TIETTO MINERALS

HALF-YEAR FINANCIAL REPORT

FOR THE PERIOD ENDED

30 JUNE 2023

CONTENTS

CORPORATE DIRECTORY

Board of Directors

Francis Harper	Non-Executive Chairman
Matthew Wilcox	Managing Director and Chief Executive Officer
Hanjing Xu	Non-Executive Director
Paul Kitto	Non-Executive Director
Shaddrack Sowah Adjetey	Non-Executive Director

Company Secretary
Matthew Foy

Registered Office
Unit 22, 123B Collin Street
West Perth WA 6005

Telephone: +61 8 6331 6182
Website: www.tietto.com

Stock Exchange Listing
Listed on the Australian Securities Exchange (ASX Code: TIE)

Auditors
BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

Solicitors
Allion Partners Pty Limited
Level 9, 863 Hay Street
Perth WA 6000

Share Registry
Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000

REVIEW OF OPERATIONS

Tietto Minerals Ltd (ASX:TIE) reports on its activities for the half-year ended 30 June 2023.

Abujar Gold Mine, Côte d'Ivoire

Tietto became West Africa's newest gold producer during the period with first gold poured at its Abujar Gold Mine, Côte d'Ivoire, on 14 January 2023. Tietto declared commercial production at Abujar in early July 2023, less than 18 months after commencing construction activities on the Abujar process plant, after exceeding the annualised milling rate estimated in the Company's Abujar Definitive Feasibility Study in June 2023.

Safety

Tietto recorded no significant incidents or injuries for the period and has now surpassed four million hours LTI free at Abujar.

Production

Tietto produced ~25,000 ounces of gold at Abujar during 1H CY2023. Tietto produced 9,520 oz gold in the partial March quarter and 15,592 oz in the full June quarter.

During the March quarter, Tietto mined ore from Abujar's oxide layer, which had previously been subject to artisanal mining. Initial mining rates were also impacted by delays in deliveries of mobile mining equipment, which prevented planned pre-stripping, and wet in-pit conditions. However, mining rates substantially increased during the quarter from less than 1 million bank cubic metre (BCM) per month in February to more than 1.6 million BCM per month in March 2023. By the end of the June quarter, Tietto had rates of mining, crushing, and milling improved to consistently more than 10,000 tonnes per day in March 2023. Mining improved by 49% quarter-on-quarter from a total of 6.28 million tonnes mined in the March quarter to 9.36 million tonnes mined in the June quarter. Ore tonnes increased by 40% from 659Kt in Q1 to 922kt in Q2.

The Abujar mill processed a total of 724kt ore at a mill head grade of 0.55 g/t Au and a recovery of 95% during the March quarter. Mill throughput continued to increase with improved mining operations and volumes and in June, mill throughput exceeded the DFS rate of 4.0 million tonnes per year and reached peak rates of more than 100,000 tonnes per week and Tietto milled more than 315,000 tonnes in June but damage to conveyor belts in the last week of the month reduced monthly mill operating time to 76%. In July, mill throughput reached an annualised rate of more than 4.4Mtpam well ahead of the DFS rate of 4.0Mtpa. Tietto is confident the mill will consistently exceed nameplate capacity in H2 2023.

Metric	Unit	Q1 Total	Q2 Total	Increase (decrease)
Total Mined Volume	BCM	3,117,378	4,160,840	33%
Total Mined Tonnes	Tonnes	6,282,211	9,359,412	49%
Mined Waste Tonnes	Tonnes	5,622,662	8,436,582	50%
Mined Ore Tonnes	Tonnes	659,549	922,830	40%
Milled Tonnes	Tonnes	578,546	860,020	49%
Gold Recovered	Ounces	9,603	17,136	78%
Gold Produced	Ounces	9,043	15,563	72%

REVIEW OF OPERATIONS (CONTINUED)

Gold grades have improved since mining commenced and this continued in Q2 2023 as mining deepened the pits. Grade control drilling in the June quarter demonstrated strong reconciliation (±10%) to the resource block models. Tietto completed a grade control drilling campaign during July, which has provided more accurately to predict grade and production in the second half of 2023.

