

10 April 2024

**GOLDSTONE RESOURCES LIMITED**  
**(“GoldStone” or the “Company”)**

**Interim Results for the six months ended 30 June 2023**

GoldStone Resources Limited (AIM: GRL), the AIM quoted gold exploration and development company focused on bringing the Homase Mine within its Akrokeri-Homase Gold Project (“**AKHM**”) in Ghana into production, announces its unaudited interim results for the six-month period ended 30 June 2023 (the “**Period**”).

**CHIEF EXECUTIVE OFFICER’S STATEMENT**

In H1 2023, the Board was mindful of the need to expand the Company’s Homase Mine which produced and sold 5,155 troy ounces of gold in 2022 (against a target of 7,000 oz) realising an average price of US\$1,727 per oz and revenues of US\$8.9m. Therefore, it quickly became apparent that significant optimisation work was required in order to enhance recoveries due to agglomeration issues.

To undertake this, further investment was required and a convertible loan note was entered into on 27 January 2023 with Blue Gold International Limited (“**BGL**”) in the nominal amount of £2,400,000 (the “**Loan Notes**”) which is due for redemption on 30 November 2024. At the election of BGL, the Loan Notes (together with accrued interest to date) may be converted (in whole or in part) at any time prior to redemption into new ordinary shares of 1 penny each in the capital of the Company (“**Ordinary Shares**”) at a conversion price of £0.0325 per share. BGL has also received warrants to subscribe for up to 60,000,000 Ordinary Shares at a price of £0.04 per share exercisable at any time until 26 January 2025.

The proceeds from the Loan Notes contributed towards the purchase of plant and equipment, including a radial stacker, to assist in reducing the operating costs of the operation, increase production, and improve the recovery rate of the heap leach operation, which during 2022 yielded 65% of the contained gold delivered to the heap.

The team immediately commenced detailed test work and cost analysis to further understand the leach kinetics in order to optimise the recovery of the remaining contained gold in the heap. This work informed the reconfiguration of the agglomeration and crushing circuit to handle the excess clay encountered and the greater than expected amount of silt originating from the oxide orebody's fragile phyllitic content. A modified screening system has been designed and built to control the feed sizing, which has allowed for the oversize >80mm to be removed from the circuit thus allowing for more consistency within the agglomeration drum.

This work programme improved recoveries from the heap leach operation, however our ability to regain some lost ground from our initial production target has been further frustrated by a very extreme and prolonged rainy season, which significantly curtailed stacking from June to October 2023. Production for the year to 31 December 2023 was 95,497 tonnes of ore, agglomerated and stacked, averaging 1g/t Au with 1,275.25 oz of gold bullion sold at an average price USD1,969.82/oz. This was a disappointing result for us, however, the practical and learned experiences should ensure that our production trajectory improves going forward.

As shareholders will be aware, the current available mineable resource from the first pit within the Homase Mine was estimated by management to be 304,000 tonnes @ 1.7g/t of oxide ore. From the second pit, it is estimated by management that there is 640,000 tonnes @ 1.1g/t of oxide ore, which was derived from the update regarding the mineable resource announced on 12 November 2020. The mineable resource is within the confines of the 602,000oz JORC (2012) resource previously announced.

**Exploration**

The Akrokeri Licence is a primary exploration focus of our geological team, and they are working tirelessly

with the aim of adding a significant deposit to GoldStone. The exploration centred on the former Akrokeri Underground Mine and along strike from it. During the period and post period end, our operational team continue with the reassessment of the former mine workings and artisanal mine workings, building the database with historical exploration work and consolidating historical geological reports that reference not just the Akrokeri Mine but also other historical exploration targets in the vicinity of the Akrokeri Mine.

The main ore body at Akrokeri is a lenticular quartz-carbonate vein, in places with parallels, within a substantial mineralized structural corridor, trending north and dipping to the west at about 70°. It lies on the eastern contact of a massive granitoid within Birimian-age meta-sedimentary units, predominantly phyllites that dip steeply north-west. The contained gold mineralisation occurs as coarse visible gold and is also associated with pyrite, arsenopyrite, and galena in the vein-quartz and in altered wallrocks.

