數據不可觀察)

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****y) Fair value (Cont'd)**

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**y) 公平值(續)**

就按經常性基準於財務報表以公平值確認的資產及負債而言，本集團透過於各報告期末重新評估分類(基於對公平值計量整體而言屬重大的最低層輸入數據)確定是否發生不同等級轉移。

**z) Significant accounting judgements**

In the process of applying the Group's accounting policies, management has made the following Judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

**z) 重大會計判斷**

於應用本集團的會計政策過程中，除涉及估計的會計政策外，管理層作出下列對綜合財務報表內已確認金額構成最重大影響的判斷：

*Concentrate sales*

With respect to concentrate sales, a receivable is recognised when the concentrate is delivered to the customer's facility as this is the point in time that control is transferred, and the Group's performance obligations have been met in accordance with the sales agreements. Adjustments are made to the receivables for variations in assay and weight between the time of dispatch of the concentrate and time of final settlement to reflect the change in fair value of the receivables.

*精礦銷售*

有關精礦銷售，應收款項於精礦被交付至客戶設施時(控制被轉移且根據銷售協議達成本集團履約責任的時間點)確認。就調度精礦時間與最終結算時間的含量及重量的差異在應收款項作出調整，以反映應收款項的公平值變動。

*Determining the lease term of contracts with renewal and termination options*

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

*釐定有續租選擇權及終止選擇權的合約租期*

本集團將租期釐定為不可撤銷租賃期限，連同延長租賃的選擇權涵蓋的任何期間(如合理確定將行使選擇權)或終止租賃的選擇權涵蓋的任何期間(如合理確定將不行使選擇權)。

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### z) Significant accounting judgements (Cont'd)

*Determining the lease term of contracts with renewal and termination options (Cont'd)*

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group did not include the renewal period as part of the lease term of property. The periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

*Production start date*

The Group assesses the stage of each mine under development/construction to determine when a mine transitions into the production phase, this being when the mine is substantially complete and ready for its intended use.

The criteria used to assess the start date are determined based on the unique nature of each mine development/construction project, such as the complexity of the project and its location. Some of the criteria used to identify the production start date include, but are not limited to:

- level of capital expenditure incurred compared with the original construction cost estimate;
- completion of a reasonable period of testing of the mine plant and equipment;
- ability to produce metal in saleable form (within specifications); and
- ability to sustain ongoing production of metal.

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### z) 重大會計判斷(續)

*釐定有續租選擇權及終止選擇權的合約租期(續)*

本集團有若干具有續租及終止選擇權的租賃合約。本集團於評估是否可合理確定行使續租選擇權時應用判斷，即本集團考慮行使續租或終止選擇權所帶來經濟誘因的所有相關因素。於開始日期後，倘存在超出其控制的重大的事件或情況變化從而影響其行使(或不行使)續租或終止選擇權(例如重大租賃裝修建設或租賃資產經歷重大定制化)，則本集團重新評估租期。

本集團並無將續租期計入為物業租期的一部分。僅於終止選擇權獲合理確定不會行使時，終止選擇權覆蓋的期間方會計入租期的一部分。

*開始生產日期*

本集團評估各個處於開發/建設階段的礦場階段，以確定礦場何時進入生產階段，為礦場大致完成並可用於既定用途的時間。

用於評估開始日期的標準是根據各個礦場開發/建設項目的獨特性質而確定，例如項目的複雜程度及其位置。用以識別生產開始日期的若干標準包括但不限於：

- 與原先施工成本的估算對比，所產生的資本支出水平；
- 礦場廠房及設備竣工的合理測試週期；
- 能夠以可銷售並符合規格的形式生產金屬；及
- 能夠持續生產金屬。

For the year ended 31 December 2022

截至2022年12月31日止年度

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 1. 公司資料及主要會計政策概要(續)

### z) Significant accounting judgements (Cont'd)

#### *Production start date (Cont'd)*

When a mine development project moves into the production phase, the capitalisation of certain mine development costs ceases and costs are either regarded as forming part of the cost of inventory or expensed, except for costs that qualify for capitalisation relating to mining asset additions or improvements. It is also at this point that depreciation/amortisation commences.

### z) 重大會計判斷(續)

#### *開始生產日期(續)*

倘礦場開發項目進入生產階段，若干礦場開發成本的資本化將告停止，而成本則視為存貨成本的一部分或開支，惟符合有關添置或改進採礦資產的資本化成本除外。折舊／攤銷於此時開始。

### aa) Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next reporting period are:

### aa) 主要會計估計及假設

若干資產及負債的賬面值通常根據未來事件的估計及假設釐定。於下一個報告期，導致對若干資產及負債的賬面值進行重大調整的重大風險的主要估計及假設為：

#### *Determination of mineral resources and ore reserves*

The determination of reserves impacts the accounting for asset carrying values, depreciation and amortisation rates, deferred stripping costs and provisions for decommissioning and restoration. The ore reserves, mineral resources or mineralisation are reported in accordance with the Aus.IMM "Australian Code for reporting of Identified Mineral Resources and Ore Reserves" ("the Code").

#### *礦產資源及礦石儲量的釐定*

釐定儲量影響有關資產賬面值、折舊及攤銷率、遞延剝採成本以及關閉及復墾撥備的會計處理。礦石儲量、礦產資源或礦化度乃根據Aus.IMM「澳洲查明礦產資源及礦石儲量報告準則(Australian Code for reporting of Identified Mineral Resources and Ore Reserves)」(「準則」)報告。

The information has been prepared by or under supervision of competent persons as identified by the Code. There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated.

該資料乃由準則所識別的合資格人士或其監督編製。估計礦產資源及礦石儲量存在多項固有不明朗因素，而於估計時有效的假設可在獲得新資料時出現大幅變動。商品預測價格、匯率、生產成本或回收率的變動可能會影響儲量經濟狀況，並可最終導致儲量重列。

As at 31 December 2022, the Group had an increase in its Resources and Reserves. Changes in reported Reserves and Resources estimates can impact the carrying value of property, plant and equipment through depreciation, provisions for mine rehabilitation, restoration and dismantling obligations, the recognition of deferred tax assets, as well as the amount of depreciation and amortisation charged to the consolidated statement of comprehensive income. However, quantification of the future impact is not considered practicable.

於2022年12月31日，本集團的資源及儲備有所增加。報告儲量及資源估計的變動會透過折舊影響物業、廠房及設備的賬面值、復墾、恢復及拆除責任撥備、確認遞延稅項資產以及於綜合全面收益表內扣除之折舊及攤銷金額。然而，將未來影響予以量化不可行。

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### aa) Significant accounting estimates and assumptions (Cont'd)

#### *Mine rehabilitation provisions*

The Group assesses its mine rehabilitation provision half-yearly in accordance with the accounting policy stated in note 1(t). Significant judgement is required in determining the provision for mine rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate the mine site.

The ultimate rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to the inflation rates and changes in discount rates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. Therefore, significant estimates and assumptions are made in determining the provision for mine rehabilitation. As a result, there could be significant adjustments to the provisions established which would affect future financial results. The provision at reporting date represents the Group's best estimate of the present value of the future rehabilitation costs required. The restoration activities in relation to Svartliden and Orivesi are expected to commence once all necessary approvals have been obtained.

#### *Contingent liabilities*

The Group assesses all open legal matters at each reporting date to determine whether a provision should be recognised or contingent liability disclosed. Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the Groups control, or present obligations that arise from past events but are not recognised because:

- (a) it is not probable that an outflow of economic benefits will be required to settle the obligation; or
- (b) the amount cannot be measured reliably.

Contingent liabilities are not recognised, but are disclosed, unless the possibility of an outflow is remote. The Group has disclosed the contingent liabilities identified at year end in note 22.

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### aa) 主要會計估計及假設(續)

#### *礦山復墾撥備*

本集團會根據附註1(t)所列的會計政策每半年評估其礦山復墾撥備。釐定礦山復墾需要重大判斷，原因是存在大量交易及其他將影響應付予礦山復墾的最終責任的因素。

最終復墾成本尚未確定，而成本估計可因眾多因素而有所不同，包括復墾活動的程度及成本的估計、技術變動、監管變動、成本相較通脹率增加，以及貼現率變動。該等不確定因素或會導致未來實際開支與現時撥備的金額有所不同。因此，於釐定礦山復墾撥備時已作出重大估計及假設。故已確立的撥備可能有重大調整而對未來的財務業績造成影響。於報告日期的撥備指本集團對所需未來復墾成本現值的最佳估計。一旦獲得所有必要批文，預計與Svartliden及Orivesi有關的復墾活動將開始。

#### *或然負債*

本集團於各報告日期評估所有待決法律事項，以決定應否確認撥備或披露或然負債。或然負債指因過往事件而引致可能需要履行的責任(且其出現與否僅於日後發生或沒有發生並非受本集團控制之不確定事件時確定)，或因過往事件而引致的現行責任，惟因以下原因尚未確認：

- (a) 經濟利益不大可能需要流出以清償該責任；或
- (b) 有關金額無法準確計量。

除非經濟利益流出的可能性極微，否則或然負債只獲披露，不獲確認。本集團已於附註22披露於年底識別的或然負債。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****aa) Significant accounting estimates and assumptions (Cont'd)***Impairment of non-financial assets*

In accordance with accounting policy note 1(o) the Consolidated Entity, in determining whether the recoverable amount of its cash-generating units is the higher of fair value less costs of disposal or value-in-use against which asset impairment is to be considered, undertakes future cash flow calculations which are based on a number of critical estimates and assumptions including, for its mine properties, forward estimates of:

- mine life, including quantities of mineral reserves and resources for which there is a high degree of confidence of economic extraction with given technology;
- production levels and demand;
- metal price;
- inflation;
- cash costs of production;
- discount rates applicable to the cash-generating unit; and
- future legal changes and/or environmental permits.

Impairment is recognised when the carrying amount of the cash-generating unit exceeds its recoverable amount. The recoverable amount for each cash-generating unit ("CGU") is determined using the higher of the CGU's value in use ("VIU") and its fair value less costs of disposal ("FVLCD"), classified as level 3 on the fair value hierarchy. Any variation in the assumptions used to determine the VIU or FVLCD would result in a change to the assessed recoverable value. If the variation in assumption had a negative impact on recoverable value, it could indicate a requirement for impairment of non-current assets.

Refer to note 8 for further discussion of the current year impairment trigger assessment and calculation of the CGU recoverable values.

**aa) 主要會計估計及假設(續)***非金融資產減值*

根據會計政策附註1(o)，於釐定其現金產生單位的可收回金額是否為公平值減銷售成本或使用價值(將考慮資產減值)中的較高者時，綜合實體會進行未來現金流量計算，有關計算乃基於多項關鍵估計及假設進行，就礦場物業而言包括對以下各項的遠期估計：

- 礦山壽命，包括在指定科技下存在高度經濟開採置信度的礦物儲量及資源的數量；
- 生產水平及需求；
- 金屬價格；
- 通脹；
- 生產的現金成本；
- 適用於現金產生單位的貼現率；及
- 未來法律變動及／或環境許可證。

當現金產生單位的賬面值超過其可收回金額時會確認減值。各現金產生單位(「現金產生單位」)的可收回金額採用現金產生單位的使用價值(「使用價值」)與公平值減出售成本(「公平值減出售成本」)(分類為公平值層級第三級)之較高者釐定。用於釐定使用價值及公平值減出售成本的假設的任何變動將導致評估的可收回價值發生變動。倘假設的變動對可收回價值產生負面影響，則表明非流動資產需要減值。

有關本年度減值觸發評估及計算可收回價值的進一步討論，請參閱附註8。

For the year ended 31 December 2022

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****aa) Significant accounting estimates and assumptions (Cont'd)***Income taxes*

The Group is subject to income taxes in Australia, Sweden, and Finland. The Group's accounting policy for taxation stated in note 1(f) requires management's judgement as to the types of arrangements considered to be a tax on income in contrast to an operating cost. Judgement is also required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the consolidated statement of financial position.

Deferred tax assets, including those arising from un-recouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. Deferred tax liabilities arising from temporary differences in investments, caused principally by retained earnings held in foreign tax jurisdictions, are recognised unless the repatriation of retained earnings can be controlled and are not expected to occur in the foreseeable future.

Assumptions about the generation of future taxable profits and repatriation of retained earnings depend on management's estimates of future cash flows. These depend on estimates of future production and sales volumes, operating costs, restoration costs, capital expenditure, dividends, and other capital management transactions. Judgements are also required about the application of income tax legislation.

截至2022年12月31日止年度

**1. 公司資料及主要會計政策概要(續)****aa) 主要會計估計及假設(續)***所得稅*

本集團須繳納澳洲、瑞典及芬蘭的所得稅。附註1(f)所述本集團有關稅務的會計政策規定管理層就被視為所得稅項(相對經營成本)的安排類別作出判斷。在評估遞延稅項資產及若干遞延稅項負債是否確認於綜合財務狀況表時亦需要作出判斷。

遞延稅項資產(包括該等產生自未收回稅項虧損、資本損失及暫時性差異者)在視為可能收回時方予確認，而其乃取決於產生充足未來應課稅溢利。本集團確認產生自投資暫時性差異的遞延稅項負債乃主要因在海外稅務司法權區持有的保留盈利造成，除非可控制匯出的保留盈利且預期在可預見將來將不會產生。

有關產生未來應課稅溢利及匯出的保留盈利的假設乃取決於管理層有關未來現金流量的估計。該等則取決於對未來生產及銷售量、經營成本、復墾成本、資本開支、股息及其他資本管理交易的估計。就應用所得稅規例而言亦需要作出判斷。

For the year ended 31 December 2022

截至2022年12月31日止年度

**1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****1. 公司資料及主要會計政策概要(續)****bb) Accounting standards and interpretations issued but not yet effective**

The following accounting standards and interpretations have been issued or amended but are not yet effective. These standards have not been adopted by the Group for the year ended 31 December 2022 and are outlined below:

*IFRS 17 – Insurance Contracts (effective 1 January 2023)*

This standard replaces IFRS 4 – Insurance Contracts, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. This standard is not applicable to the Company as it does not have insurance contracts and thus the Group has assessed that the new standard will have no effect.

*Initial Application of IFRS 17 and IFRS 9 – Comparative Information (effective 1 January 2023)*

When insurers apply IFRS 17 and IFRS 9 for the first time in 2023, IFRS 17 requires restatement of comparatives. However, under IFRS 9, insurers may restate the comparatives only when hindsight is not required but cannot restate for financial assets derecognised before the application date of IFRS 9. The accounting mismatch caused by financial assets derecognised during the comparative period is potentially significant and could make financial statements more difficult to understand.

**bb) 已發佈但尚未生效的會計準則及詮釋**

下列會計準則及詮釋已發佈或修訂但尚未生效。本集團於截至2022年12月31日止年度尚未採納該等準則，該等準則概述如下：

*國際財務報告準則第17號－保險合約 (自2023年1月1日起生效)*

該準則替代國際財務報告準則第4號－保險合約(當前允許就保險合約作各種會計處理)。國際財務報告準則第17號將從根本上改變簽發具有酌情參與特點的保險合約及投資合約的所有實體的會計處理。該準則並不適用於本公司，因為其並無保險合約，故本集團評估新準則將不會產生影響。

*首次應用國際財務報告準則第17號及國際財務報告準則第9號－比較資料 (2023年1月1日起生效)*

當保險公司於2023年首次應用國際財務報告準則第17號及國際財務報告準則第9號時，國際財務報告準則第17號要求重述比較數據。然而，根據國際財務報告準則第9號，保險公司只有在不需要事後分析的情況下才可以重述比較數據，但不能重述在國際財務報告準則第9號的應用日期之前終止確認的金融資產。在比較期間終止確認的金融資產導致的會計錯配可能很大，並可能使財務報表更難理解。

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### bb) Accounting standards and interpretations issued but not yet effective (Cont'd)

*Initial Application of IFRS 17 and IFRS 9 – Comparative Information (effective 1 January 2023) (Cont'd)*

The IFRS amended IFRS 17 to add a transition option “classification overlay”. The overlay addresses the above accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of IFRS 17. If an entity elects to apply the classification overlay, it can only do so for comparative periods to which it applies IFRS 17 (i.e., from transition date to the date of initial application of IFRS 17). An entity that applies the classification overlay to a financial asset should:

- Use reasonable and supportable information available at the transition date to determine how the entity expects a financial asset would be classified and measured on initial application of IFRS 9.
- Present comparative information as if the classification and measurement requirements of IFRS 9 had been applied to that financial asset.

This standard is not applicable to the Company as it does not have insurance contracts.

*IAS 1 – Classification of Liabilities as Current and Non-Current (effective 1 January 2023)*

On 23 January 2020, the International Accounting Standards Board (“IASB”) issued amendments to paragraphs 69 to 76 of IAS 1 Presentation of Financial Statements (the amendments) to specify the requirements for classifying liabilities as current or non-current. The Group has considered the impact on its consolidated financial statements and assessed that the new standard will have no effect.

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### bb) 已發佈但尚未生效的會計準則及詮釋(續)

*首次應用國際財務報告準則第17號及國際財務報告準則第9號 – 比較資料(2023年1月1日起生效)(續)*

國際財務報告準則修訂了國際財務報告準則第17號，增加了一個過渡選項「分類重疊」。該重疊解決了在初次應用國際財務報告準則第17號時列報的比較資料中金融資產與保險合約負債之間的上述會計錯配問題。倘一個實體選擇應用分類重疊，其只適用於在其採用國際財務報告準則第17號的比較期(即從過渡日至首次應用國際財務報告準則第17號當日)。將分類重疊應用於金融資產的實體應：

- 使用過渡日可獲得的合理及可支持資料，確定實體預計在初始應用國際財務報告準則第9號時如何對金融資產進行分類及計量。
- 列報比較資料，猶如國際財務報告準則第9號的分類及計量要求已應用於該金融資產。

該準則並不適用於本公司，因為其並無保險合約。

*國際會計準則第1號負債分類為流動及非流動(自2023年1月1日起生效)*

於2020年1月23日，國際會計準則理事會(「國際會計準則理事會」)頒佈國際會計準則第1號財務報表的呈列第69至76段的修訂(該等修訂)，訂明負債分類為流動或非流動的規定。本集團已考慮對其綜合財務報表的影響，並評定新準則將不會有任何影響。

For the year ended 31 December 2022

截至2022年12月31日止年度

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 1. 公司資料及主要會計政策概要(續)

### bb) Accounting standards and interpretations issued but not yet effective (Cont'd)

*Definition of Accounting Estimates – Amendments to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors (“IAS 8”) (effective 1 January 2023)*

The amendments clarify the distinction between changes in accounting estimates and change in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board.

The Group has considered the impact on its consolidated financial statements and assessed that the new standard will likely have no effect.

*Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12 – Income Taxes (“IAS 12”) (effective 1 January 2023)*

The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the consolidated financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

The Group has considered the impact on its consolidated financial statements and assessed that the new standard will likely have no effect.

### bb) 已發佈但尚未生效的會計準則及詮釋(續)

*披露會計政策－國際會計準則第8號(修訂本)－會計政策、會計估計變動及錯誤(「國際會計準則第8號」)(自2023年1月1日起生效)*

該修訂釐清會計估計變動及會計政策變動之間的區別以及錯誤糾正。此外，其亦釐清實體使用計量技巧及輸入數據以計算會計估計的方式。經修訂準則釐清，倘非由於糾正過往期間的錯誤而產生，則輸入值的變化或計量技術的變化對會計估計的影響屬於會計估計變動。過往的會計估計變動定義規定，會計估計變動可因新資料或新發展而導致。因此，該等變動並非錯誤糾正。董事會保留釋義的該方面。

本集團已考慮對其綜合財務報表的影響，並評估新準則將可能不會產生影響。

*來自單一交易的資產及負債的遞延稅項－國際會計準則第12號(修訂本)－所得稅(「國際會計準則第12號」)(自2023年1月1日起生效)*

該等修訂釐清，倘清償負債的付款可以扣稅，則須就稅務目的判斷(並考慮適用稅法)有關扣稅歸屬於綜合財務報表中確認的負債(及利息開支)或歸屬於相關資產組成部分(及利息開支)。該判斷對於確定在初始確認資產及負債時是否存在任何暫時性差異非常重要。

本集團已考慮對其綜合財務報表的影響，並評估新準則將可能不會產生影響。

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### bb) Accounting standards and interpretations issued but not yet effective (Cont'd)

*Disclosure of Accounting Policies – Amendments to IAS 1 – Presentation of Financial Statements (“IAS 1”) and IFRS Practice Statement 2 (effective 1 January 2023)*

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies; and
- adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them.

The Group has considered the impact on its consolidated financial statements and assessed that the new standard will likely have no effect.

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### bb) 已發佈但尚未生效的會計準則及詮釋(續)

*披露會計政策 – 國際會計準則第1號(修訂本) – 財務報表的呈列(「國際會計準則第1號」)及國際財務報告準則常規說明第2號(自2023年1月1日起生效)*

於2021年2月，國際會計準則理事會頒佈國際會計準則第1號(修訂本)及國際財務報告準則常規說明第2號作出重大性判斷，其中提供指引及案例以幫助實體將重大性判斷應用於會計政策披露。該修訂旨在通過以下方式幫助實體提供更實用的會計政策披露：

- 將實體披露其「主要」會計政策的規定替換為披露其「重大」會計政策的規定；及
- 加入有關實體如何使用重大性概念進行會計政策披露決策的指引。

評估會計政策資料的重要性時，實體需要考慮交易規模、其他事件或條件及其性質。

本集團已考慮對其綜合財務報表的影響，並評估新準則將可能不會產生影響。

For the year ended 31 December 2022

截至2022年12月31日止年度

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 1. 公司資料及主要會計政策概要(續)

### bb) Accounting standards and interpretations issued but not yet effective (Cont'd)

*Lease liability in a Sale and Leaseback – Amendments to IFRS 16 – Leases (“IFRS 16”) (effective 1 January 2024)*

In a sale and leaseback transaction recognised as a sale under IFRS 15 Revenue from Contracts with Customers, IFRS 16 requires the seller-lessee to measure the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right-of-use retained by the seller-lessee. The standard, however, does not specify how the liability arising in a sale and leaseback is measured. This impacts the measurement of the right-of-use asset and could result in recognition of a gain or loss on the right-of-use asset retained. Of particular concern is the impact of excluding from the lease liability, variable lease payments that do not depend on an index or rate.

The issue has been addressed in the amendment, which specifies that the seller-lessee measures the lease liability arising from the leaseback in such a way that they would not recognise any gain or loss on the sale and leaseback relating to the right-of-use asset retained.

The amendment does not prescribe specific measurement requirements for the lease liability arising from a leaseback. The seller-lessee will need to establish an accounting policy that results in information that is relevant and reliable in accordance with IAS 8.

The amendment, however, includes examples illustrating the initial and subsequent measurement of the lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The amendment may represent a significant change in accounting policy for entities that enter into sale and leaseback transactions with such variable payments.

### bb) 已發佈但尚未生效的會計準則及詮釋(續)

*於售後租回的租賃負債－國際財務報告準則第16號(修訂本)－租賃(「國際財務報告準則第16號」)(自2024年1月1日起生效)*

在根據國際財務報告準則第15號「與客戶訂立合約的收益」確認為銷售的售後租回交易中，國際財務報告準則第16號要求賣方－承租人按與賣方－承租人保留的使用權有關的資產的前賬面值比例，計量租回所產生的使用權資產。然而，該準則並無說明如何計量在售後租回中產生的負債。這影響了使用權資產的計量，並可能導致確認保留使用權資產的收益或虧損。其中最令人關注的是從租賃負債剔除不依賴於指數或利率的可變租賃付款的影響。

該問題已於修訂本解決，其列明賣方－承租人在計量租回所產生的租賃負債時毋須確認與保留使用權資產有關的任何售後租回收益或虧損。

修訂本並無就租回所產生的租賃負債訂明具體的計量要求。賣方－承租人將需制定會計政策，以根據國際會計準則第8號提供相關及可靠的資料。

然而，修訂本載有說明初次及後續計量附帶不依賴於指數或利率的可變租賃付款的售後租回交易中的租賃負債的例子。修訂本可能代表對訂立附帶該可變付款的售後租回交易的實體的會計政策作出重大變動。

For the year ended 31 December 2022

## 1. CORPORATE INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### bb) Accounting standards and interpretations issued but not yet effective (Cont'd)

*Lease liability in a Sale and Leaseback – Amendments to IFRS 16 – Leases (“IFRS 16”) (effective 1 January 2024) (Cont'd)*

The amendment to IFRS 16 is applied retrospectively to sale and leaseback transactions entered into after the beginning of the annual reporting period in which an entity first applied IFRS 16. Earlier application of the amendment is permitted.

*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective 1 January 2025)*

The amendments to IFRS 10 *Consolidated Financial Statements* and IFRS 128 *Investments in Associates and Joint Ventures* clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3 *Business Combinations*. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

### cc) Changes in Accounting Policies on Adoption of New and Amended Accounting Standards and Interpretations

The Group has adopted all new and amended Accounting Standards and Interpretations issued by the International Accounting Standards Board that are relevant to the Group and effective as at 1 January 2022.

The adoptions of these new and amended Accounting Standards and Interpretations did not impact the accounting policies or the consolidated financial statements of the Group.

截至2022年12月31日止年度

## 1. 公司資料及主要會計政策概要(續)

### bb) 已發佈但尚未生效的會計準則及詮釋(續)

*於售後租回的租賃負債 – 國際財務報告準則第16號(修訂本) – 租賃(「國際財務報告準則第16號」)(自2024年1月1日起生效)(續)*

國際財務報告準則第16號(修訂本)追溯應用於實體首次應用國際財務報告準則第16號的年度報告期間開始後訂立的售後租回交易。允許提早應用該修訂本。

*投資者與其聯營公司或合資企業之間的資產銷售或出資(2025年1月1日起生效)*

國際財務報告準則第10號*綜合財務報表*及國際財務報告準則第128號*於聯營公司及合營企業的投資*之修訂澄清，當向聯營公司或合營企業的轉讓涉及國際財務報告準則第3號*業務合併*所界定的業務時，確認全部損益。然而，因銷售或出資不構成業務之資產而產生之任何收益或虧損，只在非關聯投資者於聯營公司或合營企業之權益範圍內確認。

概無其他尚未生效的準則，而預計會對本報告期或未來報告期的實體以及可預見未來的交易產生重大影響。

### cc) 採納新訂及經修訂會計準則及詮釋的會計政策變動

本集團已採納國際會計準則理事會所頒佈與本集團相關並於2022年1月1日生效的所有新訂及經修訂會計準則及詮釋。

採納該等新訂及經修訂會計準則及詮釋對本集團之會計政策或綜合財務報表並無影響。

For the year ended 31 December 2022

截至2022年12月31日止年度

**2. OTHER REVENUE, INCOME AND EXPENSES****2. 其他收益、收入及開支**

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
<b>(a) Cost of sales</b>	<b>(a) 銷售成本</b>		
Cost of production net of inventory movements	生產成本(扣除存貨變動)	38,373	34,420
Depreciation of mine properties, plant, and equipment	礦場物業、廠房及設備折舊	6,800	5,301
		<b>45,173</b>	<b>39,721</b>
<i>Cost of production net of inventory movements</i>	<i>生產成本(扣除存貨變動)</i>		
Mining	採礦	22,228	22,252
Processing	選礦	15,916	15,242
Other production activities	其他生產活動	807	1,007
Gold inventory movements	黃金存貨變動	(578)	(4,081)
		<b>38,373</b>	<b>34,420</b>
<b>(b) Other revenue</b>	<b>(b) 其他收益</b>		
Finance revenue and interest	融資收益及利息	103	3
Rent and sundry revenue	租金及雜項收入	1	6
		<b>104</b>	<b>9</b>
<b>(c) Other income</b>	<b>(c) 其他收入</b>		
Sale of property, plant, and equipment	銷售物業、廠房及設備	-	374
Service income	服務收入	609	313
Other	其他	114	118
		<b>723</b>	<b>805</b>

For the year ended 31 December 2022

截至2022年12月31日止年度

**2. OTHER REVENUE, INCOME AND EXPENSES (CONT'D)****2. 其他收益、收入及開支(續)**

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
<b>(d) Operating expenses</b>	<b>(d) 經營開支</b>		
Management and administration expenses	管理及行政開支	4,619	4,356
Exploration and evaluation assets written off	撇銷勘探及評估資產	34	561
Depreciation of non-mine site assets	非礦山場地資產折舊	201	220
Rehabilitation (reduction)/costs	復墾(扣減)/成本	(1,080)	2,032
		<b>3,774</b>	<b>7,169</b>
<b>(e) Finance costs</b>	<b>(e) 財務成本</b>		
Interest	利息	6	15
Other	其他	15	14
		<b>21</b>	<b>29</b>
<b>(f) Total employee benefits including Directors' remuneration</b>	<b>(f) 僱員福利總額(包括董事薪酬)</b>		
Wages and salaries	工資及薪金	7,042	6,907
Defined contribution superannuation expense	界定供款退休金開支	1,568	1,500
		<b>8,610</b>	<b>8,407</b>
Wages and salaries included in: Cost of sales	計入以下各項的工資及薪金： 銷售成本	5,949	6,071
Management and administration expenses	管理及行政開支	2,661	2,336
		<b>8,610</b>	<b>8,407</b>

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**3. INCOME TAX****3. 所得稅**

	2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
<b>(a) Income tax expense</b>		
The major components of income tax expense are:		
<i>Current income tax</i>		
Current income tax expense	2,250	3,689
Adjustments in respect of current income tax of previous year	-	-
<i>Deferred income tax</i>		
Income tax benefit arising from previously unrecognised tax loss	-	-
Relating to origination and reversal of temporary differences	-	-
	<u>2,250</u>	<u>3,689</u>
Income tax expense reported in the statement of comprehensive income	<u>2,250</u>	<u>3,689</u>
<b>(b) Amounts charged or credited directly to equity</b>		
Deferred income tax related to items charged/(credited) directly to equity	-	-
	<u>-</u>	<u>-</u>
Accounting profit before income tax	<u>2,489</u>	292

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**3. INCOME TAX (CONT'D)**

(c) Numerical reconciliation between aggregate tax expense recognised in the statement of comprehensive income and tax expense calculated per the statutory income tax rate

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**3. 所得稅(續)**

(c) 於全面收益表確認的稅項開支總額與按法定所得稅稅率計算的稅項開支的數值對賬

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
At the Group's statutory income tax rate of 30% in Australia (2021: 30%)	按本集團於澳洲的法定所得稅稅率30% (2021年: 30%)	747	88
Adjustments in respect of current income tax in foreign jurisdiction	外國司法權區即期所得稅調整	-	1,053
Effect of different rates of tax on overseas income	海外收益不同稅率的影響	(408)	(42)
Other	其他	(368)	-
Previously unrecognised tax losses utilised/recognised	動用/確認過往未確認稅項虧損	-	-
Tax losses and other temporary differences not recognised as benefit not probable	未確認稅項虧損及其他暫時差額(因不可能產生利益)	2,279	2,590
Aggregate income tax expense	所得稅開支總額	<b>2,250</b>	<b>3,689</b>

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**3. INCOME TAX (CONT'D)****3. 所得稅(續)**

		2022	2021
		2022年	2021年
		AU\$'000	AU\$'000
		千澳元	千澳元
<b>(d) Recognised deferred tax assets and liabilities</b>	<b>(d) 已確認遞延稅項資產及負債</b>		
<i>Deferred tax assets</i>	<i>遞延稅項資產</i>		
<i>(excluding tax losses)</i>	<i>(稅項虧損除外)</i>		
Leave entitlements	休假權利	73	86
Rehabilitation provision	復墾撥備	2,602	2,621
Share issue and listing costs	股份發行及上市成本	250	270
Mine properties, property, plant, and equipment	礦場物業、物業、廠房及設備	696	701
Exploration costs	勘探成本	-	-
Accruals	應計費用	42	36
Temporary differences not recognised	未確認的暫時差額	(3,283)	(3,509)
Set off deferred tax liabilities pursuant to set off provisions	根據抵銷條款抵銷遞延稅項負債	(380)	(205)
Deferred income tax assets	遞延所得稅資產	-	-
<i>Deferred tax liabilities</i>	<i>遞延稅項負債</i>		
Accelerated deduction	加速扣稅		
Mine properties, property, plant, and equipment	礦場物業、物業、廠房及設備	(216)	(205)
Set off deferred tax liabilities pursuant to set off provisions	根據抵銷條款抵銷遞延稅項負債	216	205
Deferred income tax liabilities	遞延所得稅負債	-	-

**(e) Tax losses**

The Group has tax losses of approximately AU\$19.9 million in Australia (2021: AU\$18.2 million) and approximately AU\$39.0 million in Sweden (2021: AU\$36.0 million) that are available indefinitely for offsetting against future taxable profits of the jurisdictions in which the losses arose. The Australian tax consolidated group has available capital losses amounting to AU\$2.6 million (2021: AU\$2.6 million). The Group utilised its tax losses in Finland during the year (2021: the Group utilised its tax losses in Finland during the year).

**(e) 稅項虧損**

本集團於澳洲及瑞典分別有稅項虧損約19.9百萬澳元(2021年: 18.2百萬澳元)及約39.0百萬澳元(2021年: 36.0百萬澳元),可無限期用作抵銷產生虧損的司法權區的未來應課稅溢利。澳洲稅項合併集團的可用資本虧損為2.6百萬澳元(2021年: 2.6百萬澳元)。本集團於年內動用其於芬蘭的稅項虧損(2021年: 本集團於年內動用其於芬蘭的稅項虧損)。

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### 3. INCOME TAX (CONT'D)

#### (e) Tax losses (Cont'd)

The benefits of the tax losses will only be obtained by the companies in the Consolidated Entity if:

- they continue to comply with the provisions of the Income Tax Legislation relating to the deduction of losses of prior periods;
- they earn sufficient assessable income to enable the benefits of the deductions to be realised; and
- there are no changes in Income Tax Legislation adversely affecting the Company's ability to realise the benefits.

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiaries that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future.

#### *Tax consolidation*

Effective 1 July 2003, for the purpose of income taxation, Dragon Mining Limited and its 100% Australian owned subsidiaries formed a Tax Consolidation Group ("Tax Group"). Members of the Tax Group have entered into a tax sharing and funding arrangement whereby each entity in the Tax Group has agreed to pay a tax equivalent amount to or from the head entity, based on the current tax liability or current tax asset of the entity. Such amounts are reflected in amounts receivable from or payable to other entities in the Tax Group.

For the year ended 31 December 2022, there are no tax consolidation adjustments (2021: nil). The nature of the tax funding arrangement for the Tax Group is such that no tax consolidation adjustments (contributions by or distributions to equity participants) would be expected to arise. The head entity of the Tax Group is Dragon Mining Limited. In addition, the agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At balance date, the possibility of default is remote.

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### 3. 所得稅(續)

#### (e) 稅項虧損(續)

綜合實體內的公司僅在以下情況下方可獲得稅項虧損的利益：

- 繼續遵守所得稅規例中有關扣減過往期間虧損的規定；
- 獲得足夠的應課稅收入，以實現扣減的利益；及
- 所得稅規例並無發生會對本公司變現利益的能力造成不利影響的變動。

並無就該等虧損確認遞延稅項資產，原因為該等虧損未必可用於抵銷本集團其他公司的應課稅溢利，該等虧損乃來自已虧損一段時間的附屬公司，且近期並無其他稅務規劃機會或其他可收回性證據。

#### *綜合計稅*

自2003年7月1日起，就所得稅目的而言，龍資源有限公司及其100%澳洲擁有的附屬公司組成一個綜合計稅集團(「計稅集團」)。計稅集團的成員公司已經簽訂稅收分成及資金安排，據此，計稅集團各實體同意根據實體的即期稅項負債或即期稅項資產，向主管實體支付或自主管實體收取等值稅款。該等金額反映在應收或應付計稅集團其他實體的款項中。

截至2022年12月31日止年度，並無進行綜合計稅調整(2021年：無)。計稅集團的稅收資金安排的性質使然，預計不會出現綜合計稅調整(參股者出資或向參股者分派)。計稅集團的主管實體為龍資源有限公司。此外，協議規定了在主管實體不履行納稅義務的情況下各實體之間的所得稅負債分配。於結算日期，違約的可能性甚微。

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**4. CASH AND CASH EQUIVALENTS****4. 現金及現金等價物**

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
Cash at bank and on hand	銀行及手頭現金	10,169	7,737
Restricted use cash <sup>1</sup>	限制用途現金 <sup>1</sup>	7,502	6,633
		<b>17,671</b>	<b>14,370</b>

<sup>1</sup> Restricted use cash represents the net proceeds from the Placement of 20,000,000 new shares in the Company completed January 2021. The net proceeds from the Placement of HK\$39.6 million (approximately AU\$7.5 million will be used to partially fund the Group's various environmental bonds in Finland and Sweden.