Resource expansion

In April, Tietto announced an updated Mineral Resource Estimate (“MRE”) for Abujar of 124Mt @ 1 g/t Au for 3.83 Moz, increasing overall ounces by 11%. Mineral resources at the SG deposit demonstrated the largest increase, up 333% in terms of gold ounces to 5.5Mt @ 0.8 g/t Au for 0.14 Moz, while there was additional gold resources included from the APG Extensional area which now total 21.1Mt @ 0.5 g/t Au for 0.34 Moz. The AG mineral resource dropped slightly by 0.5% oz Au to 56.9Mt @ 1.3 g/t Au for 2.43 Moz and the APG mineral resource dropped by 3% to 40.4Mt @ 0.7 g/t Au for 0.93 Moz.

Table 1: Updated Abujar Gold Project Mineral Resource as at 1 March 2023

Resource Area	Indicated Resource			Measured Resource			Measured & Indicated Resource			Inferred Resource			Total Resource		
	Mt	Grade (Au g/t)	Au Oz	Mt	Grade (Au g/t)	Au Oz	Mt	Grade (Au g/t)	Au Oz	Mt	Grade (Au g/t)	Au Oz	Mt	Grade (Au g/t)	Au Moz
AG	29.0	1.3	1.2	12.3	1.2	0.5	41.3	1.3	1.7	15.6	1.5	0.7	57	1.3	2.42
APG	9.5	0.8	0.2	-	-	-	9.5	0.8	0.2	30.8	0.7	0.7	40	0.7	0.93
SG	-	-	-	-	-	-	-	-	-	5.5	0.8	0.1	5	0.8	0.14
APG-ex	-	-	-	-	-	-	-	-	-	21.2	0.5	0.3	21	0.5	0.34
Total	**39**	**1.2**	**1.45**	**12.3**	**1.2**	**0.49**	**50.9**	**1.2**	**1.94**	**73**	**0.8**	**1.90**	**124.0**	**1.0**	**3.83**

Tietto’s exploration programs continue to deliver both increased confidence and rapid growth of gold Mineral Resources at Abujar.

Tietto’s drilling teams completed 679 holes for 120,832.35m across a range of deposits and prospects at Abujar since the previous MRE update in April 2022. Tietto drilled 227 holes for 47,597m at AG; 75 holes at AG South (Sections 0-13) and 152 holes at AG Core (Sections 14-30). Inferred drill programs designed for resource growth were undertaken at AGM, SG, and APG Extensional (PGL west and ZKP). Target testing drill programs designed to define more targets for resource growth were undertaken at Koflankro, 22, AG East, APG East, ZKP West AG NW, and Potoco deposits.

Measured Resources were based on drill sample spacings of 20m to 25m by 20m to 25m using geospatial analysis with 25m being approximately 40% of the effective sill. Infill drilling on 20m to 25m by 20m to 25m pierce points (down-dip) has confirmed the continuity of both the grade and geology in-line with the expectation of the style of mineralisation, particularly given the high gold nugget observed in all phases of drilling. Of significance, the infill drilling supported the interpretation of grades and geological structures over several hundred metres in the target areas.

REVIEW OF OPERATIONS (CONTINUED)

Gold mineralisation at Abujar remains open along strike and at depth and further drilling is required to test the limits. Large portions of the Abujar main shear bounded by gold mineralisation remain to be drilled; Tietto plans systematic drill testing of this.