In August 2022, we commenced a Diamond Drilling programme at Akrokeri to advance high-priority gold targets towards production. Akrokeri benefits from both the right geological setting, being approximately 12km NNE and along strike from the Obuasi Mine, owned by AngloGold Ashanti Ltd, and its potential is supported by verified accounts of historical production, reported to be some 75,000 ounces of gold from approximately 104,000 tons (94,347 tonnes) of ore, equating to an average recovered grade equivalent to approximately 24g/t. A total of 20 diamond drillholes were drilled, totaling 1,979.5 metres, 14 probing the southern extension of the South Shaft of the former Akrokeri Mine and the remaining six holes around the North Shaft, which sits half a kilometre north of the South Shaft.

The assays completed and announced on 5 April 2023 showed there is a significant mineralised lode hosting gold at 4.1m @ 11.01 g/t, including 1m @ 41.04 g/t in hole 22AKDD002. This gold-bearing zone has been defined over a distance of approximately 360 metres southwards from the South Shaft, at which point it appeared that there may be a significant fault that displaces the zone westwards. The results from this exploration programme provided an explanation as to why the southern extension had not been identified at the surface in the past and has provided a basis to continue exploring this part of the historical mine area.

In addition, an area, approximately 2km south of the South Shaft, hosts sulphide-rich sheared metasediments which were identified from the interpretation of the drilling results and assays, this underpins the probability that this southern area has considerable potential and merits further systematic exploration. These results give strong grounds for continued exploration and further core drilling at Akrokeri.

The Company continues to review all current and historical data derived from the exploration program at Akrokeri, and from continued exploration along the Homase Trend, including targeted soil geochemistry from soil and auger sampling.

Results from exploration at the Homase trend confirmed anomalies that demonstrate a new mineralised zone to the west of the main Homase orebody and also shows further extension along strike to the north and south of the known Homase Trend.

## **Corporate and Financial Review**

Losses from operations for the six months to 30 June 2023 were US\$3.1 million (H1 2022: loss of US\$0.3 million).

The financial statements at the end of the Period show the Group's balance sheet, with net assets standing at US\$8.6 million (H1 2022: US\$16.0 million).

Cash and cash equivalents as at 30 June 2023 were US\$0.3 million (as at 30 June 2022: US\$0.9 million).

On 3 January 2024, the Company announced a standstill agreement with AIMSL in respect of its Gold Loan agreement (the “**Standstill Agreement**”). This Standstill Agreement, which was necessary due to the inability to complete a negotiation on an extension within the appropriate timeframe, provided the Company with the potential to defer repayment of the gold loan until 29 June 2024.

As announced on 10 April 2024, the Company has conditionally raised £1.82 million before expenses by way of the Subscription of, in aggregate, 182,000,000 new Ordinary Shares at a price of 1 penny per Subscription

Share together with one warrant per Subscription Share to subscribe for a further new Ordinary Share at an exercise price of 2 pence during the period of 24 months from the date of Admission (the “**Warrants**”) (the “**Subscription**”).

The net proceeds of the Subscription will be used to partially settle the Company's overdue creditor balances in line with payment plans agreed with the Company's major creditors, to progress the Company's strategy of developing and improving production at its Homase Mine in Ghana and for general working capital purposes.

As also announced on 10 April 2024, the Company has entered into an agreement (the "**Amendment Agreement**") with AIMS L in respect of the Gold Loan Agreement to extend the Standstill Period under terms of the Standstill Agreement dated 29 December 2023, to 31 December 2025. Pursuant to the Amendment Agreement, AIMS L has also agreed to accept settlement of the interest accrued under the Gold Loan Agreement to 31 December 2023 by the issue to AIMS L of 101,803,680 new Ordinary Shares (the "**Conversion Shares**"). Following and subject to issue of the Conversion Shares, the outstanding balance in respect of the Gold Loan and accrued interest will be reduced to the principal of 1,871.43 troy ounces and will accrue interest at 14% from 1 January 2024.

## **Outlook**

It is with cautious optimism that I look forward to 2024. 2023 was a difficult period of hard-won lessons, but these lessons will be valuable as we go into H2 2024.

I would like to take this opportunity to thank our shareholders for their patience and continued support, and I look forward to reporting on our progress moving forward.