<sup>1</sup> 限制用途現金指本公司於2021年1月完成的20,000,000股新股配售事項的所得款項淨額。配售事項所得款項淨額39.6百萬港元(約7.5百萬澳元)將用於局部撥付本集團在芬蘭及瑞典的各項環保債券。

**(a) Reconciliation of net profit after tax to net cash flows from operations****(a) 除稅後淨溢利與經營產生的淨現金流量對賬**

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
Net profit after tax	除稅後淨溢利	2,489	292
<i>Adjustments for:</i>	<i>就以下項目作出調整：</i>		
Depreciation and amortisation	折舊及攤銷	7,001	5,521
Exploration write-off	勘探撇銷	34	561
Net foreign exchange (gain)/loss	外匯(收益)/虧損淨額	(628)	(506)
<i>Changes in operating assets and liabilities</i>	<i>營運資產及負債的變動</i>		
Decrease/(increase) in receivables	應收款項減少/(增加)	1,763	(1,053)
Decrease in other assets	其他資產減少	198	616
(Increase)/decrease in inventories	存貨(增加)/減少	(312)	3,565
Decrease in trade creditors	應付貿易賬款減少	(3,189)	(1,063)
Increase in provisions	撥備增加	1,080	763
Net operating cash flows	經營現金流量淨額	<b>8,436</b>	<b>8,696</b>

**(b) Reconciliation of liabilities from financing activities****(b) 金融活動產生的負債對賬**

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
Opening balance – 1 January	期初結餘 – 1月1日	2,013	3,364
<i>Cash flows:</i>	<i>現金流量：</i>		
Repayment of borrowings	償還借款	–	(3,000)
Repayment of lease liabilities	償還租賃負債	(231)	(1,484)
<i>Non-cash changes:</i>	<i>非現金變動：</i>		
Additions to lease liabilities	添置租賃負債	58	3,150
Accrued payments	應計費用付款	(414)	–
Foreign exchange adjustments on borrowings and lease liabilities	借款及租賃負債外匯調整	23	(17)
Balance at year end	年末結餘	<b>1,449</b>	<b>2,013</b>

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## 5. TRADE AND OTHER RECEIVABLES

## 5. 貿易及其他應收款項

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
Trade receivables – fair value through profit or loss (i)	貿易應收款項 – 於損益按公平值計值(i)	1,790	–
Trade receivables – amortised cost (ii)	貿易應收款項 – 攤銷成本(ii)	572	3,150
Other receivables (iii)	其他應收款項(iii)	1,100	2,075
		<b>3,462</b>	<b>5,225</b>

(i) Trade receivables that relate to concentrate sales that are subject to quotation period pricing are recognised at fair value through profit or loss. Concentrate sales are subject to the provisional pricing arrangements disclosed in note 1(i). The Group issues a provisional invoice at the end of the month following the month of delivery which is payable within fifteen days. A final invoice is issued by the Group within three days of receiving final assays, typically two months post-delivery, which is payable by the purchaser within five days of invoice receipt.

(ii) Includes trade receivables for gold sold on market and settled within two days. The probability of default is considered to be insignificant. All amounts have been collected subsequent to year end.

(iii) Other receivables include bank guarantees held on deposit with National Australia Bank for the lease of the corporate premises. These deposits are rolled over every three months in accordance with the lease terms. Due to the short-term nature and credit rating of the counterparty, the probability of default is insignificant.

The Group's exposure to credit risk and interest rate risk are disclosed in notes 24(d) and 24(e).

**Ageing analysis**

An aged analysis of the trade debtors as at the end of the reporting period, based on invoice date, is as follows:

Amounts not yet due	尚未到期的金額		
Within 1 month	一個月內	2,362	3,150
1 to 2 months	一至兩個月	–	–
2 to 3 months	兩至三個月	–	–
Over 3 months	超過三個月	–	–
Trade receivables	貿易應收款項	<b>2,362</b>	<b>3,150</b>

(i) 與視乎報價期定價的精礦銷售相關的貿易應收款項，按公平值於損益確認。精礦銷售須受附註1(i)所披露的臨時定價安排所限。本集團會於交付該月後下個月底發出臨時發票，款項應於十五日內支付。本集團於收取最終含量三日內發出最終發票，一般為交付後兩個月買方應於收取發票後五日內付款。

(ii) 包括就於市場出售黃金並於兩日內清償的貿易應收款項。違約可能性被視為不重大。所有款項已於年底隨後收取。

(iii) 其他應收款項包括就出租公司物業而持有並存放於National Australia Bank的銀行擔保。該等存款根據租賃條款每三個月滾存一次。基於其短期性質及交易對手方的信貸評級，違約可能性並不重大。

本集團面臨的信貸風險及利率風險於附註24(d)及24(e)披露。

**賬齡分析**

於報告期末，按發票日期計算的應付貿易賬款的賬齡分析如下：

	2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
Amounts not yet due	–	–
Within 1 month	2,362	3,150
1 to 2 months	–	–
2 to 3 months	–	–
Over 3 months	–	–
Trade receivables	<b>2,362</b>	<b>3,150</b>

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**6. INVENTORIES****6. 存貨**

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
Ore and concentrate stockpiles – at cost	礦石及精礦庫存—按成本	11,391	11,720
Gold in circuit valued – at cost	流通中的黃金—按成本	7,543	7,271
Raw materials and stores – at cost	原材料及儲備—按成本	1,057	688
		<b>19,991</b>	<b>19,679</b>

**7. OTHER ASSETS****7. 其他資產**

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
<b>Current</b>	<b>流動</b>		
Prepayments	預付款項	343	253
Other receivables	其他應收款項	284	572
		<b>627</b>	<b>825</b>
<b>Non current</b>	<b>非流動</b>		
Environmental and other bonds at amortised cost	按攤銷成本計量的環保及其他債券	4,927	5,287

The environmental bonds relate to cash that has been deposited with Swedish and Finnish government authorities. The bonds are held in an interest-bearing account and can only be drawn down when rehabilitation programs have been completed and authorised by the relevant government authority. The Group's exposure to credit risk and interest rate risk is disclosed in notes 24(d) and 24(e).

環保債券與已經存放於瑞典及芬蘭政府機構的現金有關。債券乃以計息賬戶持有，僅當復墾項目完成並獲得有關政府機構授權時方可提取。本集團面臨的信貸風險及利率風險於附註24(d)及24(e)披露。

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**8. PROPERTY, PLANT AND EQUIPMENT****8. 物業、廠房及設備**

		<b>2022</b>	2021
		<b>2022年</b>	2021年
		<b>AU\$'000</b>	AU\$'000
		千澳元	千澳元
<b>Land</b>	<b>土地</b>		
Gross carrying amount – at cost	按成本計值的賬面總值	<b>1,305</b>	1,338
<b>Buildings</b>	<b>樓宇</b>		
Gross carrying amount – at cost	按成本計值的賬面總值	<b>2,592</b>	2,669
Less accumulated depreciation and impairment	減累計折舊及減值	<b>(2,325)</b>	(2,295)
Net carrying amount	賬面淨值	<b>267</b>	374
<b>Property, plant, and equipment</b>	<b>物業、廠房及設備</b>		
Gross carrying amount – at cost	按成本計值的賬面總值	<b>40,492</b>	38,928
Less accumulated depreciation and impairment	減累計折舊及減值	<b>(36,064)</b>	(34,718)
Net carrying amount	賬面淨值	<b>4,428</b>	4,210
<b>Mine properties</b>	<b>礦場物業</b>		
Gross carrying amount – at cost	按成本計值的賬面總值	<b>159,648</b>	146,444
Less accumulated amortisation and impairment	減累計攤銷及減值	<b>(111,221)</b>	(106,120)
Net carrying amount	賬面淨值	<b>48,427</b>	40,324
<b>Total property, plant, and equipment</b>	<b>物業、廠房及設備總額</b>		
Gross carrying amount – at cost	按成本計值的賬面總值	<b>204,037</b>	189,379
Less accumulated amortisation and impairment	減累計攤銷及減值	<b>(149,610)</b>	(143,133)
Net carrying amount	賬面淨值	<b>54,427</b>	46,246

Included within property, plant and equipment and mine properties are AU\$15.9 million of capitalised costs (31 December 2021: AU\$15.2 million) relating to Fäboliden.

At the end of each reporting period, the Group is required to review whether there is any indication that an asset may be impaired, in accordance with International Accounting Standards. If any such indication exists, the Group shall estimate each asset or cash generating unit ("CGU") recoverable amount. The recoverable amount is determined as the higher of a CGU's value in use ("VIU") and its fair value less costs of disposal ("FVLCD").

計入物業、廠房及設備以及礦場物業的資本化成本15.9百萬澳元(2021年12月31日: 15.2百萬澳元)與Fäboliden有關。

於各報告期末,根據國際會計準則,本集團需要檢視是否有任何跡象表明資產可能出現減值。倘若存在任何此等跡象,本集團將估計各資產或現金產生單位(「現金產生單位」)的可收回金額。可收回金額乃按現金產生單位的使用價值(「使用價值」)和其公平值減出售成本(「公平值減出售成本」)兩者中的較高者確定。

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**8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)****8. 物業、廠房及設備(續)**

In assessing the CGUs, management of the Company has determined that the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets is the Vammala CGU. As the Svartliden Plant has an interdependency on the Vammala CGU, the impairment assessment of the Vammala CGU includes the Svartliden Plant. Expenditure relating to the development of Fäboliden has been capitalised as mine development and assessed as a separate asset to the Vammala CGU. The Group has determined that there is no active market for intermediate components.

評估現金產生單位時，本公司管理層確定，產生現金流入且基本上獨立於其他資產的現金流入的最小可識別資產群組為Vammala現金產生單位。由於Svartliden工廠與Vammala現金產生單位有著相互依賴的關係，對Vammala現金產生單位的減值評估包括Svartliden工廠。與Fäboliden開發有關的開支已資本化為礦山開發，並評估為Vammala現金產生單位的一項獨立資產。本集團確定中期產品並無活躍市場。

The Company has reviewed the Vammala CGU and Fäboliden mine properties for indications of impairment using both external and internal sources of information which included current performance, changes in exchange rates, gold price, market capitalisation and environmental permitting delays. The Company identified impairment indicators resulting in impairment testing being performed.

本公司利用內外部資料來源，包括當前的業績、匯率變化、金價、市值和環境許可證的推遲，檢視了Vammala現金產生單位和Fäboliden採礦資產的減值跡象。本公司已識別減值跡象，因此進行減值測試。

**Vammala CGU**

The Vammala CGU impairment assessment utilises a life of mine discounted cash flow ("DCF") model. The recoverable amount of AU\$45.7 million (31 December 2021: AU\$38.0 million) has been determined using the VIU methodology.

**Vammala現金產生單位**

Vammala現金產生單位減值評估採用了礦山壽命折現現金流量(「折現現金流量」)模型。可收回金額45.7百萬澳元(2021年12月31日：38.0百萬澳元)乃採用使用價值方法釐定。

The key assumptions utilised in the impairment modelling included a gold price of US\$1,800/ounce (31 December 2021: US\$1,730/ounce), a USD:SEK exchange rate of 10.25 (31 December 2021: 8.7), a USD:EUR exchange rate of 0.95 (31 December 2021: 0.88) and a post-tax real discount rate of 6.5% (31 December 2021: 10%).

減值模型中使用的主要假設包括黃金價格1,800美元/盎司(2021年12月31日：1,730美元/盎司)、美元兌瑞典克朗匯率10.25(2021年12月31日：8.7)、美元兌歐元匯率0.95(2021年12月31日：0.88)及除稅後實際貼現率6.5%(2021年12月31日：10%)。

**Sensitivity to changes in assumptions**

The calculation of the recoverable value is most sensitive to the gold price and foreign exchange rates specifically EUR:USD.

**對假設變動的敏感度**

可收回價值的計算最易受黃金價格及匯率影響，尤其是歐元兌美元匯率。

A fall in the gold price to US\$1,755/ounce (31 December 2021: US\$1,687/ounce) (i.e., -2.5%) in the Vammala CGU would decrease the recoverable value by AU\$4.5 million (31 December 2021: AU\$4.7 million) and would not result in impairment.

Vammala現金產生單位黃金價格下降至1,755美元/盎司(2021年12月31日：1,687美元/盎司)(即-2.5%)將導致可收回估值減少4.5百萬澳元(2021年12月31日：4.7百萬澳元)及不會導致減值。

A decrease in the foreign exchange forecast rate of -5% in the Vammala CGU would decrease the recoverable value by AU\$7.4 million (31 December 2021: AU\$9.4 million) and would not result in impairment.

Vammala現金產生單位預測匯率-5%減少將導致可收回估值減少7.4百萬澳元(2021年12月31日：9.4百萬澳元)及不會導致減值。

**Fäboliden Mine Properties**

Fäboliden comprises the open cut mining operation, the underground resources, and exploration assets. The key assumptions utilised in the impairment modelling have been provided by an Independent Expert's Valuation conducted in accordance with the requirements set out by the Accounting Professional and Ethical Standards Board professional standard APES225 Valuation Services. The Independent Experts Valuation was conducted to reflect all new information including the decision of the Court of Appeal rejecting the Company's leave of appeal application on 14 March 2023 (refer to note 25. Significant Events After Year End for further details).

**Fäboliden採礦資產**

Fäboliden包括露天採礦作業、地下資源和勘探資產。減值建模中使用的關鍵假設乃由獨立專家根據會計專業和道德標準委員會專業標準APES225評估服務所載規定進行的估值提供。進行獨立專家估值是為了反映所有新資料，包括上訴法院於2023年3月14日駁回本公司的上訴許可申請的裁決(進一步詳情請參考附註25.年末後重大事項)。

For the year ended 31 December 2022

## 8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

### Fäboliden open cut mine operations

The fair value of the open cut mining operation was determined using a DCF analysis with support from comparable transactions. The fair value measurement is categorised as Level 3 in the fair value hierarchy utilising inputs that are not based on observable market data. The DCF valuation deals with recently estimated Ore Reserves from 31 December 2022 based on a life of mine plan, up-to-date operating and capital costs, full mine closure costs, and other technical parameters.

The key assumptions utilised in the financial model included a Swedish corporate tax 20.6%, exchange rates based on the following currencies; USD:EUR 1.06, USD:SEK 10.8 and USD:AUD 0.70, inflation rate between 2.0% and 2.4%, forecast gold prices ranging from US\$1,662/ounce to US\$1,736/ounce, post-tax discount rate of 8.5% and the use of a probability in relation to the granting of the environmental permit.

The production profile in the financial model has been adjusted by a two year extension to account for the potential delay in commencement of mining due to the granting of the Environmental Permit. The project is now anticipated to commence in 2026. The processing of ore within the financial model is treated essentially as a toll-treatment operation to allow a stand-alone valuation.

### Sensitivity to changes in assumptions

Sensitivity analyses performed indicated that a 500 basis point decrease in the gold price per ounce or an increase in the post-tax discount rate by 100 basis points would change the valuation by (AU\$3.3) million and (AU\$9.1) million respectively and did not result in impairment.

Subsequent to balance date, the Independent Expert's valuation was updated to reflect all new information including the decision by the Court of Appeal to reject the Company's leave of appeal application on 14 March 2023 (refer to note 25. Significant Events After Year End for further details). The key assumptions that have been considered in the update to the valuation include a risk rating which has been informed by Dragon's Swedish lawyers post the leave of appeal application rejection. Sensitivity analyses performed indicated that adjusting the applied risk rating in relation to the granting of the environmental permit by 20% did not result in impairment.

### Fäboliden underground resources

The underground resource at Fäboliden is valued using the comparable transactions methodology using resource multiples. The underground resources valuation is not co-dependent on the open cut mine operations.

截至2022年12月31日止年度

## 8. 物業、廠房及設備(續)

### Fäboliden露天採礦作業

露天採礦作業的公平值乃在可比交易的支持下使用折現現金流量分析釐定。公平值計量利用並非基於可觀察市場數據的輸入資料，歸類為公平值層級中的第三級。折現現金流量估值涉及最近基於礦山壽命計劃自2022年12月31日起估計的礦石儲量、最新的運營和資本成本、全部礦山關閉成本和其他技術參數。

財務模型中使用的主要假設包括瑞典企業稅20.6%、基於以下貨幣的匯率：美元兌歐元1.06、美元兌瑞典克朗10.8及美元兌澳元0.70，通脹率介乎2.0%及2.4%、預測黃金價格介乎1,662美元/盎司至1,736美元/盎司、除稅後貼現率8.5%以及使用與批准環境許可證有關的概率。

財務模型中的生產概況已經調整，延長了兩年，以考慮到由於環境許可證的批准而可能推遲開始採礦。現預計該項目將於2026年開始。財務模型中的礦石加工基本上被視為收費處理業務，以便進行獨立的估值。

### 對假設變動的敏感度

所進行的敏感度分析表明，每盎司金價下降500個基點或稅後貼現率增加100個基點將使估值分別改變(3.3)百萬澳元及(9.1)百萬澳元，並沒有導致減值。

結餘日後，已更新獨立專家估值，以反映所有最新資料，包括上訴法庭於2023年3月14日駁回本公司上訴許可申請的裁決(進一步詳情請參考附註25.年末後重大事項)。估值更新中考慮的關鍵假設包括龍資源的瑞典律師在上訴許可申請被駁回後告知的風險評級。進行的敏感度分析顯示，將有關授予環境許可證的應用風險評級調整20%並未導致減值。

### Fäboliden地下資源

Fäboliden的地下資源利用可比交易方法使用資源量倍數估值。地下資源估值並非依賴露天採礦作業。

For the year ended 31 December 2022

截至2022年12月31日止年度

**8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)****8. 物業、廠房及設備(續)****Fäboliden exploration assets**

The value of the exploration assets related to Fäboliden nr 11, are valued using area multiples and geoscientific approaches.

**Fäboliden 勘探資產**

有關Fäboliden nr 11的勘探資產的價值使用面積倍數和地球科學法估值。

No impairment has been recognised for the year ended 31 December 2022 (31 December 2021: nil).