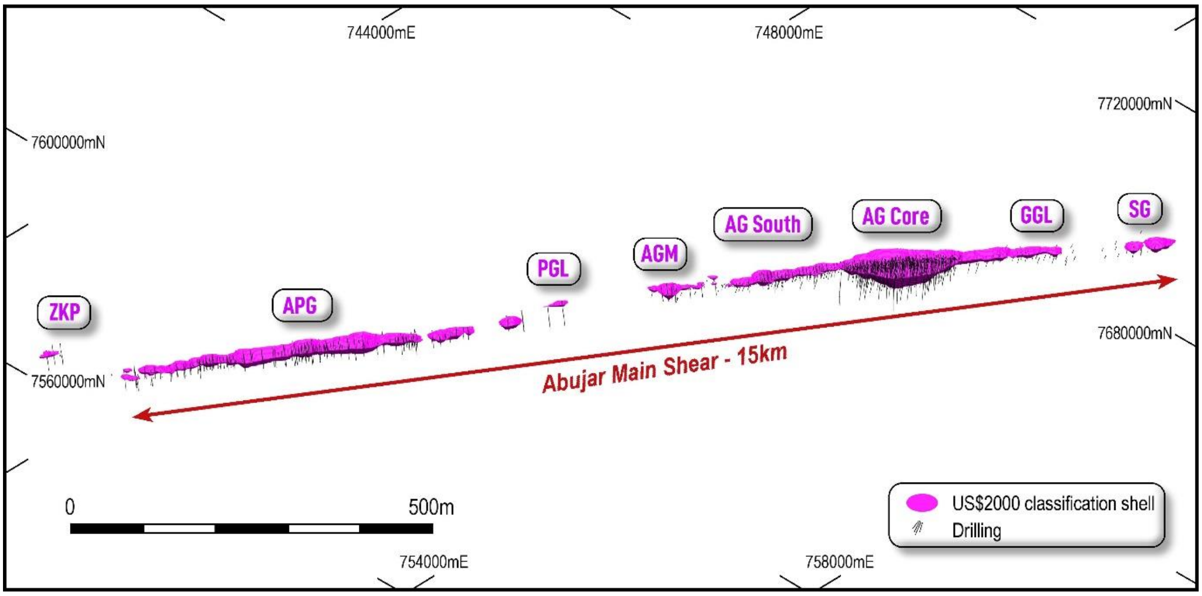

Figure 1: Abujar oblique long section showing updated Resource Model classification shell and drilling

APG deposit development

In CY2022, Tietto identified an opportunity to grow its production profile with a second standalone mine at the Abujar-Pischon-Golikro (APG) deposit and completed a Scoping Study, which found a heap leach gold processing operation at APG could deliver an additional 85,000oz gold per year for 10 years. Tietto commenced further metallurgical studies and engineering design activities to progress its feasibility evaluation of this opportunity.

During the 1H CY2023, Tietto approved a second round of metallurgical test work for APG Heap Leach Project, which will use samples from existing core for test work that will focus on the agglomeration and percolation properties.

Permitting

Tietto’s local entity (SML) and Cote d’Ivoire Government ratified a Mining Convention for Abujar on 26 May 2023, which was issued in accordance with the 2015 Cote d’Ivoire Mining Code. The Convention is valid for the current 10-year mine life and can be renewed for additional five-year periods, with details in line with Abujar DFS assumptions.

REVIEW OF OPERATIONS (CONTINUED)

CORPORATE

Board & Management changes

In March, Tietto appointed Chief Operating Officer (COO) Matthew Wilcox as Executive Director following the resignation of Mr Mark Strizek. Mr Wilcox was then appointed as Managing Director and Chief Executive Officer (CEO) following a decision by Tietto's founder Dr Caigen Wang to retire from the Tietto Board.

In July, Tietto announced that Clinton Bennett will commence as Tietto's Chief Operating Officer in October 2023 after serving with Endeavour Mining since 2017. He has vast international operational and development experience at mines in Burkina Faso, Mali, Cote D'voire, Saudi Arabia, Indonesia and Australia, and most recently was General Manager of Endeavour's 300koz+ Ity Gold Mine. He also held the position of Vice-President of Metallurgy during his tenure at Endeavour.

Working Capital Facility

Tietto executed a term sheet with Coris Bank on 14 March 2023 for a working capital facility of ~US$25M (XOF:15,400,000,000).

In addition, the Company has by agreement extended the maturity of the existing unsecured US$8 million loan facility for a further three months to 30 September 2023. In consideration for the maturity date extension the Company agreed to issue the lenders 4,000,000 unlisted options exercisable at $0.70 expiring 31 December 2026.

Cash position

Tietto had cash and bullion of $26.7 million at 30 June 2023.