**Emma Priestley**  
*Chief Executive Officer*

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## **Consolidated statement of financial position as at 30 June 2023**

**30 June**

30 June 31 December

<i>in united states dollars</i>	notes	2023	2022	2022
		<b>unaudited</b>	unaudited	audited
<b>Assets</b>				
property, plant and equipment	6	19,466,506	21,794,616	19,967,587
<b>total non-current assets</b>		<b>19,466,506</b>	<b>21,794,616</b>	<b>19,967,587</b>
inventory		167,246	909,192	114,376
trade and other receivables		774,968	273,655	870,468
cash and cash equivalents		265,092	927,702	113,312
<b>total current assets</b>		<b>1,207,306</b>	<b>2,110,549</b>	<b>1,098,156</b>
<b>total assets</b>		<b>20,673,812</b>	<b>23,905,165</b>	<b>21,065,743</b>
<b>Equity</b>				
share capital – ordinary shares		6,865,393	6,559,310	6,836,778
share capital – deferred shares		6,077,013	6,077,013	6,077,013
share premium		35,218,946	33,887,579	35,143,117
foreign exchange reserve		(6,488,757)	(1,158,177)	(5,930,054)
capital contribution reserve		555,110	555,110	555,110
share options reserve		-	3,535,197	-
accumulated deficit		(33,608,471)	(33,406,173)	(29,897,222)
<b>total equity</b>		<b>8,619,234</b>	<b>16,049,859</b>	<b>12,784,742</b>
<b>Liabilities</b>				
provision for rehabilitation		821,622	901,284	821,622
<b>non-current liabilities</b>		<b>821,622</b>	<b>901,284</b>	<b>821,622</b>
trade and other payables		3,882,359	2,140,112	3,647,352
borrowings	7	7,350,597	4,813,910	3,812,027
<b>current liabilities</b>		<b>11,232,956</b>	<b>6,954,022</b>	<b>7,459,379</b>
<b>total liabilities</b>		<b>12,054,578</b>	<b>7,855,306</b>	<b>8,281,001</b>
<b>total equity and liabilities</b>		<b>20,673,812</b>	<b>23,905,165</b>	<b>21,065,743</b>

**Consolidated statement of comprehensive income  
for the 6 months ended 30 June 2023**

<i>in united states dollars</i>	notes	6 months ended 30 June 2023 unaudited	6 months ended 30 June 2022 unaudited	year ended 31 December 2022 audited
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**continuing operations**

revenue		245,425	5,250,298	8,902,549
cost of sales		(1,521,157)	(3,157,003)	(5,746,204)
<b>gross profit</b>		<b>(1,275,732)</b>	<b>2,093,295</b>	<b>3,156,345</b>

expenses		(1,829,101)	(2,380,665)	(3,319,225)
<b>operating loss</b>		<b>(3,104,833)</b>	<b>(287,370)</b>	<b>(162,880)</b>

finance expense		(606,416)	(360,797)	(511,533)
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<b>loss before and after tax from continuing operations</b>	5	<b>(3,711,249)</b>	<b>(648,167)</b>	<b>(674,413)</b>
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*Items that may be reclassified subsequently to profit and loss:*

foreign exchange translation movement		(558,703)	174,219	(4,597,658)
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<b>total comprehensive loss for the period</b>		<b>(4,269,952)</b>	<b>(473,948)</b>	<b>(5,272,071)</b>
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**loss per share from operations**

basic and diluted earnings per share attributable to the equity holders of the company during the period (expressed in cent per share)	4	(0.010)	(0.002)	(0.001)
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**Consolidated statement of changes in equity  
for the 6 months ended 30 June 2023**