截至2022年12月31日止年度並無確認減值(2021年12月31日：無)。

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the reporting period:

報告期初及期末物業、廠房及設備賬面值的對賬：

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
<b>Land</b>	<b>土地</b>		
Carrying amount at beginning of period	期初的賬面值	1,338	1,377
Net foreign exchange movement	外匯變動淨額	(33)	(39)
		<u>1,305</u>	<u>1,338</u>
Carrying amount at end of period	期末的賬面值		
<b>Buildings</b>	<b>樓宇</b>		
Carrying amount at beginning of period	期初的賬面值	374	395
Additions	添置	-	87
Disposals	出售	(23)	-
Depreciation	折舊	(30)	(110)
Net foreign exchange movement	外匯變動淨額	(54)	2
		<u>267</u>	<u>374</u>
Carrying amount at end of period	期末的賬面值		
<b>Property, plant, and equipment</b>	<b>物業、廠房及設備</b>		
Carrying amount at beginning of period	期初的賬面值	4,210	2,635
Additions	添置	1,384	2,948
Disposal	出售	-	1
Transfer from/(to) other asset classes	由其他資產類別轉撥/ 轉撥至其他資產類別	174	(199)
Depreciation	折舊	(1,346)	(1,270)
Net foreign exchange movement	外匯變動淨額	6	95
		<u>4,428</u>	<u>4,210</u>
Carrying amount at end of period	期末的賬面值		
<b>Mine properties</b>	<b>礦場物業</b>		
Carrying amount at beginning of period	期初的賬面值	40,324	34,127
Additions	添置	11,036	4,445
Reclassification of evaluation costs	來自評估成本的重新分類	3,575	5,742
Depreciation	折舊	(5,101)	(4,000)
Net foreign exchange movement	外匯變動淨額	(1,407)	10
		<u>48,427</u>	<u>40,324</u>
Carrying amount at end of period	期末的賬面值		

For the year ended 31 December 2022

截至2022年12月31日止年度

**9. EXPLORATION AND EVALUATION COSTS****9. 勘探及評估成本**

		<b>2022</b>	2021
		<b>2022年</b>	2021年
		<b>AU\$'000</b>	AU\$'000
		千澳元	千澳元
Balance at beginning of financial period	財政期間初的結餘	<b>1,625</b>	3,989
Additions	添置	<b>4,273</b>	4,004
Exploration write-off	勘探撇銷	<b>(34)</b>	(561)
Reclassification to mine properties	重新分類至礦場物業	<b>(3,575)</b>	(5,742)
Net foreign exchange movement	外匯變動淨額	<b>(47)</b>	(65)
		<hr/>	<hr/>
Total mineral exploration and evaluation expenditure	礦產勘探及評估開支總額	<b>2,242</b>	1,625

The recoverability of the carrying amount of exploration and evaluation is dependent on the successful development and commercial exploitation, or alternatively through the sale of the respective area of interest.

勘探及評估的賬面值能否收回取決於能否成功開發及商業開採，或另行通過出售權益區域收回。

**10. RIGHT-OF-USE ASSETS****10. 使用權資產**

		<b>2022</b>	2021
		<b>2022年</b>	2021年
		<b>AU\$'000</b>	AU\$'000
		千澳元	千澳元
Gross carrying amount – at cost	賬面總值 – 按成本	<b>2,319</b>	2,435
Less accumulated depreciation and impairment	減累計折舊及減值	<b>(788)</b>	(392)
		<hr/>	<hr/>
Net carrying amount	賬面淨值	<b>1,531</b>	2,043

For the year ended 31 December 2022

截至2022年12月31日止年度

**10. RIGHT-OF-USE ASSETS (CONT'D)****10. 使用權資產(續)****Reconciliations**

Reconciliations of the carrying amounts of right-of-use assets classes at the beginning and end of the reporting period:

**對賬**

報告期初及期末使用權資產類別賬面值的對賬：

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
<b>Right-of-use assets – property</b>	<b>使用權資產 – 物業</b>		
Carrying amount at beginning of period	期初的賬面值	223	222
Additions	添置	58	93
Depreciation	折舊	(119)	(92)
Net foreign exchange movement	外匯變動淨額	14	–
		<u>176</u>	<u>223</u>
<b>Right-of-use assets – plant and equipment</b>	<b>使用權資產 – 廠房及設備</b>		
Carrying amount at beginning of period	期初的賬面值	1,820	155
Additions	添置	–	1,838
Transfers to property, plant and equipment	轉撥至物業、廠房及設備	(174)	–
Depreciation	折舊	(277)	(173)
Net foreign exchange movement	外匯變動淨額	(14)	–
		<u>1,355</u>	<u>1,820</u>
Carrying amount at end of period	期末的賬面值		
Total right-of-use assets	使用權資產總額	<u>1,531</u>	<u>2,043</u>

The Group's lease liabilities are included in interest-bearing liabilities at note 13.

本集團的租賃負債計入附註13計息負債。

**11. TRADE AND OTHER PAYABLES****11. 貿易及其他應付款項**

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
Trade payables and accruals	貿易應付款項及應計費用	<u>8,101</u>	<u>5,496</u>

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截至2022年12月31日止年度

**11. TRADE AND OTHER PAYABLES (CONT'D)****Ageing analysis**

An aged analysis of the trade creditors and accruals as at the end of the reporting period, based on invoice date, is as follows:

		<b>2022</b>	2021
		<b>2022年</b>	2021年
		<b>AU\$'000</b>	AU\$'000
		千澳元	千澳元
Within 1 month	一個月內	7,523	4,878
1 to 2 months	一至兩個月	578	618
2 to 3 months	兩至三個月	-	-
Over 3 months	超過三個月	-	-
		<b>8,101</b>	5,496
Trade payables and accruals	貿易應付款項及應計費用	<b>8,101</b>	5,496

**12. PROVISIONS****Current**

Employee entitlements  
Rehabilitation  
Other

**流動**

僱員權益  
復墾  
其他

<b>2022</b>	2021
<b>2022年</b>	2021年
<b>AU\$'000</b>	AU\$'000
千澳元	千澳元

1,408	1,769
1,565	1,149
141	196
<b>3,114</b>	3,114

**Non-current**

Employee entitlements  
Rehabilitation

**非流動**

僱員權益  
復墾

19	10
29,226	22,879
<b>29,245</b>	22,889

*Rehabilitation movement*

Balance at 1 January  
Net change in rehabilitation provisions<sup>1</sup>  
Rehabilitation expenditure during the year  
Discount unwinding  
Net foreign exchange movement

*復墾變動*

於1月1日的結餘  
復墾撥備變動淨額<sup>1</sup>  
年內復墾開支  
貼現撥回  
外匯變動淨額

24,028	19,189
7,799	5,363
(575)	-
(23)	-
(438)	(524)
<b>30,791</b>	24,028

Balance at 31 December

於12月31日的結餘

<sup>1</sup> The net change in rehabilitation provisions includes an increase of 7.5 million EUR (approximately AU\$11.7 million) made at Vammala during the year to provide for scope changes to the closure plan provided by Envineer Oy. The provision increase was partially offset by provision decreases of 3.3 million EUR and 0.6 million SEK (approximately AU\$3.9 million) at all other sites. The long-term inflation rates are 1.9% and 1.8% in Finland and Sweden, respectively (31 December 2021: 1.9% and 1.9%).

<sup>1</sup> 復墾撥備的淨變動包括年內在Vammala增加計提7.5百萬歐元(約11.7百萬澳元)，以就Envineer Oy所編製關閉計劃的範疇變動作出撥備。撥備增加被所有其他地點的撥備減少3.3百萬歐元及0.6百萬瑞典克朗(約3.9百萬澳元)部分抵銷。長期通脹率在芬蘭及瑞典分別增至1.9%及1.8%(2021年12月31日: 1.9%及1.9%)。

For the year ended 31 December 2022

截至2022年12月31日止年度

**12. PROVISIONS (CONT'D)**

The provisions for rehabilitation are recorded in relation to the gold mining operations for the rehabilitation of the disturbed mining area to a state acceptable to various Swedish and Finnish authorities. While rehabilitation is performed progressively where possible, final rehabilitation of the disturbed mining area is not expected until the cessation of production. Accordingly, the provisions are expected to be settled primarily at the end of the mine life, although some amounts will be settled during the mine life. Rehabilitation provisions are estimated based on survey data, external contracted rates, and the timing of the current mining schedule. Provisions are discounted based on rates that reflect current market assessments of the time value of money and the risks specific to that liability. The discount rate utilised for Finland in 2022 was 2.5% (2021: 0%) and in Sweden was 2.5% (2021: 0%). Additions during the relevant periods to the rehabilitation provision include obligations that do not have an associated mining asset recognised at the end of the reporting date.

As at 31 December 2022, there have been no changes to the acid forming characteristics of the waste rock area included in the Group's Svartliden Closure Plan. On 18 November 2019, the Company submitted its appeal to the COA challenging, amongst other things, the additional security required by the LEC for an engineered cover to the entire waste rock area. On 25 February 2022, the COA determined further studies are required to reduce the level of uncertainty in the investigations before it can consider the EPA request for additional collateral security. A contingent liability in relation to the Group's Svartliden rehabilitation provision has been disclosed at note 22. On 1 July 2022, the Company lodged an application for leave to appeal certain aspects of the Court's ruling to the Supreme Court. The Supreme Court denied leave to appeal on 20 September 2022, whereby the COA decision gained legal force and the rehabilitation plan items have been sent back to the LEC.

The Group continues to complete progressive rehabilitation at all its sites. Rehabilitation expected to be undertaken in the subsequent reporting period has been recognised as a current liability.

**12. 撥備(續)**

復墾撥備乃就金礦開採業務而記錄，將受擾開採區域恢復到瑞典及芬蘭多個機構可接受的狀態。儘管在可能的情況下逐步進行復墾，但預計在停產之前不會對受擾的採礦區域進行最終復墾。因此，預計有關撥備主要會在礦山壽命結束時結付，而部分金額會在礦山壽命期間中結付。復墾撥備乃根據調查數據、外部合約費率及當前採礦計劃的時間進行估計。撥備乃基於反映當前貨幣時間價值的市場評估的費率及該項負債特定的風險進行貼現。2022年芬蘭所用的貼現率為2.5%（2021年：0%），瑞典為2.5%（2021年：0%）。相關期間內復墾撥備的添置包括於報告期末所確認並無相關採礦資產的責任。

於2022年12月31日，本集團的Svartliden封礦計劃所列的廢岩區的酸性形成特徵並無任何變動。於2019年11月18日，本公司向上訴法院提出上訴，質疑（其中包括）土地及環境法院要求就整個廢岩區域的改造覆蓋提供額外抵押。於2022年2月25日，上訴法院決定在考慮EPA要求更多抵押品之前須再作研究，減少調查前的不確定性。有關本集團Svartliden復墾撥備的或然負債已於附註22披露。於2022年7月1日，本公司向最高法院提出上訴許可申請，以就法院裁決的若干方面提出上訴。最高法院於2022年9月20日駁回上訴許可申請，上訴法院的判決獲得法律效力，復墾計劃項目已被送回土地及環境法院。

本集團繼續在其所有礦場完成逐步復墾。預期將於其後報告期進行的復墾已確認為流動負債。

For the year ended 31 December 2022

**13. INTEREST BEARING LIABILITIES**

截至2022年12月31日止年度

**13. 計息負債**

		<b>2022</b>	2021
		<b>2022年</b>	2021年
		<b>AU\$'000</b>	AU\$'000
		千澳元	千澳元
<b>Lease liabilities</b>	<b>租賃負債</b>		
<b>Current</b>	<b>流動</b>		
Lease liabilities	租賃負債	572	622
<b>Non-current</b>	<b>非流動</b>		
Lease liabilities	租賃負債	877	1,391
		<b>1,449</b>	<b>2,013</b>

Set out below are the carrying amounts of lease liabilities and the movements during the year.

下表列載年內租賃負債賬面值及變動。

		<b>2022</b>	2021
		<b>2022年</b>	2021年
		<b>AU\$'000</b>	AU\$'000
		千澳元	千澳元
As at 1 January	於1月1日	2,013	364
Additions	添置	58	3,150
Accretion of interest	累計利息	(6)	(5)
Payments	付款	(639)	(1,496)
Net foreign exchange movement	外匯變動淨額	23	-
As at 31 December	於12月31日	<b>1,449</b>	<b>2,013</b>

The Group's right-of-use lease assets are included at note 10.

本集團的使用權租賃資產於附註10載列。

**Loan facility**

The Group has an unsecured AU\$12.0 million loan facility with AP Finance Limited ("Loan Facility"). On 13 December 2022, the Company extended the expiry date of its Loan Facility from 31 December 2023 to 30 June 2024. All other terms and conditions remain unchanged. The Group has not made any drawdowns since balance date. Refer to note 25 for changes to the Loan Facility after year end.

**貸款融資**

本集團有來自AP Finance Limited的12.0百萬澳元的無抵押貸款融資(「貸款融資」)。於2022年12月13日，本公司將貸款融資的到期日由2023年12月31日延長至2024年6月30日。所有其他條款及條款維持不變。本集團自結算日起概無任何提款。請參閱年末後貸款融資變動附註25。

For the year ended 31 December 2022

截至2022年12月31日止年度

**14. CONTRIBUTED EQUITY****14. 實繳股本**

Share capital	股本	2022	2021	2022	2021
		2022年	2021年	2022年	2021年
		Number of Shares		AU\$'000	AU\$'000
		股份數目		千澳元	千澳元
Ordinary shares fully paid	已繳足普通股	158,171,613	158,280,613	140,420	140,454
Movements in issued capital	已發行股本變動	2022 2022年	2021 2021年	2022 2022年	2021 2021年
		AU\$'000	No. of Shares	AU\$'000	No. of Shares
		千澳元	股份數目	千澳元	股份數目
At 1 January	於1月1日	140,454	158,280,613	133,991	138,840,613
Issue of new shares net of transaction costs	發行新股份 (扣除交易成本後)	-	-	6,862	20,000,000
Transaction costs for issued share capital	發行股本的交易成本	-	-	(229)	-
Share buy back and cancellation	股份回購及註銷	(34)	(109,000)	(170)	(560,000)
Balance at 31 December	於12月31日的結餘	140,420	158,171,613	140,454	158,280,613

During the year, the Company cancelled 109,000 shares in the Company (the "Shares"), including 2,000 of the 47,000 Shares repurchased pursuant to the Share Buy-back Mandate granted by shareholders of the Company at the annual general meeting held 23 May 2022. The remaining 45,000 repurchased Shares were cancelled by 9 January 2023.

年內，本公司註銷109,000股本公司股份（「股份」），包括根據本公司股東於2022年5月23日舉行的股東週年大會上授出的股份購回授權而購回的47,000股中的2,000股股份。餘下45,000股購回股份已於2023年1月9日註銷。

**15. DIVIDENDS**

No dividend has been paid or declared since the commencement of the period and no dividend has been recommended by the Directors for the year ended 31 December 2022 (31 December 2021: nil).

**15. 股息**

自本期間開始後概無支付或宣派股息，董事亦不建議就截至2022年12月31日止年度派付股息(2021年12月31日：無)。

For the year ended 31 December 2022

**16. RESERVES**

截至2022年12月31日止年度

**16. 儲備**

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
Foreign currency translation reserve	外幣匯兌儲備	(5,718)	(3,863)
Convertible note premium reserve	可轉換票據溢價儲備	2,068	2,068
Equity reserve purchase of non-controlling interest	來自購買非控股權益的權益儲備	1,069	1,069
Treasury share reserve	庫存股份儲備	(7)	(34)
		<b>(2,588)</b>	<b>(760)</b>

**Foreign currency translation reserve summary**

This reserve is used to record exchange differences arising from the translation of the consolidated financial statements of foreign subsidiaries.

**Convertible note premium reserve summary**

This reserve is used to record the equity component of any convertible notes on issue. This is a historical reserve and no convertible notes are currently on issue.

**Equity reserve – purchase of non-controlling interest**

This reserve is used to record differences between the consideration paid for acquiring the remaining non-controlling interest and the carrying value of net assets attributed to the non-controlling interest. This is a historical reserve and all subsidiaries are now wholly owned.

**Treasury shares reserve**

This reserve comprises the cost of the Company's 45,000 repurchased shares as part of the share buy-back that were cancelled after year end. During the year, 109,000 shares held in reserve were cancelled (2021: 560,000 shares)

**外幣匯兌儲備概要**

該項儲備用於記錄因換算海外附屬公司綜合財務報表而產生的匯兌差額。

**可轉換票據溢價儲備概要**

該項儲備用於記錄發行在外的任何可轉換票據的權益部分。該項儲備為歷史儲備，目前並無發行在外的可轉換票據。

**權益儲備－購買非控股權益**

該項儲備用於記錄收購剩餘非控股權益所支付代價與歸屬於非控股權益的淨資產的賬面值之間的差額。該項儲備為歷史儲備，所有附屬公司現時均為全資擁有。

**庫存股份儲備**

該儲備包括本公司作為股份回購一部分而回購的45,000股股份的成本，該等股份於年終後被註銷。於年內，儲備所持109,000股已註銷(2021年：560,000股股份)。

For the year ended 31 December 2022

截至2022年12月31日止年度

**17. KEY MANAGEMENT PERSONNEL DISCLOSURES****17. 主要管理人員披露****a) Details of key management personnel**

Directors' and Executives' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

**Directors**  
**董事**

Mr Arthur G Dew	Non-Executive Director and Chairman of the Board (appointed 7 February 2014)
狄亞法先生	非執行董事兼董事會主席(於2014年2月7日獲委任)
Mr Wong Tai Chun Mark	Alternate Director to Mr Arthur G Dew (appointed 19 May 2015)
王大鈞先生	狄亞法先生的替任董事(於2015年5月19日獲委任)
Mr Brett R Smith	Executive Director and Chief Executive Officer (appointed 7 February 2014)
Brett R Smith先生	執行董事兼首席執行官(於2014年2月7日獲委任)
Ms Lam Lai	Non-Executive Director (appointed 18 July 2019)
林黎女士	非執行董事(於2019年7月18日獲委任)
Mr Carlisle C Procter	Independent Non-Executive Director (appointed 19 May 2015)
Carlisle C Procter先生	獨立非執行董事(於2015年5月19日獲委任)
Mr Pak Wai Keung Martin	Independent Non-Executive Director (appointed 5 November 2018)
白偉強先生	獨立非執行董事(於2018年11月5日獲委任)
Mr Poon Yan Wai	Independent Non-Executive Director (appointed 5 November 2018)
潘仁偉先生	獨立非執行董事(於2018年11月5日獲委任)

**Executives**  
**行政人員**

Mr Neale M Edwards	Chief Geologist (appointed 19 August 1996)
Neale M Edwards先生	首席地質學家(於1996年8月19日獲委任)
Mr Daniel K Broughton	Chief Financial Officer (appointed 8 September 2014)
Daniel K Broughton先生	首席財務官(於2014年9月8日獲委任)

**b) Compensation of key management personnel***Key Management Personnel***b) 主要管理人員薪酬***主要管理人員*

		Year ended 31 December	
		截至12月31日止年度	
		2022	2021
		2022年	2021年
		AU\$	AU\$
		澳元	澳元
Short-term	短期	1,289,148	1,253,169
Long-term	長期	63,093	78,481
Post-employment	退休後	121,348	109,173
<b>Total</b>	<b>總計</b>	<b>1,473,589</b>	<b>1,440,823</b>

The remuneration of Key Management Personnel ("KMP") is determined by the Remuneration Committee having a regard to the position, experience, qualification and performance of the individuals and market trends.

主要管理人員(「主要管理人員」)的薪酬乃由薪酬委員會根據個人的職位、經驗、資歷及表現以及市場趨勢釐定。

For the year ended 31 December 2022

截至2022年12月31日止年度

**17. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONT'D)****b) Compensation of key management personnel (Cont'd)***Five highest paid employees*

The five highest paid employees during the year included one Director and four specified employees, for both 2022 and 2021 years.