REVIEW OF OPERATIONS (CONTINUED)

Appendix A – Schedule of Tenements as at 30 June 2023

Tenement ID	Status	Interest

Côte d'Ivoire

Mining		
Abujar Middle[3] – Mining	Granted	88%
Exploration		
Abujar North[1] (Zahibo License)	Granted	15%
Abujar Middle[2] (Zoukougbeu License)	Granted	90%
Abujar South (Issia License)	Granted	100%
Bongouanou North	Granted	50%
Bongouanou South	Granted	50%
Two Boundiali tenements	In application	

1. Tietto has the right to acquire up to a 80% interest in the Abujar North Exploration License.
2. Tietto has 90% share capital of Tiebaya Gold which holds 100% interest of the Abujar Middle Exploration License
3. Tietto has 88% interest in the newly granted mining licence according to its JV agreement with local partners.

Liberia

Dube South	Granted	100%
Cestos Project	Granted	100%
Compound 4 Gold Project	Granted	100%
Fish Town Lithium Project	Granted	100%

TIETTO MINERALS

REVIEW OF OPERATIONS (CONTINUED)

Abujar Gold Project, Côte d'Ivoire

The Abujar Gold Project is located approximately 30km from the major regional city of Daloa in central western Côte D'Ivoire. It is close to good regional and local infrastructure to facilitate exploration and development being only 15km from nearest tarred road and grid power.

The Abujar Gold Project is comprised of three contiguous exploration tenements, Middle, South and North tenement, with a total land area of 1,114km^2, of which less than 10% has been explored. It features an NNE-orientated gold corridor over 70km striking across three tenements.

In December 2020, a gold exploitation (mining) licence within the Abujar Middle exploration tenement was granted. The mining tenement covers an area of 120.36km^2.

Tietto is well placed to grow its resource inventory. It has substantially advanced the project since starting exploration in mid-2015 with the identification of 3.83 million ounces Measured, Indicated, and Inferred JORC 2012 Mineral Resources. Tietto recently completed construction of the Abujar Gold Plant and poured first gold on 14 January 2023.

Abujar Mineral Resources

Results of the Independent Mineral Resources estimate for the Project are tabulated in the Statement of Mineral Resources below, which are reported in line with the requirements of the 2012 JORC Code; as such the Statement of Mineral Resources is suitable for public reporting. The Statement of Mineral Resources shown in **Table *2***Within AG, the Mineral Resource is reported at a cut of grade of 0.25 g/t Au within a pit shell that used a gold price of 2,000 USD per troy ounce, and 1.1 g/t Au below the pit shell. The cut off grades were based on estimated mining and processing costs and recovery factors. It is highlighted that while a 2,000 USD per ounce pit shell was utilised the cut-off grades were estimated based on the gold price of 1,800 USD per troy ounce which is 1.25 times the consensus forecast as of February 2022.

Within APG, the Mineral Resource is reported at a cut of grade of 0.30 g/t Au within a pit shell that used a gold price of 2,000 USD per troy ounce, and 1.1 g/t Au below the pit shell. The cut off grades were based on estimated mining and processing costs and recovery factors and are detailed in JORC Table 1. It is highlighted that while a 2,000 USD per ounces pit shell was utilised the cut-off grades were estimated based on the gold price of 1,800 USD per troy ounce which is 1.25 times the consensus forecast as of February 2021.

South Gamina Resource is reported to a depth of 120m and not reported at depths below 120m.

Table 2: Statement of Mineral Resources by Deposit by Deposit as at 31st March 2023 Reported at 0.25 g/t Au cut off within pit shells; and 1.1 g/t Au cut off below the pit shells for AG; and 0.3 g/t Au cut off within pit shells, and 1.1 g/t Au cut off below the pit shells).

Resource Area	Indicated Resource			Measured Resource			Measured & Indicated Resource			Inferred Resource			Total Resource		
	Mt	Grade (Au g/t)	Au Oz	Mt	Grade (Au g/t)	Au Oz	Mt	Grade (Au g/t)	Au Oz	Mt	Grade (Au g/t)	Au Oz	Mt	Grade (Au g/t)	Au M Oz
AG	29.0	1.3	1.2	12.3	1.2	0.5	41.3	-	1.7	15.6	1.5	0.7	57	1.3	2.42
APG	9.5	0.8	0.2	-	-	-	9.5	-	0.2	30.8	0.7	0.7	40	0.7	0.93
SG	-	-	-	-	-	-	-	-	-	5.5	0.8	0.1	5	0.8	0.14
APG-ex	-	-	-	-	-	-	-	-	-	21.2	0.5	0.3	21	0.5	0.34
Total	**39**	**1.2**	**1.45**	**12.3**	**1.2**	**0.49**	**50.9**	**1.2**	**1.94**	**73**	**0.8**	**1.90**	**124.0**	**1.0**	**3.83**

REVIEW OF OPERATIONS (CONTINUED)

Note: The Mineral Resources have been compiled under the supervision of Mr. Jeremy Clark who is a sub-consultant to RPM Global and a Registered Member of the Australian Institute of Mining and Metallurgy. Mr. Clark has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code.