<i>in united states dollars</i>	share capital ordinary shares	share capital deferred shares	share premium	foreign exchange reserve	capital contribution reserve	share options reserve	accumulated deficit	total equity
<b>balance as at 1 January 2022</b>	<b>6,383,213</b>	<b>6,077,013</b>	<b>33,535,384</b>	<b>(1,332,396)</b>	<b>555,110</b>	<b>3,535,197</b>	<b>(32,758,006)</b>	<b>15,995,515</b>
total loss for the period	-	-	-	-	-	-	(648,167)	(648,167)
translation movement	-	-	-	174,219	-	-	-	174,219
share warrants exercised in period	176,097	-	352,195	-	-	-	-	528,292
<b>balance as at 30 June 2022</b>	<b>6,559,310</b>	<b>6,077,013</b>	<b>33,887,579</b>	<b>(1,158,177)</b>	<b>555,110</b>	<b>3,535,197</b>	<b>(33,406,173)</b>	<b>16,049,859</b>
total loss for the period	-	-	-	-	-	-	(26,246)	(26,246)
translation movement	-	-	-	(4,771,877)	-	-	-	(4,771,877)
share warrants exercised in period	75,788	-	145,680	-	-	-	-	221,468
share issue in period	201,680	-	1,109,858	-	-	-	-	1,311,538
transfer	-	-	-	-	-	(3,535,197)	3,535,197	-
<b>balance as at 31 December 2022</b>	<b>6,836,778</b>	<b>6,077,013</b>	<b>35,143,117</b>	<b>(5,930,054)</b>	<b>555,110</b>	<b>-</b>	<b>(29,897,222)</b>	<b>12,784,742</b>
total loss for the period	-	-	-	-	-	-	(3,711,249)	(3,711,249)
translation movement	-	-	-	(558,703)	-	-	-	(558,703)
share issue in period	28,615	-	75,829	-	-	-	-	104,444
<b>balance as at 30 June 2023</b>	<b>6,865,393</b>	<b>6,077,013</b>	<b>35,218,946</b>	<b>(6,488,757)</b>	<b>555,110</b>	<b>-</b>	<b>(33,608,471)</b>	<b>8,619,234</b>

**Consolidated statement of cash flow  
for the 6 months ended 30 June 2023**

<i>in united states dollars</i>	<b>6 months ended 30 June 2023 unaudited</b>	6 months ended 30 June 2022 unaudited	year ended 31 December 2022 audited
<b>cash flow from operating activities</b>			
operating loss for the period/year	(3,711,249)	(648,167)	(674,413)
adjusted for:			
- finance costs	606,417	360,795	511,533
- depreciation	100,137	131,785	272,404
- gold loan settlement	-	-	(1,191,427)
- director and senior management fees	104,444	-	245,839
- foreign exchange differences	(558,703)	-	812,410
- changes in working capital	1,291,919	864,615	645,290
<b>net cash generated (used in)/by operating activities</b>	<b>(2,167,035)</b>	<b>709,030</b>	<b>621,636</b>
<b>cash flow from investing activities</b>			
acquisition of property, plant and equipment	(623,313)	(646,144)	(1,593,787)
<b>net cash used in investing activities</b>	<b>(623,313)</b>	<b>(646,144)</b>	<b>(1,593,787)</b>
<b>cash flow from financing activities</b>			
proceeds from loan notes	2,942,128	-	-
proceeds from share issue	-	528,292	748,939
<b>net cash received from financing activities</b>	<b>2,942,128</b>	<b>528,292</b>	<b>748,939</b>
net decrease in cash and cash equivalents	151,780	591,178	(223,212)
cash and cash equivalents at beginning of the period/year	113,312	336,524	336,524
cash and cash equivalents at end of the period/year	265,092	927,702	113,312

**Notes to the unaudited consolidated financial statement**

**1. General information**

The financial statements present the consolidated results of the Company and its subsidiaries (the “**Group**”) for each of the periods ending 30 June 2023, 30 June 2022 and 31 December 2022.

As permitted, the Group has chosen not to adopt International Accounting Standard 34 ‘Interim Financial Reporting’ in preparing these interim financial statements. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2022, which have been prepared in accordance with UK-adopted International Accounting Standards.

The unaudited interim financial information set out above does not constitute statutory accounts. The information has been prepared on a going concern basis in accordance with the recognition and measurement criteria of UK adopted International Accounting Standards. Except as described below, the accounting policies applied in preparing the interim financial information are consistent with those that have been adopted in the Group's 2022 audited financial statements. Statutory financial statements for the year ended 31 December 2022 were approved by the Board of Directors on 10 April 2024 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was qualified, as set out in the auditors report therein. The Directors approved these unaudited condensed interim financial statements on 10 April 2024.

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year commencing 1 January 2023 that would be expected to have a material impact on the Group.

The financial information for the 6 months ended 30 June 2023 and the 6 months ended 30 June 2022 have not been audited.