Details of the remuneration for the year of the remaining four highest paid employees who is neither a Director nor Chief Executive of the Company are as follows:

Salaries, allowances, and benefits in kind	薪金、津貼及實物利益
Performance related bonuses	業績相關花紅
Pension scheme contributions	退休金計劃供款

**Total****總計**

The number of non-Director and non-Chief Executive highest paid employees whose remuneration fell within the following bands, presented in Hong Kong Dollars, is as follows:

Nil to HK\$1,000,000	零至1,000,000港元
HK\$1,000,001-HK\$1,500,000	1,000,001港元至 1,500,000港元
HK\$1,500,001-HK\$2,000,000	1,500,001港元至 2,000,000港元
HK\$2,000,001-HK\$2,500,000	2,000,001港元至 2,500,000港元
HK\$2,500,001-HK\$3,000,000	2,500,001港元至 3,000,000港元
HK\$3,000,001-HK\$3,500,000	3,000,001港元至 3,500,000港元

**Total****總計****17. 主要管理人員披露(續)****b) 主要管理人員薪酬(續)***五位最高薪酬僱員*

於2022年及2021年，年內五位最高薪酬僱員包括一名董事及四名指定僱員。

既非本公司董事亦非高級行政人員的餘下四位最高薪酬僱員的年內薪酬詳情如下：

**Year ended 31 December****截至12月31日止年度**

2022	2021
2022年	2021年
AU\$	AU\$
澳元	澳元
<b>990,786</b>	964,853
<b>82,772</b>	54,412
<b>172,584</b>	185,155
<b>1,246,142</b>	1,204,420

薪酬介於以下範圍(以港元呈列)的非董事及非高級行政人員最高薪酬僱員人數呈列如下：

**As at 31 December****於12月31日**

2022	2021
2022年	2021年
–	–
<b>1</b>	1
<b>2</b>	3
<b>1</b>	–
–	–
–	–
<b>4</b>	4

For the year ended 31 December 2022

截至2022年12月31日止年度

17. KEY MANAGEMENT PERSONNEL DISCLOSURES  
(CONT'D)

## 17. 主要管理人員披露(續)

In dollars	以澳元計		Short-Term 短期		Other Long-Term Benefits 其他長期福利		Post- Employment 退休後	Total Emoluments	Proportion of Remuneration Related Performance 表現相關 薪酬的 比例
			Salary & Fees	Bonuses	Annual Leave Accrued	Long Service Leave Accrued	Super- annuation Benefits		
Directors	董事		薪資及 袍金 AUD 澳元	花紅 AUD 澳元	應計年假 AUD 澳元	應計長期 服務假期 AUD 澳元	養老金 福利 AUD 澳元	薪酬總額 AUD 澳元	%
Mr Arthur G Dew <sup>(1)</sup> (Non-Executive Chairman)	狄亞法先生 <sup>(1)</sup> (非執行主席)	2022	90,000	-	-	-	9,225	99,225	-
		2021	90,000	-	-	-	8,775	98,775	-
Mr Brett R Smith <sup>(2)</sup> (Executive Director)	Brett R Smith先生 <sup>(2)</sup> (執行董事)	2022	320,700	200,000	23,225	6,407	52,872	603,204	33%
		2021	320,700	200,000	20,406	6,950	50,268	598,324	33%
Ms Lam Lai (Non-Executive Director)	林黎女士 (非執行董事)	2022	40,000	-	-	-	-	40,000	-
		2021	63,263	-	-	-	-	63,263	-
Mr Carlisle C Procter (Independent Non-Executive Director)	Carlisle C Procter先生 (獨立非執行董事)	2022	40,000	-	-	-	4,100	44,100	-
		2021	40,000	-	-	-	3,900	43,900	-
Mr Poon Yan Wai (Independent Non-Executive Director)	潘仁偉先生 (獨立非執行董事)	2022	30,000	-	-	-	-	30,000	-
		2021	30,000	-	-	-	-	30,000	-
Mr Pak Wai Keung Martin (Independent Non-Executive Director)	白偉強先生 (獨立非執行董事)	2022	30,000	-	-	-	-	30,000	-
		2021	30,000	-	-	-	-	30,000	-
Mr Mark Wong (Alternate Director)	王大鈞先生 (替任董事)	2022	-	-	-	-	-	-	-
		2021	-	-	-	-	-	-	-
<b>Total all specified Directors</b>	<b>所有指定董事總計</b>	2022	<b>550,700</b>	<b>200,000</b>	<b>23,225</b>	<b>6,407</b>	<b>66,197</b>	<b>846,529</b>	<b>24%</b>
		2021	<b>573,963</b>	<b>200,000</b>	<b>20,406</b>	<b>6,950</b>	<b>62,943</b>	<b>864,262</b>	<b>23%</b>
<b>Specified Executives</b>	<b>指定行政人員</b>								
Mr Neale M Edwards (Chief Geologist)	Neale M Edwards先生 (首席地質學家)	2022	214,698	-	5,747	4,734	22,007	247,186	-
		2021	214,698	-	7,357	3,211	20,396	245,662	-
Mr Daniel K Broughton (Chief Financial Officer)	Daniel K Broughton先生 (首席財務官)	2022	303,750	20,000	18,278	4,702	33,144	379,874	5%
		2021	264,508	-	25,190	15,367	25,834	330,899	-
<b>Total all named Executives</b>	<b>所有列明行政人員總計</b>	2022	<b>518,448</b>	<b>20,000</b>	<b>24,025</b>	<b>9,436</b>	<b>55,151</b>	<b>627,060</b>	<b>3%</b>
		2021	<b>479,206</b>	<b>-</b>	<b>32,547</b>	<b>18,578</b>	<b>46,230</b>	<b>576,561</b>	<b>-</b>
<b>Total all specified Directors and Executives</b>	<b>所有指定董事 及行政人員總計</b>	2022	<b>1,069,148</b>	<b>220,000</b>	<b>47,250</b>	<b>15,843</b>	<b>121,348</b>	<b>1,473,589</b>	<b>15%</b>
		2021	<b>1,053,169</b>	<b>200,000</b>	<b>52,953</b>	<b>25,528</b>	<b>109,173</b>	<b>1,440,823</b>	<b>14%</b>

Notes:

- Mr Arthur Dew received certain emoluments from Allied Group Limited in relation to his services to the Allied Group Limited, a substantial shareholder of the Company.
- Mr Brett Smith is also the Chief Executive Officer of the Company and his remuneration disclosed above include those for services rendered by him as Chief Executive Officer.

附註:

- 狄亞法先生就向本公司的主要股東聯合集團有限公司提供服務而收取聯合集團有限公司若干酬金。
- Brett Smith先生亦為本公司的行政總裁，上文所披露的薪酬包括其作為行政總裁提供服務而收取的薪酬。

For the year ended 31 December 2022

截至2022年12月31日止年度

**17. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONT'D)**

The Executive Director remuneration shown above is for the provision of services in connection with the management of the affairs of the Company and the Group.

The Non-Executive Director and Independent Non-Executive Directors' remuneration shown above are for their services as Directors of the Company.

There was no arrangement under which a Director waived or agreed to waive any emoluments during the year.

No Director proposed for re-election at the annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than normal statutory compensation.

**18. REMUNERATION OF AUDITORS**

The Auditor of Dragon Mining Limited is Ernst & Young.

**17. 主要管理人員披露(續)**

上文所示執行董事薪酬為就管理本公司及本集團的事務提供服務所收取的薪酬。

上文所示非執行董事及獨立非執行董事薪酬為作為本公司董事提供服務所收取的薪酬。

年內概無有關董事放棄或同意放棄任何酬金的安排。

擬於股東週年大會上膺選連任的董事概無與本公司訂立不可由本公司於一年內免付賠償(法定賠償除外)予以終止的服務合約。

**18. 核數師薪酬**

龍資源有限公司的核數師為安永會計師事務所。

		2022 2022年 AU\$ 澳元	2021 2021年 AU\$ 澳元
Ernst & Young (Australia)	安永會計師事務所(澳洲)：		
<i>Fees for audit and review of any statutory financial reports covering the Group</i>	涉及本集團的任何法定財務報告的審計及審閱費用	<b>245,237</b>	237,825
<i>Fees for assurance services that are required by legislation to be provided by the auditor</i>	法例要求核數師提供的保證服務的費用	<b>11,440</b>	10,400
<i>Fees for other services</i>	其他服務的費用		
– Tax compliance	– 稅務合規	<b>18,000</b>	17,000
– Tax advice	– 稅務諮詢	<b>84,310</b>	44,500
– Other non-audit services	– 其他非審計服務	<b>6,000</b>	46,800
Total	總計	<b>364,987</b>	356,525
Ernst & Young (other than Australia)	安永會計師事務所(澳洲除外)：		
<i>Fees for audit and review of any statutory financial reports covering the Group</i>	涉及本集團的任何法定財務報告的審計及審閱費用	<b>82,786</b>	81,250
Total	總計	<b>82,786</b>	81,250

For the year ended 31 December 2022

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**19. EARNINGS PER SHARE**

Basic earnings per share amounts are calculated by dividing net profit or loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit or loss attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of dilutive options and dilutive convertible notes). There have been no post balance sheet movements impacting the diluted earnings per share.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

**19. 每股盈利**

每股基本盈利金額乃以母公司普通股持有人應佔年內溢利或虧損淨額除以年內已發行普通股的加權平均數計算。

每股攤薄盈利金額乃以母公司普通股持有人應佔溢利或虧損淨額除以年內已發行普通股的加權平均數(就具攤薄效應的購股權及可轉換票據的影響作出調整後)計算。概無發生影響每股攤薄盈利的資產負債表後變動。

以下反映計算每股基本及攤薄盈利所用的收益及股份數據：

		2022 2022年	2021 2021年
<b>Basic and diluted earnings per share</b>	<b>每股基本及攤薄盈利</b>		
Profit used in calculation of basic and diluted earnings per share (AU\$'000)	用於計算每股基本及攤薄盈利的溢利(千澳元)	2,489	292
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted earnings per share	用於計算每股基本及攤薄盈利的期內已發行普通股的加權平均數	158,175,361	157,654,640
Basic and diluted earnings per share (cents)	每股基本及攤薄盈利(分)	1.57	0.19

**20. RELATED PARTY TRANSACTIONS****20. 關連人士交易****a) Subsidiaries**

The consolidated financial statements include the financial statements of Dragon Mining Limited and the subsidiaries listed in the following table:

**a) 附屬公司**

綜合財務報表包括龍資源有限公司及下表所列附屬公司的財務報表：

Name of Entity 實體名稱	Incorporation 註冊成立地點	Class 類別	Equity Holding 股權持有量	
			2022 2022年 %	2021 2021年 %
Dragon Mining (Sweden) AB	Sweden 瑞典	Ordinary 普通股	100	100
Viking Gold & Prospecting AB	Sweden 瑞典	Ordinary 普通股	100	100
Dragon Mining Oy	Finland 芬蘭	Ordinary 普通股	100	100
龍資源有限公司 (Dragon Mining Limited) <sup>1</sup>	Hong Kong 香港	Ordinary 普通股	100	100

<sup>1</sup> For translation purposes

<sup>1</sup> 僅供翻譯用途

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**20. RELATED PARTY TRANSACTIONS (CONT'D)****b) Transactions with related parties**

Except as disclosed elsewhere in the notes to the consolidated financial statements, the Company has the following transactions with related parties that are also exempted from the continuing connected transactions disclosures according to Rules 14A.73(6) and 14A.73(8) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

- (i) The Company has effected Directors' and Officers' Liability Insurance.
- (ii) In addition to his role as the Company's Chief Financial Officer, Mr Daniel Broughton provides Chief Financial Officer services ("CFO Services") and the Company also provides administrative services ("Administrative Services") including offering the use of certain space in the Company office premises located in Perth, Australia as its registered office to ASX listed gold explorer, Tanami Gold NL ("Tanami") and ASX listed base metals mining and exploration company Metals X Limited ("Metals X"). Tanami is an associate of APAC Resources Limited, a substantial shareholder of the Company, and hence a connected person of Dragon Mining pursuant to Rule 14A.07 of Chapter 14A of the Listing Rules. Tanami is a Company of which Messrs Dew, Smith and Procter, the Company's Non-Executive Chairman, Executive Director, and Independent Non-Executive Director are also Non-Executive Directors. Metals X is a Company of which Mr Brett Smith is also Executive Director.
- (iii) The provision of services to Tanami commenced from 8 September 2014. During the year, the Company charged Tanami AU\$114,715 (2021: AU\$100,000) for CFO Services of which AU\$9,669 was outstanding at 31 December 2022 (2021: nil) and AU\$87,285 (2021: AU\$39,814) for Administration Services of which AU\$10,507 was outstanding at 31 December 2022 (2021: nil). The increase in Administration Services provided to Tanami relates to the provision of company secretarial and accounting services that were provided during the year.

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**20. 關連人士交易(續)****b) 與關連人士的交易**

除於綜合財務報表附註其他地方所披露者外，本公司擁有以下亦獲豁免遵守香港聯合交易所有限公司證券上市規則第14A.73(6)及14A.73(8)條項下持續關連交易披露規定的關聯方交易。

- (i) 本公司已落實董事及高級人員的責任保險。
- (ii) 除了擔任本公司首席財務官之外，Daniel Broughton先生亦向澳交所上市的黃金勘探公司Tanami Gold NL(「Tanami」)及澳交所上市的基本金屬開採及勘探公司Metals X Limited(「Metals X」)提供首席財務官的服務(「首席財務官服務」)，而本公司亦向其提供行政服務(「行政服務」)，包括使用本公司位於澳洲珀斯的辦公處所的若干空間作為其註冊辦事處。Tanami為亞太資源有限公司(本公司的主要股東)的聯營公司，因此，根據上市規則第14A章第14A.07條為龍資源的關連人士。本公司非執行主席狄先生、執行董事Smith先生及獨立非執行董事Procter先生亦擔任Tanami的非執行董事。Brett Smith先生亦為Metals X的執行董事。
- (iii) 向Tanami提供服務自2014年9月8日開始。於年內，本公司就首席財務官服務向Tanami收取114,715澳元(2021年：100,000澳元)，其中於2022年12月31日的未支付費用為9,669澳元(2021年：零)，及就行政服務收取87,285澳元(2021年：39,814澳元)，其中於2022年12月31日的未支付費用為10,507澳元(2021年：零)。向Tanami提供的行政服務增加與年內提供的公司秘書及會計服務有關。

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**20. RELATED PARTY TRANSACTIONS (CONT'D)****20. 關連人士交易(續)****b) Transactions with related parties (Cont'd)**

- (iv) The provision of services to Metals X commenced from 1 December 2020. During the year, the Company charged Metals X AU\$119,547 (2021: AU\$100,000) for CFO Services of which AU\$9,669 was outstanding at 31 December 2022 (2021: nil) and AU\$266,346 (2021: AU\$31,026) for Administration Services of which AU\$23,247 was outstanding at 31 December 2022 (2021: nil). The increase in Administration Services provided to Metals X relates to the provision of increased accounting services.

**b) 與關連人士的交易(續)**

- (iv) 向Metals X提供服務自2020年12月1日開始。於年內，本公司就首席財務官服務向Metals X收取119,547澳元(2021年：100,000澳元)，其中於2022年12月31日的未支付費用為9,669澳元(2021年：零)，及就行政服務收取266,346澳元(2021年：31,026澳元)，於2022年12月31日的未支付費用為23,247澳元(2021年：零)。向Metals X提供的行政服務增加與提供的會計服務有關。

**Entity with significant influence over the Group**

As at 31 December 2022, the following entities have significant influence over the Group:

- (i) Allied Properties Resources Limited ("APRL"), a wholly owned subsidiary of APAC Resources Limited ("APAC"), owns 45,596,727 (2021: 41,032,727) ordinary shares of the Company for an interest of 28.82% (2021: 25.92%).
- (ii) Sincere View International Limited owns 31,111,899 (2021: 31,111,899) ordinary shares of the Company for an interest of 19.59% (2021: 19.59%).

**對本集團有重大影響的實體**

於2022年12月31日，以下實體對本集團有重大影響：

- (i) 亞太資源有限公司(「亞太資源」)的全資附屬公司Allied Properties Resources Limited(「APRL」)擁有本公司45,596,727股(2021年：41,032,727股)普通股(即28.82%權益(2021年：25.92%))。
- (ii) Sincere View International Limited擁有本公司31,111,899股(2021年：31,111,899股)普通股(即19.59%權益(2021年：19.59%))。

**21. SEGMENT INFORMATION****21. 分部資料****Identification of reportable segments**

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

**可報告分部的劃分**

本集團按內部報告劃分其經營分部，而該等內部報告已經主要營運決策者應用，評核績效及決定資源分配。

The Group has identified its operating segments to be Sweden and Finland, based on geographical location, different national regulatory environments, and different end products. Dragon Mining (Sweden) AB, the primary entity operating in Sweden, produces gold bullion from the Svartliden Production Centre and processed ore from test-mining activities at the Fäboliden Gold Mine. Dragon Mining Oy in Finland produces gold concentrate from the Vammala Production Centre and, processed ore from the Jokisivu, Kaapelinkulma and Orivesi Gold Mines.

本集團根據地理位置、不同國家監管環境及不同的最終產品，將經營分部劃分為瑞典及芬蘭。在瑞典開展業務的主要實體Dragon Mining (Sweden) AB由Svartliden生產中心生產金錠及加工來自Fäboliden金礦的試採工作的礦石。芬蘭的Dragon Mining Oy則由Vammala生產中心生產金精礦，並加工來自Jokisivu、Kaapelinkulma及Orivesi金礦的礦石。

Discrete financial information about each of these operating segments is reported to the Board and executive management team (the chief operating decision makers) on at least a monthly basis.

本集團至少每月向董事會及執行管理團隊(主要營運決策者)匯報有關每個經營分部的獨立財務資料。

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## 21. SEGMENT INFORMATION (CONT'D)

### Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally are the same as those contained in note 1 to the consolidated financial statements.

Segment results include management fees and interest charged on intercompany loans, both of which are eliminated in the Group result. They also include foreign exchange movements on intercompany loans denominated in AUD, and external finance costs that relate directly to segment operations. This segment results also include intercompany sales of concentrate which occur at rates that reflect market value.

Unallocated corporate costs are non-segmental expenses such as head office expenses and finance costs that do not relate directly to segment operations.

### Disaggregation of revenue and major customers

External sales in Finland relate to concentrate from the Vammala Production Centre in Finland. These sales are all made under an ongoing arrangement to one customer and the quantity of concentrate sales is agreed by the parties in advance of delivery.

Inter-segment sales in Finland relate to concentrate on-sold to the Svartliden Processing Centre for further processing.

External sales in Sweden relate to gold bullion sold on-market through National Australia Bank.