1. *All Mineral Resources figures reported in the table above represent estimates at 1 March 2023. 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 totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.*
2. *Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).*
3. *The Mineral Resources have been reported at a 100% equity stake and not factored for ownership proportions.*

REVIEW OF OPERATIONS (CONTINUED)

The total resource at AG and APG is reported at varying cut-off grades as provided in **Table 3** below. However, RPM Global recommends that the Mineral Resource be reported using the criteria shown in ***Table 2***. It is highlighted that **Table 3** is not a Statement of Mineral Resources and does not include the use of pit shells to report the quantities, but rather the application of various cut off grades. As such, variations with ***Table 2*** will occur and a direct comparison is not able to be completed.

Table 3: Abujar Mineral Resources at varying cut off grades

	AG Measured			AG Indicated			AG Inferred			APG Indicated			APG Inferred			Total		
COG	**Tonnes (Mt)**	**Au (g/t)**	**Au (Moz)**	**Tonnes (Mt)**	**Au (g/t)**	**Au (Moz)**	**Tonnes (Mt)**	**Au (g/t)**	**Au (Moz)**	**Tonnes (Mt)**	**Au (g/t)**	**Au (Moz)**	**Tonnes (Mt)**	**Au (g/t)**	**Au (Moz)**	**Tonnes (Mt)**	**Au (g/t)**	**Au (Moz)**
0.1	13.8	1.1	0.5	43.6	1.0	1.4	54.1	0.8	1.4	16.3	0.6	0.3	100.2	0.5	1.6	228.1	0.7	5.2
0.2	13.0	1.2	0.5	41.2	1.0	1.4	51.9	0.8	1.4	15.9	0.6	0.3	94.6	0.5	1.6	216.7	0.7	5.2
0.3	11.5	1.3	0.5	35.2	1.2	1.3	45.4	0.9	1.3	13.1	0.7	0.3	76.7	0.6	1.5	182.0	0.8	4.9
0.4	9.7	1.5	0.5	28.4	1.4	1.2	35.6	1.1	1.2	10.1	0.8	0.3	53.4	0.7	1.2	137.1	1.0	4.4
0.5	8.0	1.7	0.4	23.1	1.6	1.2	27.1	1.2	1.1	7.5	1.0	0.2	35.2	0.8	0.9	100.9	1.2	3.9
0.6	6.7	1.9	0.4	19.2	1.8	1.1	21.2	1.4	1.0	5.7	1.1	0.2	21.9	1.0	0.7	74.8	1.4	3.4
0.7	5.8	2.1	0.4	16.2	2.0	1.0	17.2	1.6	0.9	4.3	1.3	0.2	15.1	1.1	0.6	58.6	1.6	3.1
0.8	5.0	2.3	0.4	14.0	2.2	1.0	14.6	1.8	0.8	3.4	1.4	0.2	11.1	1.3	0.5	48.1	1.8	2.8
0.9	4.3	2.6	0.4	12.2	2.4	0.9	12.6	1.9	0.8	2.8	1.5	0.1	8.2	1.5	0.4	40.1	2.0	2.6
1	3.9	2.7	0.3	10.9	2.6	0.9	11.2	2.0	0.7	2.2	1.7	0.1	6.3	1.6	0.3	34.5	2.2	2.4
1.1	3.4	3.0	0.3	9.8	2.7	0.9	10.0	2.2	0.7	1.8	1.8	0.1	4.9	1.8	0.3	30.0	2.4	2.3
1.2	3.1	3.2	0.3	9.0	2.9	0.8	9.0	2.3	0.7	1.4	1.9	0.1	4.1	1.9	0.2	26.6	2.5	2.1
1.3	2.8	3.4	0.3	8.2	3.0	0.8	8.1	2.4	0.6	1.2	2.1	0.1	3.4	2.0	0.2	23.7	2.7	2.0
1.4	2.5	3.6	0.3	7.6	3.2	0.8	7.0	2.6	0.6	0.9	2.3	0.1	2.9	2.1	0.2	20.9	2.8	1.9
1.5	2.3	3.8	0.3	7.0	3.3	0.7	6.0	2.7	0.5	0.8	2.5	0.1	2.1	2.4	0.2	18.2	3.0	1.8
1.6	2.2	3.9	0.3	6.5	3.5	0.7	5.3	2.9	0.5	0.6	2.7	0.1	1.8	2.5	0.1	16.4	3.2	1.7
1.7	2.0	4.1	0.3	6.1	3.6	0.7	4.7	3.0	0.5	0.6	2.8	0.0	1.6	2.6	0.1	14.9	3.4	1.6
1.8	1.9	4.3	0.3	5.6	3.7	0.7	4.1	3.2	0.4	0.5	3.0	0.0	1.4	2.8	0.1	13.5	3.5	1.5
1.9	1.7	4.5	0.3	5.3	3.9	0.7	3.7	3.4	0.4	0.4	3.1	0.0	1.3	2.8	0.1	12.4	3.7	1.5
2	1.6	4.7	0.2	4.9	4.0	0.6	3.4	3.5	0.4	0.4	3.2	0.0	1.2	2.9	0.1	11.5	3.8	1.4
2.5	1.2	5.5	0.2	3.5	4.7	0.5	2.0	4.4	0.3	0.2	4.4	0.0	0.7	3.4	0.1	7.6	4.6	1.1
3	0.9	6.3	0.2	2.6	5.4	0.5	1.4	5.1	0.2	0.1	5.2	0.0	0.4	3.8	0.1	5.5	5.3	0.9