The business is not subject to seasonal variations. No dividends have been paid in the period (2022: US\$ Nil).

## 2. Risks and uncertainties

The key risks that could affect the Group's short and medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Group's 2022 Annual Report and Financial Statements, a copy of which is available on the Company's website: [www.goldstoneresources.com](http://www.goldstoneresources.com). The Group's key financial risks are the availability of adequate funding and foreign exchange movements.

## 3. Critical accounting estimates and judgements

The preparation of the unaudited condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 2(d) of the Group's 2022 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period. The unaudited condensed consolidated interim financial statements have been prepared under the historical cost convention as modified by the measurement of certain investments at fair value.

## 4. Earnings per share

	<b>6 months ended</b>	6 months ended	year ended
	<b>30 June</b>	30 June	31 December
<i>in united states dollars</i>	<b>2023</b>	2022	2022
	<b>unaudited</b>	unaudited	audited
loss attributable to shareholders (in USD)	(3,711,249)	(648,167)	(674,413)
weighted average number of ordinary shares	368,618,154	360,234,874	367,663,379
basic and diluted earnings per share (in USD)	(0.010)	(0.002)	(0.002)

## 5. Operating segments

The Group has two reportable segments, exploration and corporate, which are the Group's strategic divisions. For each of the strategic divisions, the Group's CEO, deemed to be the Chief Operating Decision Maker ("CODM"), reviews internal management reports on at least a monthly basis. The results are then

subsequently shared with the Board. The Group's reportable segments are:

Exploration, Evaluation and production: the exploration operating segment is presented as an aggregation of the Homase and Akrokeri licences (Ghana). Expenditure on exploration activities for each licence is used to measure agreed upon expenditure targets for each licence to ensure the licence clauses are met.

Corporate: the corporate segment includes the holding company costs in respect of managing the Group. There are varying levels of integration between the corporate segment and the combined exploration activities, which include resources spent and accounted for as corporate expenses that relate to furthering the exploration activities of individual licences.

*information about reportable segments for the year ended 31 December 2022*

<i>in united states dollars</i>	<b>exploration</b>	<b>corporate</b>	<b>total</b>
<b>reportable segment revenue</b>	<b>8,902,549</b>	<b>-</b>	<b>8,902,549</b>
<b>reportable segment cost of sales</b>	<b>(5,746,204)</b>	<b>-</b>	<b>(5,746,204)</b>
<b>reportable segment expenditure</b>	<b>(2,169,216)</b>	<b>(1,661,542)</b>	<b>(3,830,758)</b>
<b>reportable segment loss</b>	<b>987,129</b>	<b>(1,661,542)</b>	<b>(674,413)</b>
<b>reportable segment non-current assets</b>	<b>19,967,587</b>	<b>-</b>	<b>19,967,587</b>
<b>reportable segment assets</b>	<b>1,080,570</b>	<b>17,587</b>	<b>1,098,157</b>
<b>reportable segment liabilities</b>	<b>(4,196,956)</b>	<b>(4,084,045)</b>	<b>(8,281,001)</b>

*information about reportable segments for the period ended 30 June 2022*

<i>in united states dollars</i>	<b>exploration</b>	<b>corporate</b>	<b>total</b>
<b>reportable segment revenue</b>	<b>5,250,298</b>	<b>-</b>	<b>5,250,298</b>
<b>reportable segment cost of sales</b>	<b>(3,157,003)</b>	<b>-</b>	<b>(3,157,003)</b>
<b>reportable segment expenditure</b>	<b>(2,012,075)</b>	<b>(368,590)</b>	<b>(2,380,665)</b>
<b>reportable segment profit/(loss)</b>	<b>81,223</b>	<b>(729,390)</b>	<b>(648,167)</b>
<b>reportable segment non-current assets</b>	<b>21,794,616</b>	<b>-</b>	<b>21,794,616</b>
<b>reportable segment assets</b>	<b>1,862,857</b>	<b>247,692</b>	<b>2,110,549</b>
<b>reportable segment liabilities</b>	<b>(2,698,423)</b>	<b>(5,156,883)</b>	<b>(7,855,306)</b>