The Group's segments reflect the disaggregation of revenue by geography and product types as described above.

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## 21. 分部資料(續)

### 會計政策及分部間交易

本集團在報告分部內部採用的會計政策，與綜合財務報表附註1所載相同。

分部業績包括管理費及集團內公司間貸款的利息，兩者均在本集團業績中被抵銷。分部業績亦包括以澳元計值的集團內公司間貸款的外匯變動，以及直接與分部業務相關的外部財務成本。該分部業績亦包括集團內公司間以反映市場價值的費率進行的精礦銷售。

未分配的公司費用為非分部費用，如不直接與分部業務相關的總部費用及財務成本。

### 收益及主要客戶分類

在芬蘭的外部銷售與芬蘭Vammala生產中心生產的精礦有關。該等銷售均根據一項持續進行安排向一名客戶作出，精礦銷售數量於付運前由訂約方協定。

在芬蘭的分部間銷售與出售予Svartliden加工中心作進一步加工的精礦有關。

在瑞典的外部銷售與透過National Australia Bank在市場上出售的金錠有關。

如上文所述，本集團的分部反映出收益按地理位置及產品種類分類。

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## 21. SEGMENT INFORMATION (CONT'D)

## 21. 分部資料(續)

		Sweden 瑞典 2022 2022年 AU\$'000 千澳元	Finland 芬蘭 2022 2022年 AU\$'000 千澳元	Unallocated 未分配 2022 2022年 AU\$'000 千澳元	Total 總計 2022 2022年 AU\$'000 千澳元
<b>Segment revenue</b>	<b>分部收益</b>				
Gold sales to external customers	對外部客戶銷售黃金	45,703	6,811	-	52,514
Inter-segment sales	分部間銷售	-	43,089	-	43,089
Elimination of inter-segment revenue	抵銷分部間收益	-	-	(43,089)	(43,089)
<b>Total revenue</b>	<b>收益總額</b>	<b>45,703</b>	<b>49,900</b>	<b>(43,089)</b>	<b>52,514</b>
<b>Other revenue</b>	<b>其他收益</b>				
Interest revenue	利息收益	37	66	-	103
Sundry revenue	雜項收益	1	-	-	1
<b>Total other revenue</b>	<b>其他收益總額</b>	<b>38</b>	<b>66</b>	<b>-</b>	<b>104</b>
Segment interest expense	分部利息開支	(1)	1	-	-
Unallocated interest expense	未分配利息開支	-	-	6	6
<b>Total interest expense</b>	<b>利息開支總額</b>	<b>(1)</b>	<b>1</b>	<b>6</b>	<b>6</b>
Depreciation and amortisation	折舊及攤銷	398	6,528	-	6,926
Unallocated depreciation and amortisation	未分配折舊及攤銷	-	-	75	75
Exploration expenditure written off	勘探支出撇銷	-	34	-	34
		398	6,562	75	7,035
<b>Segment result</b>	<b>分部業績</b>				
Pre-tax segment result	除稅前分部業績	(6,504)	12,465	-	5,961
Income tax expense	所得稅開支	-	(2,250)	-	(2,250)
<b>Post-tax segment result</b>	<b>除稅後分部業績</b>	<b>(6,504)</b>	<b>10,215</b>	<b>-</b>	<b>3,711</b>
Unallocated items:	未分配項目：				
Corporate services revenue	公司服務收益				323
Corporate costs	公司成本				(2,523)
Finance costs	財務成本				(75)
Elimination of inter-company interest, expense, and management fees in segment results	分部業績中抵銷集團內公司間利息、開支及管理費				1,053
<b>Profit after tax as per the consolidated statement of profit or loss</b>	<b>按照綜合損益表所示除稅後溢利</b>				<b>2,489</b>
		<b>Sweden</b> 瑞典 2022 2022年 AU\$'000 千澳元	<b>Finland</b> 芬蘭 2022 2022年 AU\$'000 千澳元	<b>Australia</b> 未分配 2022 2022年 AU\$'000 千澳元	<b>Total</b> 總計 2022 2022年 AU\$'000 千澳元
<b>Non-current assets by geographic location</b>	<b>按地理位置劃分的非流動資產</b>	<b>28,607</b>	<b>34,268</b>	<b>252</b>	<b>63,127</b>

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## 21. SEGMENT INFORMATION (CONT'D)

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## 21. 分部資料(續)

		Sweden 瑞典 2021 2021年 AU\$'000 千澳元	Finland 芬蘭 2021 2021年 AU\$'000 千澳元	Unallocated 未分配 2021 2021年 AU\$'000 千澳元	Total 總計 2021 2021年 AU\$'000 千澳元
<b>Segment revenue</b>	<b>分部收益</b>				
Gold sales to external customers	對外部客戶銷售黃金	42,729	7,274	–	50,003
Inter-segment sales	分部間銷售	–	41,074	–	41,074
Elimination of inter-segment revenue	抵銷分部間收益	–	–	(41,074)	(41,074)
<b>Total revenue</b>	<b>收益總額</b>	<b>42,729</b>	<b>48,348</b>	<b>(41,074)</b>	<b>50,003</b>
<b>Other revenue</b>	<b>其他收益</b>				
Interest revenue	利息收益	–	2	–	2
Sundry revenue	雜項收益	2	5	–	7
<b>Total other revenue</b>	<b>其他收益總額</b>	<b>2</b>	<b>7</b>	<b>–</b>	<b>9</b>
Segment interest expense	分部利息開支	2	1	–	3
Unallocated interest expense	未分配利息開支	–	–	12	12
<b>Total interest expense</b>	<b>利息開支總額</b>	<b>2</b>	<b>1</b>	<b>12</b>	<b>15</b>
Depreciation and amortisation	折舊及攤銷	456	5,017	–	5,473
Unallocated depreciation and amortisation	未分配折舊及攤銷	–	–	48	48
Exploration expenditure written off	撇銷勘探支出	–	561	–	561
		456	5,578	48	6,082
<b>Segment result</b>	<b>分部業績</b>				
Pre-tax segment result	除稅前分部業績	(10,357)	12,897	–	2,540
Income tax expense	所得稅開支	–	(3,689)	–	(3,689)
<b>Post-tax segment result</b>	<b>除稅後分部業績</b>	<b>(10,357)</b>	<b>9,208</b>	<b>–</b>	<b>(1,149)</b>
Unallocated items:	未分配項目：				
Corporate services revenue	公司服務收益				312
Corporate costs	公司成本				(1,792)
Finance costs	財務成本				2,195
Elimination of inter-company interest, expense, and management fees in segment results	分部業績中抵銷集團內公司間利息開支及管理費				726
<b>Profit after tax as per the consolidated statement of profit or loss</b>	<b>按照綜合損益表所示除稅後溢利</b>				<b>292</b>
		Sweden 瑞典 2021 2021年 AU\$'000 千澳元	Finland 芬蘭 2021 2021年 AU\$'000 千澳元	Australia 未分配 2021 2021年 AU\$'000 千澳元	Total 總計 2021 2021年 AU\$'000 千澳元
<b>Non-current assets by geographic location</b>	<b>按地理位置劃分的非流動資產</b>	<b>28,487</b>	<b>26,389</b>	<b>325</b>	<b>55,201</b>

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**22. CONTINGENT ASSETS AND LIABILITIES****22. 或然資產及負債****(i) Hanhima Royalty**

The Group has a right to a 2% Net Smelter Return (“NSR”) on future mineral production from Agnico Eagle Mines Limited (“Agnico Eagle”) with respect to the Hanhima Gold Project in northern Finland. Agnico Eagle will have the right to buy back 1 percentage point of the 2% NSR at any time for €2.0 million cash.

The Hanhima Gold Project is an early-stage exploration project as at 31 December 2022 and therefore the Company has not recognised any receivables from this agreement, as the risk of reversal is considered significant.

**(ii) Endomines Royalty**

The Group has a right to a 1% Net Smelter Return (“NSR”) up to €1.5 million from Endomines Oy with respect to the Mining Properties in the Hattu Schist Belt in eastern Finland (“Mining Properties”) as described in the Purchase Agreement dated 12 October 2006. The NSR is only payable from the Mining Properties, after the Mineral Resource as defined at the Pampalo Gold Mine, at the date of sale has been mined.

**(iii) Aurion Royalty**

The Group has a right to a 3% Net Smelter Return (“NSR”) on future mineral production from Aurion Resources Limited with respect to the Kutuvuoma Gold Project and Silassekä Vanadium Project in northern Finland. The Group is also entitled to receive a bonus payment upon the defining of one million ounces of gold equivalent material categorised as Measured and Indicated and for every additional one million ounces of gold equivalent material categorised as Measured and Indicated.

**(i) Hanhima 權利金**

本集團就 Agnico Eagle Mines Limited (「Agnico Eagle」) 於芬蘭北部 Hanhima 黃金項目的未來礦物生產擁有淨冶煉回報(「淨冶煉回報」)2%的權利。Agnico Eagle 將有權於任何時間以2.0 百萬歐元現金購回2%淨冶煉回報中的1個百分點。

於2022年12月31日，Hanhima 黃金項目仍屬於早期的勘探項目，鑒於公司認為撥回風險重大，因此並無確認來自該項協議的任何應收款項。

**(ii) Endomines 權利金**

誠如日期為2006年10月12日的購買協議所述，本集團就 Endomines Oy 於芬蘭東部 Hattu Schist Belt 的採礦資產(「採礦資產」)擁有淨冶煉回報(「淨冶煉回報」)1%的權利，上限為1.5 百萬歐元。於銷售日期在 Pampalo 金礦定義為礦產資源經開採後，淨冶煉回報僅由採礦資產支付。

**(iii) Aurion 權利金**

本集團就 Aurion Resources Limited 於芬蘭北部 Kutuvuoma 黃金項目及 Silassekä 釩項目的未來礦物生產擁有淨冶煉回報(「淨冶煉回報」)3%的權利。本集團亦有權就界定分類為探明及推斷的1百萬盎司黃金等值材料及分類為探明及推斷的另外每1百萬盎司黃金等值材料收取紅股付款。

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## 22. CONTINGENT ASSETS AND LIABILITIES (CONT'D)

### (iv) Svartliden Rehabilitation Provision

In accordance with the Group's legal requirements, a provision has been recognised to provide for the anticipated future rehabilitation costs at Svartliden. The basis for the provision amount is derived from the Svartliden rehabilitation closure plan ("Closure Plan"), which is reviewed and updated as necessary by an independent external consultant, in accordance with the Environmental Permit provisions.

In April 2017, work to update the Closure Plan was completed and, together with comments from the EPA and the County Administration Board ("CAB"), was submitted to the LEC. While the scope has not been disputed, the Company's current bond is being disputed by the EPA and CAB, both of whom considered the proposed closure bond as insufficient.

The submitted Closure Plan includes segregating the potentially acid forming waste rock ("PAF") from the non-acid forming waste rock ("NAF") into separate cells. The cost of providing an engineered hard covering of the PAF cells is included in the updated costings provided to the LEC in May 2018.

On 3 September 2019, the Court delivered its Rulings on the Closure Plan, whereby the LEC:

- (a) approved the Company's investigation reports supporting the Closure Plan; and
- (b) required the Company to increase its existing rehabilitation collateral security from SEK41.0 million (approximately AU\$5.8 million) to SEK74.0 million (approximately AU\$10.4 million). The increase can take the form of a bank guarantee and is intended to provide additional security for an engineered covering of the entire waste rock area, in the event the entire waste rock area becomes potentially acid forming.

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## 22. 或然資產及負債(續)

### (iv) Svartliden復墾撥備

根據本集團的法律規定，已確認就 Svartliden 的預計未來復墾成本所計提的撥備。撥備金額的基準來自 Svartliden 復墾封礦計劃(「封礦計劃」)，該計劃由獨立外部顧問根據環境許可證條文於必要時審閱及更新。

於2017年4月，更新封礦計劃的工作已經完成，並連同EPA及縣行政委員會(「CAB」)意見提交予土地及環境法院。儘管範圍並無爭議，但EPA及CAB對本公司目前之債券均有異議，兩者都認為建議封礦保證金不足。

已提交的封礦計劃包括將潛在酸性的廢岩(「PAF」)與非酸性廢岩(「NAF」)分離為獨立個體。提供PAF個體改造覆蓋硬件的成本計入於2018年5月向土地及環境法院提供的經更新成本。

於2019年9月3日，法院就封礦計劃頒下裁決，據此，土地及環境法院：

- (a) 批准本公司支持封礦計劃的調查報告；及
- (b) 要求本公司將現有復墾附屬抵押由41.0百萬瑞典克朗(約5.8百萬澳元)增加至74.0百萬瑞典克朗(約10.4百萬澳元)。增加可以銀行擔保形式進行，並(倘整個廢岩區域帶潛在酸性)計劃為整個廢岩區域的改造覆蓋提供額外抵押。

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**22. CONTINGENT ASSETS AND LIABILITIES (CONT'D)****22. 或然資產及負債(續)****(iv) Svartliden Rehabilitation Provision (Cont'd)**

On 18 November 2019, the Company lodged an appeal in the COA against the following LEC Rulings:

- (a) the amount of additional collateral security being requested;
- (b) the Permit conditions during the closure phase; and
- (c) the restrictions preventing the CAB from incrementally returning the Company's security bonds as rehabilitation work is progressed.

On 16 December 2019, the COA, having considered the Company's appeal document and grounds for appeal, granted the Company leave to appeal the LEC Rulings. On 25 February 2022, the COA determined further studies are required to reduce the level of uncertainty in the investigations before it can consider the EPA request for additional SEK41.0 million collateral security. The rehabilitation plan items have been sent back to the LEC.

The Company's view is that the current approved Closure Plan complies with the known characteristics of the tailings, waste rock and operations at Svartliden, the value of the Company's bond proposal reflects this scope of work and is supported by calculations using the rates of local contractors. The Closure Plan reflects the current conditions on the site and the necessary activities to be undertaken upon closure based on independent advice of the most likely outcome. In the event of a fundamental change to the acid forming characteristics of the NAF waste rock, the Company may need to provide for an engineered cover of the entire waste rock area and the additional provision will be significant.

As at 31 December 2022, the Company has not recognised the additional rehabilitation costs nor deposited the associated security required by the LEC for an engineered cover to the entire waste rock area on the basis that the Company has assessed that any fundamental change to the acid forming characteristics of the NAF waste rock is not probable.

**(iv) Svartliden復墾撥備(續)**

於2019年11月18日，本公司就以下的土地及環境法院裁決向上訴法院提出上訴：

- (a) 現正要求的額外附屬抵押金額；
- (b) 於封礦期間的許可證條件；及
- (c) 防止CAB隨著復墾工作的進行，逐步退還本公司安全保證金的限制。

於2019年12月16日，上訴法院經考慮本公司的上訴文件及上訴理由後，向本公司授予土地及環境法院裁決的上訴許可。於2022年2月25日，上訴法院裁決需要進一步研究以減少調查中的不確定程度，其後方可考慮EPA 41.0百萬瑞典克朗的額外抵押要求。復墾計劃項目已發還土地及環境法院。

本公司認為，現時已批准的封礦計劃遵從於Svartliden尾礦、廢岩及營運的已知特徵，本公司的債券方案價值反映了該範疇的工作，並採用了當地承建商的費率計算作證明。封礦計劃基於獨立意見最有可能的結果，反映目前的工地狀況及封礦須採取的必要行動。倘NAF廢岩的酸性形成特徵發生根本性變化，則本公司可能需要對整個廢岩區域提供改造覆蓋而且額外撥備金額將屬重大。

於2022年12月31日，本公司尚未確認額外的復墾成本，亦未按土地及環境法院要求為整個廢石區域提供改造覆蓋的相關保證金，此乃基於本公司已評估NAF廢石的產酸特性不可能發生任何根本變化。

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**23. EXPENDITURE COMMITMENTS****a) Exploration commitments**

Due to the nature of the Consolidated Entity's operations in exploring and evaluating areas of interest, it is very difficult to accurately forecast the nature or amount of future expenditure, although it will be necessary to incur expenditure to retain present interests in mineral tenements. Expenditure commitments on mineral tenure for the Consolidated Entity can be reduced by selective relinquishment of exploration tenure or by the renegotiation of expenditure commitments. The approximate minimum level of exploration requirements to retain current tenements in good standing is detailed below.

Within one year	一年內
One year or later and no later than five years	一年或之後及不遲於五年

**b) Capital commitments**

Commitments relating to the acquisition of equipment contracted for but not recognised as liabilities are as follows:

Within one year	一年內
One year or later and no later than five years	一年或之後及不遲於五年

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**23. 開支承擔****a) 勘探承擔**

由於綜合實體在勘探及評估利益相關方面的業務性質使然，儘管有必要產生支出以保留現有礦產權益，但很難準確預測未來支出的性質或金額。通過有選擇性地讓渡勘探權或重新協商開支承擔，可減少綜合實體礦產權利的開支承擔。以下詳細說明使現有礦權保持良好狀況的概約最低勘探要求水平。

	2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
Within one year	27	37
One year or later and no later than five years	147	136
	<b>174</b>	<b>173</b>

**b) 資本承擔**

與收購已訂約但未確認為負債的設備有關的承擔如下：

	2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
Within one year	414	412
One year or later and no later than five years	768	1,177
	<b>1,182</b>	<b>1,589</b>

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**23. EXPENDITURE COMMITMENTS (CONT'D)****23. 開支承擔(續)****c) Short-term lease expense commitments**

Future operating lease commitments not provided for in the consolidated financial statements are as follows:

Within one year 一年內

**d) Remuneration commitments**

Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognised as liabilities are as follows:

Within one year 一年內  
One year or later and no later than five years 一年或之後及不遲於五年

Amounts disclosed as remuneration commitments include commitments arising from the service contracts of Directors and Executives referred to in note 17. Directors and Executive Officers Remuneration that are not recognised as liabilities are not included in the Directors' or Executives' remuneration.

**c) 短期租賃開支承擔**

並無於綜合財務報表內撥備的未來經營租賃承擔如下：

2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
1	10

**d) 薪酬承擔**

根據於報告日期存續的長期僱傭合約支付薪金及其他薪酬的承擔(但未確認為負債)如下：

2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
621	572
2,483	1,200
<b>3,104</b>	<b>1,772</b>

披露為薪酬承擔的金額包括附註17提及的董事及行政人員服務合約產生的承擔。未確認為負債的董事及高級行政人員薪酬並未計入董事或行政人員薪酬。

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**24. FINANCIAL INSTRUMENTS****a) Financial risk management policies and objectives**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and commodity price risk), credit risk, liquidity risk, and interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks, where considered appropriate, to minimise potential adverse effects on financial performance without limiting the Group's potential upside.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to foreign currency and gold price risk and assessments of market forecasts for foreign exchange and gold prices. Liquidity risk is measured through the development of rolling future cash flow forecasts at various gold prices and foreign exchange rates.