REVIEW OF OPERATIONS (CONTINUED)

Competent Persons' Statements

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Dr Paul Kitto, a Competent Person who is a Member or The Australasian Institute of Geoscientists. Dr Kitto is a non-executive director of the Company. Dr Kitto has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaking 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". Dr Kitto consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears. Additionally, Dr Kitto confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.

The information in this presentation that relates to Mineral Resources was prepared by RPM Global and released on the ASX platform on 11 April 2022. The Company confirms that it is not aware of any new information or data that materially affects the Minerals Resources in this publication. The Company confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the RPM Global's findings are presented have not been materially modified.

The information in this report that relates to Mineral Resources is based on information evaluated by Mr Jeremy Clark who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Clark is an associate of RPM and he consents to the inclusion of the estimates in the report of the Mineral Resource in the form and context in which they appear.

DIRECTORS' REPORT (CONTINUED)

DIRECTORS

The names of the Directors of the Company who have held office during and since the end of the financial period and until the date of this report are noted below. Directors were in office during and since the end of the financial period unless otherwise noted.

Francis Harper	Non-Executive Chairman
Matthew Wilcox	Managing Director and Chief Executive Officer (appointed 30 May 2023)
	Executive Director (appointed 20 March 2023)
Caigen Wang	Managing Director (resigned 30 May 2023)
Mark Strizek	Executive Director (resigned 20 March 2023)
Hanjing Xu	Non-Executive Director
Paul Kitto	Non-Executive Director
Shaddrack Sowah Adjetey	Non-Executive Director

COMPANY SECRETARY

Matthew Foy

Mr Foy is a chartered secretary and Fellow of Governance Institute Australia (GIA). Mr Foy is a professional company secretary and director with over 15 years' experience facilitating public company compliance with core strengths in the ASX Listing Rules, transactional and governance disciplines.

PRINCIPAL ACTIVITIES

The principal activities of the group are gold exploration, mine operations and sale of gold in West Africa, specifically Cote d'Ivoire and Liberia. During the half year ended 30 June 2023, the Group completed commissioning of processing plant at Abujar Gold Mine in Cote d'Ivoire.

REVIEW OF OPERATIONS

A review of the Group's projects and activities during the period is discussed in the Review of Operations included in this report.