information about reportable segments for the period ended 30 June 2023

<i>in united states dollars</i>	<b>exploration</b>	<b>corporate</b>	<b>total</b>
<b>reportable segment revenue</b>	<b>245,425</b>	<b>-</b>	<b>245,425</b>
<b>reportable segment cost of sales</b>	<b>(1,521,157)</b>	<b>-</b>	<b>(1,521,157)</b>
<b>reportable segment expenditure</b>	<b>(1,026,325)</b>	<b>(1,409,192)</b>	<b>(2,435,517)</b>
<b>reportable segment loss</b>	<b>(2,302,057)</b>	<b>(1,409,192)</b>	<b>(3,711,249)</b>
<b>reportable segment non-current assets</b>	<b>19,466,506</b>	<b>-</b>	<b>19,466,506</b>
<b>reportable segment assets</b>	<b>983,706</b>	<b>223,600</b>	<b>1,207,306</b>
<b>reportable segment liabilities</b>	<b>(4,385,246)</b>	<b>(7,669,332)</b>	<b>(12,054,578)</b>

## 6. Property, plant and equipment

<i>in united states dollars</i>	<b>gold samples</b>	<b>plant and equipment and motor vehicles</b>	<b>assets under construction</b>	<b>producing mines</b>	<b>total</b>
<b>Cost</b>					
<b>1 January 2022</b>	<b>4,570</b>	<b>1,215,185</b>	<b>20,408,816</b>	<b>-</b>	<b>21,628,571</b>
transfer to producing mine	-	-	(20,408,816)	20,408,816	-
additions	-	322,050	-	1,271,737	1,593,787
exchange movement	-	(123,797)	-	(2,510,256)	(2,634,053)
<b>31 December 2022</b>	<b>4,570</b>	<b>1,413,438</b>	<b>-</b>	<b>19,170,297</b>	<b>20,588,305</b>
additions	-	518,942	-	104,371	623,313
exchange movement	-	(184,721)	-	(839,536)	(1,024,257)
<b>31 June 2023</b>	<b>4,570</b>	<b>1,747,659</b>	<b>-</b>	<b>18,435,132</b>	<b>20,187,361</b>

<i>in united states dollars</i>	<b>gold samples</b>	<b>plant and equipment and motor vehicles</b>	<b>assets under construction</b>	<b>producing mine</b>	<b>Total</b>
<b>Depreciation</b>					
<b>1 January 2022</b>	<b>-</b>	<b>348,314</b>	<b>-</b>	<b>-</b>	<b>348,314</b>
charge for the year	-	129,804	-	142,600	272,404
<b>31 December 2022</b>	<b>-</b>	<b>478,118</b>	<b>-</b>	<b>142,600</b>	<b>620,718</b>

charge for the period	-	100,137	-	100,137
<b>31 June 2023</b>	-	<b>578,255</b>	-	<b>142,600</b>

### Net Book Value

<b>31 December 2022</b>	<b>4,570</b>	<b>935,320</b>	-	<b>19,027,697</b>	<b>19,967,587</b>
<b>31 June 2023</b>	<b>4,570</b>	<b>1,169,404</b>	-	<b>18,292,532</b>	<b>19,466,506</b>

## 7. Borrowings

	<b>6 months ended</b>	6 months ended	year ended
<i>in united states dollars</i>	<b>30 June</b>	30 June	31 December
	<b>2023</b>	2022	2022
	<b>unaudited</b>	unaudited	audited
shareholder loan	-	765,012	-
gold loan	3,128,766	2,868,001	2,906,262
derivative	1,279,703	880,897	905,765
bonds	-	300,000	-
loan notes	2,942,128	-	-
<b>current borrowings</b>	<b>7,350,597</b>	<b>4,813,910</b>	<b>3,812,027</b>
<b>total borrowings</b>	<b>7,350,597</b>	<b>4,813,910</b>	<b>3,812,027</b>

### Shareholder loan

The Company entered into a loan agreement with Paracale Gold Limited (“Paracale”), the Company’s major shareholder, in December 2018, for a loan of up to US\$1.2 million.

In consideration of entering into the loan agreement, Paracale, were issued with 40,352,377 warrants to subscribe for such number of 1p ordinary shares at an exercise price of 1.2p per share, at any time during the period through to 2 June 2022.