Risk management is carried out by executive management with guidance from the Audit and Risk Management Committee under policies approved by the Board. The Board also provides regular guidance for overall risk management, including guidance on specific areas, such as mitigating commodity price, foreign exchange, interest rate and credit risks, by using derivative financial instruments.

The Consolidated Entity also has a risk management program to manage its financial exposures that includes, but is not limited to, the use of derivative products, principally forward gold sales and foreign currency contracts. The Company does not enter financial instruments, including derivative financial instruments, for trade or speculative purposes.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including the setting of limits for trading in economic derivatives, hedging coverage of foreign currency and gold, credit allowances, future cash flow forecast projections and financial instruments if considered necessary.

**b) Instruments recognised at amounts other than fair value**

The carrying amount of financial assets and financial liabilities recorded in the consolidated financial statements at amortised cost represents their respective net fair values.

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**24. 金融工具****a) 金融風險管理政策及目標**

本集團的業務使本集團面對多種財務風險：市場風險(包括貨幣風險及商品價格風險)、信貸風險、流動資金風險及利率風險。本集團的整體風險管理計劃集中於金融市場的不可預測性，並尋求(如認為適當)在不限制本集團潛在增長的基礎上盡力減輕對財務表現的潛在不利影響。

本集團採用不同方法來計量及管控其面對的各類風險，包括監察所面對的外幣及黃金價格風險水平，以及評估市場對外匯及黃金價格的預測，並通過按不同黃金價格及外匯匯率建立未來滾存現金流量預測而計量流動資金風險。

執行管理層根據董事會批准的政策在審核及風險管理委員會的指導下開展風險管理工作。董事會亦通過使用衍生金融工具定期為整體風險管理提供指導，包括對減低商品價格、外匯、利率及信貸風險等具體領域的指導。

綜合實體亦設有一項風險管理計劃以管理其金融風險，包括但不限於使用衍生產品(主要為遠期黃金銷售及外匯合約)。本公司並無為貿易或投機用途而訂立金融工具(包括衍生金融工具)。

董事會承擔找出並控制財務風險的主要責任。董事會就管控下列各類風險而審視並協定的政策如下(包括設定經濟衍生工具交易限額、外幣和黃金對沖範圍、信貸撥備、未來現金流量預測及金融工具(如有必要))。

**b) 按金額(公平值除外)確認的工具**

按攤銷成本在綜合財務報表記錄的金融資產及金融負債的賬面值為彼等各自的公平值淨值。

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## 24. FINANCIAL INSTRUMENTS (CONT'D)

## 24. 金融工具(續)

## c) Fair values for instruments recognised at fair value

At 31 December 2022, the Group has the following trade receivables at fair value through profit or loss.

## c) 按公平值確認的工具的公平值

於2022年12月31日，本集團於損益按公平值計值之貿易應收款項如下。

As at 31 December 2022 於2022年12月31日				As at 31 December 2021 於2021年12月31日			
Quoted market price (level 1)	Valuation technique- market observable inputs (level 2)	Valuation technique- non-market observable inputs (level 3)	Total	Quoted market price (level 1)	Valuation technique- market observable inputs (level 2)	Valuation technique- non-market observable inputs (level 3)	Total
市場報價 (第一級)	估值方法－ 市場可觀察 輸入數據 (第二級)	估值方法－ 非市場可觀察 輸入數據 (第三級)	總計	市場報價 (第一級)	估值方法－ 市場可觀察 輸入數據 (第二級)	估值方法－ 非市場可觀察 輸入數據 (第三級)	總計
AU\$'000 千澳元	AU\$'000 千澳元	AU\$'000 千澳元	AU\$'000 千澳元	AU\$'000 千澳元	AU\$'000 千澳元	AU\$'000 千澳元	AU\$'000 千澳元
Trade receivables at fair value through profit or loss							
	按公平值計入損益的貿易 應收款項						
-	1,790	-	1,790	-	-	-	-

For financial instruments not quoted in active markets, the Group uses a valuation technique such as present value techniques, comparison to similar instruments for which market observable prices exist and other relevant models used by market participants. These valuation techniques use both observable and unobservable market inputs (Level 2).

Trade receivables relate to concentrate sales that are still subject to price adjustments where the final consideration to be received will be determined based on prevailing London Metals Exchange ("LME") metal prices at the final settlement date. Sales that are still subject to price adjustments at balance sheet date are fair valued by applying a discounted cash flow model incorporating credit risk and forward pricing to estimate the present value of the final settlement price using the LME forward metals prices at balance date.

There were no transfers between Level 1 and Level 2 during the year.

就並無於活躍市場報價的金融工具而言，本集團採用估值方法，如現值方法、與存在可觀察市場價格的相似工具及市場參與者使用的其他相關模型比較。該等估值方法使用可觀察及不可觀察的市場輸入數據(第二級)。

貿易應收款項與仍可調整價格的精礦銷售有關，將收取的最終代價將根據倫敦金屬交易所(「倫敦金屬交易所」)於最終結算日現行的金屬價格釐定。對於結算日仍可調整價格的銷售，則使用結算日倫敦金屬交易所遠期金屬價格乃透過應用包含信貸風險及遠期定價的貼現現金流量模型估計其最終結算價格的現值，按公平值入賬。

年內第一級與第二級之間並無任何轉撥。

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## 24. FINANCIAL INSTRUMENTS (CONT'D)

### d) Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The Group's maximum exposures to credit risk at reporting date in relation to each class of financial asset is the carrying amount of those assets as indicated in the consolidated statement of financial position.

Credit risk is managed on a Group basis. The Group's credit risk predominantly arises from cash, cash equivalents, deposits with banks and financial institutions and other receivables.

While the Group has policies in place to ensure that sales of its products are made to customers with an appropriate credit history, the Group does have a concentration of credit risk in relation to its gold concentrate sales in Finland due to dependence for a significant volume of its sales revenues on one buyer. There is generally a six-week turnaround between shipment of gold concentrate and payment from a gold concentrate customer. The Company reduces its credit risk in relation to gold concentrate receivables in Finland by insuring 90% of the nominal value of an assigned or internal invoice with a reputable high credit quality Nordic financial institution.

However, as invoices are raised at the end of each month and shipments occur frequently throughout the month, there is credit exposure to the smelting company for the value of one month of shipments as insurance coverage commences when an invoice is raised. Credit risk further arises in relation to financial guarantees given to certain parties. Such guarantees are only provided in exceptional circumstances and are subject to Board approval. No financial guarantees have been given during the year (2021: nil).

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## 24. 金融工具(續)

### d) 信貸風險

信貸風險指當對手方未能按合約履行責任所確認的虧損。本公司於報告日期就各類金融資產所面對的最高信貸風險為綜合財務狀況表所示該等資產的賬面值。

信貸風險以本集團為基準管理。本集團的信貸風險主要由現金、現金等價物、存放於銀行及金融機構的存款及其他應收款項產生。

儘管本集團已制定政策確保產品銷售予具有合適信貸記錄的客戶，惟因本集團有一大部分銷售收益依賴一名買家，致令本集團就芬蘭的金精礦銷售面臨信貸集中風險。金精礦出貨至金精礦客戶付款之間一般會有六週的滯後期。本公司通過向聲譽良好且信譽及質量較高的北歐金融機構投購指定或內部發票90%名義價值的保險，來降低其與芬蘭金精礦應收款項相關的信貸風險。

然而，由於發票於每個月底開具，而整個月內會多次裝運貨物，由於開具發票時保險方告生效，因此面臨冶煉公司的信貸風險(額度為一個月的出貨價值)。信貸風險進一步發生在給予若干人士的財務擔保方面。該等擔保僅在特殊情況下提供，並須經董事會批准。本年度概無提供財務擔保(2021年：無)。

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**24. FINANCIAL INSTRUMENTS (CONT'D)****24. 金融工具(續)****d) Credit risk (Cont'd)**

In relation to managing other potential credit risk exposures, the Group has in place policies that aim to ensure that derivative counterparties and cash transactions are limited to high credit quality financial institutions and that the amount of credit exposure to any one financial institution is limited as far as is considered commercially appropriate. The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

**d) 信貸風險(續)**

在管理其他潛在信貸風險方面，本集團已制定相關政策，旨在確保衍生工具交易對手及現金交易僅限於高信貸質素金融機構，而且所面臨的任何一家金融機構的信貸風險額度均受到商業上認為合適的限制。未逾期亦未減值的金融資產的信貸質素可參考外部信貸評級(如有)或有關對手方違約率的歷史信息進行評估：

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
<b>Cash and cash equivalents</b>	<b>現金及現金等價物</b>		
<i>Counterparties with external credit ratings</i>	<i>有外部信貸評級的對手方</i>		
AA-	AA-	17,671	14,370
A	A	-	-
Total cash and cash equivalents	現金及現金等價物總額	<b>17,671</b>	<b>14,370</b>
<b>Trade and other receivables</b>	<b>貿易及其他應收款項</b>		
<i>Counterparties with external credit ratings</i>	<i>有外部信貸評級的對手方</i>		
AAA	AAA	311	1,124
AA-	AA-	11	12
A+	A+	-	-
A-	A-	-	-
Counterparties with no defaults in the past	過往並無違約的對手方	<b>3,140</b>	4,089
Total trade and other receivables	貿易及其他應收款項總額	<b>3,462</b>	<b>5,225</b>

For the purposes of determining credit exposures on receivables, receivable amounts that have been factored are evaluated against the credit rating of the factoring bank, where the factored amount is insured.

為釐定應收款項的信貸風險，已保理的應收金額按照辦理保理金額的保理銀行的信貸評級進行評估。

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
<b>Environmental and other bonds</b>	<b>環境及其他保證金</b>		
<i>Counterparties with external credit ratings</i>	<i>有外部信貸評級的對手方</i>		
AAA	AAA	5,210	5,287
Counterparties with no defaults in the past	過往並無違約的對手方	-	-
Total environmental and other bonds	環境及其他保證金總額	<b>5,210</b>	<b>5,287</b>

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## 24. FINANCIAL INSTRUMENTS (CONT'D)

## 24. 金融工具(續)

## e) Interest rate risk

At balance date, the Group had the following financial assets and liabilities exposed to interest rate risk that are not designated as cash flow hedges:

		2022 2022年			2021 2021年				
		Floating interest rate	Fixed interest rate	Total	Average int. rate %	Floating interest rate	Fixed interest rate	Total	Average int. rate %
		浮動利率	固定利率	總計	平均利率%	浮動利率	固定利率	總計	平均利率%
		AUS'000	AUS'000	AUS'000	AUS'000	AUS'000	AUS'000	AUS'000	AUS'000
		千澳元	千澳元	千澳元	千澳元	千澳元	千澳元	千澳元	千澳元
<b>Financial assets</b>	<b>金融資產</b>								
Cash and cash equivalents <sup>(1)</sup>	現金及現金等價物 <sup>(1)</sup>	17,671	-	17,671	0.4%	14,370	-	14,370	0.0%
Trade receivables – fair value through profit or loss	按公平值計入損益的 貿易應收款項	1,790	-	1,790	-%	-	-	-	-%
Environmental bonds	環保債券	5,210	-	5,210	-%	5,287	-	5,287	-%
		<b>24,671</b>	<b>-</b>	<b>24,671</b>	<b>0.4%</b>	<b>19,657</b>	<b>-</b>	<b>19,657</b>	<b>0.0%</b>
<b>Financial liabilities</b>	<b>金融負債</b>								
Lease liabilities	租賃負債	-	1,449	1,449	-%	-	2,013	2,013	-%
		<b>-</b>	<b>1,449</b>	<b>1,449</b>	<b>-%</b>	<b>-</b>	<b>2,013</b>	<b>2,013</b>	<b>-%</b>

(1) Includes AU\$7.5 million restricted use net proceeds from the Company's Placement of shares issued on 22 January 2021.

(1) 包括來自本公司於2021年1月22日發行的股份配售的限制用途所得款項淨額7.5百萬澳元。

The Group constantly analyses its interest rate exposure. Consideration is given to potential renewals of existing positions, alternative financing and/or the mix of fixed and variable interest rates.

本集團不斷分析其利率風險，當中會考慮現存持倉潛在重續、另行安排融資及／或混合定息及浮息利率。

## f) Foreign exchange risk

As the Group sells its bullion and gold concentrate in USD and the majority of costs are denominated in Swedish Krona (SEK) and Euro (EUR), an appreciating EUR and SEK, or a weakening USD exposes the Group to risks related to movements in the USD:SEK and USD:EUR exchange rates.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk can be measured by performing a sensitivity analysis that quantifies the impact of different assumed exchange rates on the Group's forecast cash flows.

## f) 外匯風險

由於本集團以美元出售其金銀錠及金精礦，而大部分成本以瑞典克朗及歐元計值，因此，歐元及瑞典克朗升值，或美元貶值，均會使本集團面臨與美元兌瑞典克朗及美元兌歐元匯率變動相關的風險。

外匯風險來自未來的商業交易，以及以實體功能貨幣以外的貨幣計值的已確認資產及負債。可以通過進行敏感度分析來量化不同的假設匯率對本集團預測現金流量的影響來衡量風險。

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**24. FINANCIAL INSTRUMENTS (CONT'D)****24. 金融工具(續)****f) Foreign exchange risk (Cont'd)**

As part of the risk management policy of the Group, financial instruments (foreign exchange forwards) may be used from time to time to reduce exposure to unpredictable fluctuations in the USD:SEK and USD:EUR exchange rates. Within this context, programs undertaken are structured with the objective of minimising the Group's exposure to these fluctuations.

The value of any financial instruments at any point in time will, in times of volatile market conditions, show substantial variation over the short-term. The facilities provided by the Group's various counterparties do not contain margin calls.

The Company and Group's financial performance is also affected by movements in AUD:SEK and AUD:EUR. In accordance with the requirements of International Financial Reporting Standards, exchange gains and losses on intercompany loans that do not form part of the Company's net investment in foreign operations are recognised in the consolidated statement of profit or loss.

For the year ended 31 December 2022, the Company did not enter or hold any foreign exchange derivatives. At balance date, the Group had the following significant exposure to foreign currencies:

**f) 外匯風險(續)**

作為本集團風險管理政策的一部分，本集團可能不時使用金融工具(外匯遠期合約)，以降低美元兌瑞典克朗及美元兌歐元匯率不可預測波動的風險。在此情況下，開展計劃的目標為最大限度地降低本集團面臨的該等波動的風險。

任何金融工具於任何時點的價值均會於市況波動期間出現短期大幅波動。本集團各對手方提供的融資不包括追加保證金。

本公司及本集團的財務表現亦受到澳元兌瑞典克朗及澳元兌歐元變動的影響。根據國際財務報告準則的規定，不構成本公司於海外業務淨投資一部分的集團內公司間貸款的匯兌收益及虧損在綜合損益表中確認。

截至2022年12月31日止年度，本公司並無訂立或持有任何外匯衍生工具。於結算日，本集團具有下列重大外幣風險：

		2022	2021
		2022年	2021年
		AU\$'000	AU\$'000
		千澳元	千澳元
<b>USD exposure</b>	<b>美元風險</b>		
<i>Entity with Euro functional currency</i>	<i>以歐元作為功能貨幣的實體</i>		
Cash and cash equivalents	現金及現金等價物	5,645	6,330
Trade receivables	貿易應收款項	20,191	13,822
<i>Entity with SEK functional currency</i>	<i>以瑞典克朗作為功能貨幣的實體</i>		
Cash and cash equivalents	現金及現金等價物	1,821	26
Trade receivables	貿易應收款項	41	1,192
Trade payables	貿易應付款項	(18,413)	(9,244)
Net USD Exposure	美元風險淨額	<b>9,285</b>	12,126

## 24. FINANCIAL INSTRUMENTS (CONT'D)

## 24. 金融工具(續)

## f) Foreign exchange risk (Cont'd)

## f) 外匯風險(續)

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
<b>EUR exposure</b>	<b>歐元風險</b>		
<i>Entity with AUD functional currency</i>	<i>以澳元作為功能貨幣的實體</i>		
Cash and cash equivalents	現金及現金等價物	5	36
Intercompany loan	集團內公司間貸款	-	-
Trade payables	貿易應付款項	-	-
<i>Entity with SEK functional currency</i>	<i>以瑞典克朗作為功能貨幣的實體</i>		
Cash and cash equivalents	現金及現金等價物	17	8
Trade payables	貿易應付款項	(55)	(89)
Net EUR Exposure	歐元風險淨額	<b>(33)</b>	<b>(45)</b>
<b>AUD exposure</b>	<b>澳元風險</b>		
<i>Entity with EUR functional currency</i>	<i>以歐元作為功能貨幣的實體</i>		
Cash and cash equivalents	現金及現金等價物	364	364
Trade receivables	貿易應收款項	-	-
Intercompany loan	集團內公司間貸款	-	(5,934)
<i>Entity with SEK functional currency</i>	<i>以瑞典克朗作為功能貨幣的實體</i>		
Intercompany loan	集團內公司間貸款	(2,030)	(25,134)
Trade payables	貿易應付款項	-	(31)
Net AUD Exposures	澳元風險淨額	<b>(1,666)</b>	<b>(30,735)</b>
<b>HKD exposure</b>	<b>港元風險</b>		
<i>Entities with AUD functional currency</i>	<i>以澳元作為功能貨幣的實體</i>		
Cash and cash equivalents	現金及現金等價物	6,659	6,217
Other receivables	其他應收款項	725	684
Trade payables	貿易應付款項	-	(6)
Net HKD Exposure	港元風險淨額	<b>7,384</b>	<b>6,895</b>

## g) Commodity price risk

The Group is exposed to movements in the gold price. As part of the risk management policy of the Group, a variety of financial instruments (such as gold forwards and gold call options) may be used from time to time to reduce exposure to unpredictable fluctuations in the project life revenue streams. For the year ended 31 December 2022, the Company did not enter or hold any commodity derivatives (31 December 2021: nil).

## g) 商品價格風險

本集團面臨金價變動的風險。作為本集團風險管理政策的一部分，本集團可能不時使用各種金融工具(如黃金遠期合約及黃金認購期權)，以降低項目壽命收益流中不可預測波動的風險。截至2022年12月31日止年度，本公司並無訂立或持有任何商品衍生工具(2021年12月31日：無)。

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**24. FINANCIAL INSTRUMENTS (CONT'D)****24. 金融工具(續)****g) Commodity price risk (Cont'd)**

The Group is exposed to commodity price volatility on the sale of gold in concentrate, which is priced on, or benchmarked to, open market exchanges, specifically the London Metal Exchange ("LME"). The exposure is outlined as trade receivables – fair value through profit or loss in note 5.