The profit/ (loss) of the Group after income tax for the half year ended 30 June 2023 was $6,093,304 (half-year ended 31 December 2022: ($17,630,160)).

DIVIDENDS

No dividends were paid or declared since the start of the financial period. No recommendation for the payment of dividends has been made.

EVENTS SUBSEQUENT TO REPORTING DATE

In July, Tietto announced that Clinton Bennett will commence as Tietto's Chief Operating Officer in October 2023 after serving with Endeavour Mining since 2017. He has vast international operational and development experience at mines in Burkina Faso, Mali, Cote D'voire, Saudi Arabia, Indonesia and Australia, and most recently was General Manager of Endeavour's 300koz+ Ity Gold Mine. He also held the position of Vice-President of Metallurgy during his tenure at Endeavour.

There has not been any other matter or circumstance occurring subsequent to the period that has significantly affected, or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

DIRECTORS' REPORT (CONTINUED)

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, BDO Audit (WA) Pty Ltd, to provide the Directors of the Company with an Independence declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 37.

The Directors' Report is signed in accordance with a resolution of directors made pursuant to section 298(2) of the Corporations Act 2001.

On behalf of the Directors

Matt Wilcox

Matthew Wilcox
Director
Dated at Perth this 12th day of September 2023

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Australia

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF TIETTO MINERALS LIMITED

As lead auditor for the review of Tietto Minerals Limited for the half-year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Tietto Minerals Limited and the entities it controlled during the period.

Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth, 12 September 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2023

	Notes	**For the half-year ended 30 June 2023 $**	For the half-year ended 31 December 2022 $
Revenue	4	**63,804,458**	-
Cost of sales		**(42,908,559)**	-
Gross profit		**20,895,899**	-
Exploration expenses	5	**(2,977,037)**	(7,008,208)
Salaries and wages		**(3,163,828)**	(5,464,356)
Directors' remuneration		**(708,275)**	(491,300)
Depreciation of non-mine site assets		**(2,636,586)**	(1,057,148)
Professional fees		**(519,840)**	(3,017,314)
Travel, meals and accommodation		**(348,145)**	(194,877)
Share-based payment expense	15	**(298,995)**	(2,001,443)
Business registration and compliance fees		**(56,021)**	(176,969)
Supplies		**(6,996)**	(54,649)
Net foreign exchange gain/ (loss)		**(255,436)**	3,579,522
Interest income		**154,469**	349,441
Interest expense		**(1,740,452)**	(149,930)
Other expenses		**(2,245,453)**	(1,942,929)
Profit/ (loss) before income tax		**6,093,304**	(17,630,160)
Income tax expense/ (benefit)	6	**-**	-
Net profit/ (loss) for the period		**6,093,304**	(17,630,160)
Other comprehensive income/ (loss)			
Items that may be reclassified to profit or loss			
Foreign currency translation reserve	15	**2,732,294**	(3,483,145)
Other reserve	15	**(12,948)**	(7,653)
Revaluation gain of financial assets at fair value through other comprehensive income		**(14,000)**	5,000
Total other comprehensive income/ (loss)		**2,705,346**	(3,485,798)
Total comprehensive income/ (loss) for the period		**8,798,650**	(21,115,958)
Income/ (Loss) for the half-year is attributable to:			
Owners of the parent		**4,245,521**	(16,743,802)
Non-controlling interest		**1,847,783**	(886,358)
		6,093,304	(17,630,160)
Total comprehensive income/ (loss) for the half-year is attributable to:			
Owners of the parent		**6,957,408**	(20,209,435)
Non-controlling interest		**1,841,242**	(906,523)
		8,798,650	(21,115,958)
Basic and diluted earnings/ (loss) (cents per share)		**0.39**	(1.62)