During FY22, the outstanding balance on the Paracale loan of \$765,012 was converted into 9,802,821 new Ordinary Shares (the “Conversion Shares”) at a price of 6.55p per Ordinary Share. Following the Loan Conversion, there are no outstanding loans or warrants held by Paracale.

### Gold Loan

The Company entered into a loan agreement with AIMSL in June 2020, for a gold loan of up to 2,000 troy ounces of gold at a price of US\$1,500 per troy ounce, equating to a value of US\$3.0 million before expenses.

Since entering into the gold loan, AIMSL have continued to be supportive to the Company, with several extensions and addendums having been agreed.

From gold production, gold loan repayments were made via the delivery of 675 troy ounces to AIMSL, and as at 30 December 2023, the outstanding principal was 1,871.31 ounces with accrued interest of 578.43 ounces.

On 3 January 2024, the Company announced a Standstill Agreement with AIMSL which provided the Company with the potential to defer repayment of the gold loan until 29 June 2024, which has subsequently been extended to 31 December 2025 as announced on 10 April 2024.

The outstanding principal of the Gold Loan stands at 1,871.31oz, with accrued interest to date of 578.43oz, as at 30 December 2023. AIMSL agreed to convert and settle the interest accrued to 31 December 2023 by the issue of ordinary Shares of £0.01 each in the capital of the Company (the “**Conversion Shares**”), which will be in addition to the fundraise.

A total of 675 oz (21 kilos) of gold has been paid to AIMSL in respect of the Gold Loan, to the date of signing this report.

## **Bonds**

In March 2020 the Company issued twenty-six unsecured bond notes of US\$50,000 each to certain existing and new investors, raising, in aggregate, US\$1.3 million before expenses. Paracale Gold and Nguvu Holdings Limited (formerly BCM Investments Limited) the Company’s major shareholders, each subscribed for six bonds with a value of, in aggregate, US\$0.3 million respectively. During 31 December 2022, the remaining six bond notes held by Nguvu Holdings Limited were redeemed in shares. When entering into the Bonds, a total of 52,000,000 warrants were issued to subscribe for such number of Ordinary Shares at the Exercise Price, at any time during the period through to 22 June 2022. During 31 December 2022, the remaining 20,000,000 warrants were redeemed and 6,000,000 expired.

As at 31 December 2022 there is nil value in the Bonds.

## **8. Post Period End**

During the first six months of 2023, the Company undertook a review of its Homase production plan and forecast, during which there was no stacking on the heap, due to the plant and heap leach operation being upgraded and improved and new equipment was procured and bought. After the reconciliation of the mine and production from 2022, the Company commenced mining and stacking in July 2023.

On 3 January 2024, the Company announced a Standstill Agreement with AIMSL in respect of its gold loan agreement. This standstill agreement, which was necessary due to the inability to complete a negotiation on an extension within the appropriate timeframe, provided the Company with the potential to defer repayment of the gold loan until 29 June 2024, which was subsequently been extended until 31 December 2025 as announced on 10 April 2024. In conjunction with the extension of the Standstill Agreement, the Company announced, on 10 April 2024, that it had conditionally raised £1.82 million before expenses by way of a Subscription of, in aggregate, 182,000,000 new ordinary shares of 1 penny par value each in the capital of the Company at a price of 1 penny per share together with one warrant per Subscription Share to subscribe for a further new Ordinary Share at an exercise price of 2 pence during the period of 24 months from the date of Admission. AIMSL have also agreed to convert and settle the interest accrued to 31 December 2023 by the issue of the Conversion Shares.

Of the, in aggregate, 182,000,000 Subscription Shares, corresponding 182,000,000 Warrants, and approximately 101,803,680 for the Conversion Shares, is conditional, *inter alia*, on the Company obtaining the requisite shareholder approvals in respect of the issue of such shares from its Shareholders at a forthcoming general meeting to be convened shortly (the "General Meeting").

The net proceeds of the Subscription will be used to partially settle the Company's overdue creditor balances in line with payment plans agreed with the Company's major creditors, to progress the Company's strategy of developing and improving production at its Homase Mine in Ghana and for general working capital purposes.

It was announced that Mr William (Bill) Trew stood down as Non-Executive Director to the Company on the 1 April 2024.

**9. Availability of interim report**

The interim report is available on the Company's website [www.goldstoneresources.com](http://www.goldstoneresources.com).