**g) 商品價格風險(續)**

本集團於出售金精礦產品時面臨商品價格波動的風險，該等產品根據公開市場交易所(尤其是倫敦金屬交易所(「倫敦金屬交易所」))或以其為基準而定價。有關風險概述於附註5內貿易應收款項—按公平值計入損益計量。

**h) Sensitivity analysis**

The following tables summarise the sensitivity of the Group's financial assets and liabilities to interest rate risk and foreign exchange risk. Had the relevant variables, as illustrated in the tables, moved, with all other variables held constant, post-tax profit and equity would have been affected as shown. The analysis has been performed on the same basis for the prior year.

**h) 敏感度分析**

下列表格概述本集團金融資產及負債對利率風險及外匯風險的敏感度。如表中所示，倘有關變量變動，所有其他變量維持不變，除稅後溢利及權益會受到影響(如以下所示)。於去年按相同基準進行分析。

**31 December 2022****2022年12月31日**

	Note 附註	Interest rate risk –0.25%		Interest rate risk +0.25%	
		Profit 溢利 AU\$'000 千澳元	Equity 權益 AU\$'000 千澳元	Profit 溢利 AU\$'000 千澳元	Equity 權益 AU\$'000 千澳元
<b>Financial assets</b>					
Cash and cash equivalents	1	(44)	(44)	44	44
Trade receivables – fair value through profit or loss	2	(4)	(4)	4	4
Government bonds	4	(13)	(13)	13	13
<b>Total (decrease)/increase</b>		<b>(61)</b>	<b>(61)</b>	<b>61</b>	<b>61</b>

**31 December 2021****2021年12月31日**

	Note 附註	Interest rate risk –0.25%		Interest rate risk +0.25%	
		Profit 溢利 AU\$'000 千澳元	Equity 權益 AU\$'000 千澳元	Profit 溢利 AU\$'000 千澳元	Equity 權益 AU\$'000 千澳元
<b>Financial assets</b>					
Cash and cash equivalents	1	(36)	(36)	36	36
Trade receivables – fair value through profit or loss	2	–	–	–	–
Government bonds	4	(13)	(13)	13	13
<b>Total (decrease)/increase</b>		<b>(49)</b>	<b>(49)</b>	<b>49</b>	<b>49</b>

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## 24. FINANCIAL INSTRUMENTS (CONT'D)

## 24. 金融工具(續)

## h) Sensitivity analysis (Cont'd)

## h) 敏感度分析(續)

31 December 2022

2022年12月31日

		Note 附註	Foreign exchange -10% 外匯-10%		Foreign exchange +10% 外匯+10%	
			Profit 溢利 AU\$'000 千澳元	Equity 權益 AU\$'000 千澳元	Profit 溢利 AU\$'000 千澳元	Equity 權益 AU\$'000 千澳元
<b>Financial assets</b>	<b>金融資產</b>					
Cash and cash equivalents	現金及現金等價物	1	(749)	(749)	749	749
Trade and other receivables	貿易及其他應收款項	2	(2,023)	(2,023)	2,023	2,023
Intercompany loans	集團內公司間貸款	3	(203)	(203)	203	203
<b>Financial liabilities</b>	<b>金融負債</b>					
Trade payables	貿易應付款項		1,847	1,847	(1,847)	(1,847)
Total (decrease)/increase	(減少)/增加總額		(1,128)	(1,128)	1,128	1,128

31 December 2021

2021年12月31日

		Note 附註	Foreign exchange -10% 外匯-10%		Foreign exchange +10% 外匯+10%	
			Profit 溢利 AU\$'000 千澳元	Equity 權益 AU\$'000 千澳元	Profit 溢利 AU\$'000 千澳元	Equity 權益 AU\$'000 千澳元
<b>Financial assets</b>	<b>金融資產</b>					
Cash and cash equivalents	現金及現金等價物	1	(640)	(640)	640	640
Trade and other receivables	貿易及其他應收款項	2	(1,501)	(1,501)	1,501	1,501
Intercompany loans	集團內公司間貸款	3	(3,107)	(3,107)	3,107	3,107
<b>Financial liabilities</b>	<b>金融負債</b>					
Trade payables	貿易應付款項		933	933	(933)	(933)
Total (decrease)/increase	(減少)/增加總額		(4,315)	(4,315)	4,315	4,315

- Cash and cash equivalents include deposits at call at floating and short-term fixed interest rates.
- Trade receivables include AU\$1.8 million (2021: AU\$3.1 million) of gold in concentrate and gold doré receivables denominated in USD. After year end, the Company received payment for all USD denominated gold concentrate and doré trade receivables.
- Intercompany loans are denominated in AUD and SEK. Though these loans are eliminated upon consolidation, changes in the value of the loans due to movements in exchange rates will influence the consolidated result, since exchange gains or losses on intercompany loans that do not form part of a reporting entity's net investment in a foreign operation are recognised in the consolidated statement of profit or loss.
- Interest bearing environmental cash bonds that have historically been deposited with Swedish and Finnish government authorities.

- 現金及現金等價物包括按浮動利率及短期固定利率計息的通知存款。
- 貿易應收款項包括以美元計值的金精礦及合質金應收款項1.8百萬澳元(2021年:3.1百萬澳元)。於年末後,本公司收到所有以美元計值的金精礦及合質金貿易應收款項的付款。
- 集團內公司間貸款以澳元及瑞典克朗計值。儘管該等貸款於綜合賬目時被撇銷,但由於匯率變動引致的貸款價值變動將對綜合業績產生影響,因為不構成申報實體於海外業務淨投資一部分的集團內公司間貸款的匯兌收益或虧損在綜合損益表中確認。
- 過往存放於瑞典及芬蘭政府機構的計息環保現金債券。

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**24. FINANCIAL INSTRUMENTS (CONT'D)****24. 金融工具(續)****i) Liquidity risk**

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet its obligations to repay its financial liabilities as and when they fall due. The Consolidated Entity's objective is to maintain a balance between continuity of funding and flexibility using bank loans and equity raisings. The Company has an AU\$12.0 million unsecured loan facility with AP Finance Limited ("Loan Facility"). The Loan Facility has an interest rate of 4.0% per annum and expires on 30 June 2024. There have been no drawdowns from the loan facility during the year.

The contractual maturities of the Group's financial liabilities are as follows:

Within one year	一年內
Within a period of more than one year but not exceeding two years	一年以上但不超過兩年的期間

Management and the Board monitor the Group's liquidity reserve on the basis of expected future cash flows. The information that is prepared by senior management and reviewed by the Board includes bi-annual cash flow budget and forecasts.

**i) 流動資金風險**

流動資金風險來自本集團的金融負債以及本集團隨後履行義務償還其到期金融負債的能力。綜合實體的目標為使用銀行貸款及股本集資使資金的連續性和靈活性保持平衡。本公司與AP Finance Limited訂有12.0百萬澳元無抵押貸款融資(「貸款融資」)。貸款融資的年利率為4.0%，將於2024年6月30日屆滿。年內並無提取貸款融資。

本集團金融負債的合約到期日如下：

	2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
	11,046	7,937
	877	1,391
	<b>11,923</b>	<b>9,328</b>

管理層及董事會根據預期未來現金流量監控本集團的流動資金儲備。由高級管理層編製並由董事會審閱的資料包括半年現金流量預算及預測。

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## 25. SIGNIFICANT EVENTS AFTER YEAR END

On 9 March 2023, the Company increased its unsecured AU\$12.0 million loan facility with AP Finance Limited ("Loan Facility") by AU\$15.0 million taking the available funding under the Loan Facility to AU\$27.0 million. The Loan Facility was increased to assist the Group with the expected payment of various rehabilitation bonds, the exact timing of which are unknown at the date of this Annual Report, at the Groups operations in Finland and Sweden.

On 14 March 2023, the Swedish Land and Environmental Court of Appeal ("Court of Appeal") issued its decision, not granting the Company's application for a leave of appeal against the Land and Environmental Court's decision to deny the Company an Environmental Permit to commence full scale mining at Fäboliden. The decision does not state the reason of the Court of Appeal's rejection of the Company's application for leave of appeal.

Dragon Mining will now appeal this judgment to the Swedish Supreme Court based on the following advice from its Swedish environmental lawyers:

1. The arguments remain as to the reason for a leave of appeal. In short, that there are reasons for another court to reconsider the facts of the case (a permit for a larger operation was issued previously), that the Ruling as to the questions of protected species shows that the legislation is not clear, that the scope of the Ruling can be questioned (the question of impact on reindeer has been decided upon in the mineral concession).
2. The above is supported by case law: in a ruling from the Swedish Supreme Court it stated that the standard for granting a leave of appeal is set lower at the Land and Environmental Court of Appeal and that the granting of leave of appeals should be more often issued in environmental cases due to the most often complex matter of law and science.

The process is estimated to take between 6 and 8 months.

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## 25. 年末後重大事項

於2023年3月9日，本公司通過動用融資貸款下的可動用資金15.0百萬澳元，增加其與AP Finance Limited為數12.0百萬澳元的無擔保貸款融資(「貸款融資」)至27.0百萬澳元。貸款融資增加，以助本集團支付在芬蘭及瑞典的各類復墾保證金，於本年報日期，具體時間未明。

於2023年3月14日，瑞典環境上訴法院(「上訴法院」)頒佈裁決，不批准本公司就土地及環境法院拒絕給予本公司在Fäboliden展開全面採礦的環境許可提出上訴許可申請。該裁決並無說明上訴法院拒絕受理本公司上訴許可申請的理由。

龍資源將根據瑞典環境律師的下列意見，向瑞典最高法院上訴該判決：

1. 爭議之處仍在於上訴許可的理由。簡而言之，另一法院有理由重新審視本案的事實(過往曾發出更大規模作業的許可)，關於受保護物種的裁決顯示相關法例並不清晰，裁決的範圍備受質疑(對馴鹿的影響已在採礦特許權中處理)。
2. 上述情況獲案例法支持：在瑞典最高法院的一個裁決中，指土地及環境上訴法院批准上訴許可的標準定得較低，而且由於法律和科學問題通常很複雜，在環境案件中應更常批准上訴許可。

過程估計需時六至八個月。

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**26. PARENT ENTITY DISCLOSURE****26. 母公司實體披露**

		2022 2022年 AU\$'000 千澳元	2021 2021年 AU\$'000 千澳元
<b>CURRENT ASSETS</b>	<b>流動資產</b>		
Cash and cash equivalents	現金及現金等價物	6,684	6,369
Trade and other receivables	貿易及其他應收款項	879	758
Other assets	其他資產	137	121
<b>TOTAL CURRENT ASSETS</b>	<b>流動資產總值</b>	<b>7,700</b>	7,248
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>		
Property, plant, and equipment	物業、廠房及設備	144	148
Right-of-use assets	使用權資產	109	177
Investment in subsidiaries	投資於附屬公司	4,478	4,479
Intercompany loans	集團內公司間貸款	532	31,069
<b>TOTAL NON-CURRENT ASSETS</b>	<b>非流動資產總值</b>	<b>5,263</b>	35,873
<b>TOTAL ASSETS</b>	<b>資產總值</b>	<b>12,963</b>	43,121
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>		
Trade and other payables	貿易及其他應付款項	6,398	10,870
Provisions	撥備	225	275
Interest bearing liabilities	計息負債	73	71
<b>TOTAL CURRENT LIABILITIES</b>	<b>流動負債總額</b>	<b>6,696</b>	11,216
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>		
Provisions	撥備	19	10
Interest bearing liabilities	計息負債	41	111
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>非流動負債總額</b>	<b>60</b>	121
<b>TOTAL LIABILITIES</b>	<b>負債總額</b>	<b>6,756</b>	11,337
<b>NET ASSETS</b>	<b>資產淨值</b>	<b>6,207</b>	31,784
<b>EQUITY</b>	<b>權益</b>		
Contributed equity	實繳股本	140,424	140,458
Reserves	儲備	(4,114)	(583)
Accumulated losses	累計虧損	(130,103)	(108,091)
<b>TOTAL EQUITY</b>	<b>權益總額</b>	<b>6,207</b>	31,784

For the year ended 31 December 2022

截至2022年12月31日止年度

## 26. PARENT ENTITY DISCLOSURE (CONT'D)

## 26. 母公司實體披露(續)

		Contributed Equity	Accumulated Losses	Convertible Note Premium Reserve 可轉換票據 溢價儲備	Other Reserves	Total Equity
		實繳股本 AU\$'000 千澳元	累計虧損 AU\$'000 千澳元	溢價儲備 AU\$'000 千澳元	其他儲備 AU\$'000 千澳元	權益總額 AU\$'000 千澳元
<b>At 1 January 2021</b>	<b>於2021年1月1日</b>	133,991	(90,811)	2,068	(1,634)	43,614
Loss for the year	年內虧損	-	(17,280)	-	-	(17,280)
Other comprehensive loss	其他綜合虧損	-	-	-	(983)	(983)
Total comprehensive loss for the year	年內綜合虧損總額	-	(17,280)	-	(983)	(18,263)
Issue of share net of transaction costs	發行股份，扣除交易成本	6,637	-	-	-	6,637
Share buy-back and cancellation	股份回購及註銷	(170)	-	-	(34)	(204)
<b>At 31 December 2021</b>	<b>於2021年12月31日</b>	<b>140,458</b>	<b>(108,091)</b>	<b>2,068</b>	<b>(2,651)</b>	<b>31,784</b>
<b>At 1 January 2022</b>	<b>於2022年1月1日</b>	<b>140,458</b>	<b>(108,091)</b>	<b>2,068</b>	<b>(2,651)</b>	<b>31,784</b>
Loss for the year	年內虧損	-	(22,012)	-	-	(22,012)
Other comprehensive loss	其他綜合虧損	-	-	-	(3,558)	(3,558)
Total comprehensive loss for the year	年內綜合虧損總額	-	(22,012)	-	(3,558)	(25,570)
Share cancellation	股份註銷	(34)	-	-	34	-
Share buy-back transactions	股份回購交易	-	-	-	(7)	(7)
<b>At 31 December 2022</b>	<b>於2022年12月31日</b>	<b>140,424</b>	<b>(130,103)</b>	<b>2,068</b>	<b>(6,182)</b>	<b>6,207</b>

The results and the assets and liabilities of the Group for the past five financial years, as extracted from the Group's published consolidated financial statements are set out below:

本集團於最近五個財政年度的業績以及資產及負債(摘錄自本集團已刊發之綜合財務報表)載列如下:

		Year ended 31 December 截至12月31日止年度				
		2018	2019	2020	2021	2022
		2018年	2019年	2020年	2021年	2022年
		AU\$'000	AU\$'000	AU\$'000	AU\$'000	AU\$'000
		千澳元	千澳元	千澳元	千澳元	千澳元
<b>Results</b>	<b>業績</b>					
Revenue	收益	37,850	53,073	69,255	50,003	<b>52,514</b>
(Loss)/profit for the year	年內(虧損)/ 溢利	(9,531)	6,311	10,193	292	<b>2,489</b>
Attributable to: Owners of the Company	以下人士應佔: 本公司擁有人	(9,531)	6,311	10,193	292	<b>2,489</b>
Basic (loss)/earnings per share	每股基本(虧損)/ 盈利	(9.90)	4.55	7.34	0.19	<b>1.57</b>
		As at 31 December 於12月31日				
		2018	2019	2020	2021	2022
		2018年	2019年	2020年	2021年	2022年
		AU\$'000	AU\$'000	AU\$'000	AU\$'000	AU\$'000
		千澳元	千澳元	千澳元	千澳元	千澳元
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Total assets	資產總值	62,750	78,633	85,397	95,300	<b>104,878</b>
Total liabilities	負債總額	(25,303)	(35,269)	(31,919)	(35,331)	<b>(44,282)</b>
Total equity	權益總額					
Equity attributable to owners of the Company	本公司擁有人 應佔權益	37,447	43,364	53,478	59,969	<b>60,596</b>

Project 項目	ID 項目	Tenements Name 權證名稱	Type 類型	Held at 31 December 2022 % 於2022年 12月31日 持有比例 %	Area ha 面積公頃	Expiry 到期
<b>SWEDEN</b> 瑞典						
<b>Svartliden</b>	2022 : 43	Svartlidengruvan K nr 1	EC 勘探特許	100	87.54	10 April 2027 2027年4月10日
		Svartliden nr 3	EP 勘探許可證	100	813.33	29 June 2025 2025年6月29日
<b>Fäboliden</b>	2016 : 75	Fäboliden K nr 1	EC 勘探特許	100	122.00	3 June 2029 2029年6月3日
		Fäboliden nr 11	EP 勘探許可證	100	836.26	4 August 2024 2024年8月4日
	2022 : 5	Fäboliden nr 84	EP 勘探許可證	100	959.33	22 January 2025 2025年1月22日
<b>FINLAND</b> 芬蘭						
<b>Orivesi</b>	2676	Orivesi	MC 採礦特許	100	39.82	Valid Until Further Notice 有效，直至另行通知
	ML2013 : 0006	Sarvisuo 1-2	EP 勘探許可證	100	41.10	28 January 2023 2023年1月28日
	ML2015 : 0026	Sarvisuo 3	EP 勘探許可證	100	46.51	*
	ML2022 : 0008	Ori	EPA 環境許可證申請	0	130.94	**
<b>Jokisivu</b>	7244	Jokisivu	MC 採礦特許	100	48.32	Valid Until Further Notice 有效，直至另行通知
	KL2015 : 0005	Jokisivu 2	MC 採礦特許	100	21.30	Valid Until Further Notice 有效，直至另行通知
	KL2018 : 0010	Jokisivu 3	MC 採礦特許	100	8.97	Valid Until Further Notice 有效，直至另行通知
	ML2012 : 0112	Jokisivu 4-5	EP 勘探許可證	100	80.33	4 October 2022 2022年10月4日
	ML2017 : 0131	Jokisivu 7-8	EP 勘探許可證	100	10.22	*
	ML2018 : 0082	Jokisivu 10	EPA 環境許可證申請	0	461.37	**
<b>Kaapelinkulma</b>	K7094	Kaapelinkulma	MC 採礦特許	100	65.10	Valid Until Further Notice 有效，直至另行通知
<b>Palssa</b>	VA2021 : 0066	Palssa	RES 保留	100	5,147.79	31 October 2023 2023年10月31日
<b>Uunimäki</b>	ML2020 : 0020	Uunimäki 1	EPA 環境許可證申請	0	89.22	**
<b>Vammala</b>	1895	Stormi	MC 採礦特許	100	157.53	Valid Until Further Notice 有效，直至另行通知
	KL2021 : 0001	Stormi 2	MCA 採礦特許申請	0	3.08	**

## Notes:

\* – Areas subject to renewal application.

\*\* – Areas subject to full application.

## 附註：

\* 有待重續申請的地區。

\*\* 有待全面申請的地區。



龍資源有限公司  
DRAGON MINING  
LIMITED

**DRAGON MINING LIMITED**  
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