The accompanying notes form part of the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Notes	30 June 2023 $	31 December 2022 $
CURRENT ASSETS			
Cash and cash equivalents	7	17,387,437	47,007,779
Trade and other receivables	8	17,245,420	3,792,056
Inventories	9	32,692,862	6,260,252
Total current assets		67,325,719	57,060,087
NON-CURRENT ASSETS			
Property, plant and equipment	10	317,037,616	247,684,459
Financial assets at fair value through other comprehensive income		125,730	24,000
Right-of-use of asset		10,000	38,932
Total non-current liabilities		317,173,346	247,747,391
TOTAL ASSETS		384,499,065	304,807,478
CURRENT LIABILITIES			
Trade and other payables	11	68,720,082	46,433,683
Borrowings	12	49,772,648	11,812,045
Employee benefit obligations		107,432	166,507
Lease liability		60,769	19,431
Total current liabilities		118,660,931	58,431,666
NON-CURRENT LIABILITIES			
Rehabilitation provision	13	8,721,336	-
Lease liability		42,299	-
Total non-current liabilities		8,763,635	-
TOTAL LIABILITIES		127,424,566	58,431,666
NET ASSETS		257,074,499	246,375,812
EQUITY			
Issued capital	14	362,961,344	362,516,344
Reserves	15	1,471,775	(2,695,148)
Accumulated losses		(107,917,740)	(112,163,261)
Total equity attributable to members of the company		256,515,379	247,657,935
Non-controlling interests		559,120	(1,282,123)
TOTAL EQUITY		257,074,499	246,375,812

The accompanying notes form part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 30 JUNE 2023

	Notes	Issued Capital $	Reserves $	Accumulated losses $	Owners of the parent $	Non-controlling interest $	Total $
At 1 January 2023		362,516,344	(2,695,148)	(112,163,261)	247,657,935	(1,282,123)	246,375,812
Net income for the period		-	-	4,245,521	4,245,521	1,847,783	6,093,304
Other comprehensive income/(loss) for the period		-	2,711,886	-	2,711,886	(6,540)	2,705,346
Total comprehensive income/(loss)		-	2,711,886	4,245,521	6,957,407	1,841,243	8,798,650
Transactions with owners in their capacity as owners:							
Exercise of options	15	445,000	(445,000)	-	-	-	-
Share based payments	15	-	1,900,037	-	1,900,037	-	1,900,037
		445,000	1,455,037	-	1,900,037	-	1,900,037
At 30 June 2023		**362,961,344**	**1,471,775**	**(107,917,740)**	**256,515,379**	**559,120**	**257,074,499**
At 1 July 2022		295,756,000	6,642,633	(101,746,900)	200,651,733	(375,600)	200,276,133
Net loss for the period		-	-	(16,743,802)	(16,743,802)	(886,358)	(17,630,160)
Other comprehensive income/(loss) for the period		-	(3,465,633)	-	(3,465,633)	(20,165)	(3,485,798)
Total comprehensive income/(loss)		-	(3,465,633)	(16,743,802)	(20,209,435)	(906,523)	(21,115,958)
Transactions with owners in their capacity as owners:							
Issue of shares (net of costs)		66,760,344	(1,651,344)	-	65,109,000	-	65,109,000
Share based payments		-	(4,220,804)	6,327,441	2,106,637	-	2,106,637
Transactions with non-controlling interests		-	-	-	-	-	-
		66,760,344	(5,872,148)	6,327,441	67,215,637	-	67,215,637
At 31 December 2022		**362,516,344**	**(2,695,148)**	**(112,163,261)**	**247,657,935**	**(1,282,123)**	**246,375,812**

The accompanying notes form part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 30 JUNE 2023

	Notes	30 June 2023 $	31 December 2022 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**55,222,637**	-
Payments to suppliers and employees		**(51,577,064)**	(24,051,159)
Payments for exploration expenses		**(2,977,037)**	(5,333,262)
Interest received		**152,832**	400,263
Net cash generated by / (used in) operating activities		**821,368**	(28,984,158)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant, plant and equipment		**(68,539,168)**	(82,800,282)
Withdraw of term deposits		**-**	39,917,458
Net cash used in investing activities		**(68,539,168)**	(42,882,824)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from loans and borrowings		**37,960,603**	11,812,045
Payment of lease liability		**(40,217)**	(26,551)
Issue of share capital (net of costs)		**-**	65,109,000
Net cash generated from financing activities		**37,920,386**	76,894,494
Net increase/ (decrease) in cash and cash equivalents		**(29,797,414)**	5,027,512
Cash and cash equivalents at beginning of the period		**47,007,779**	41,884,362
Effect of foreign exchange		**177,072**	95,905
Cash and cash equivalents at end of the period	**7**	**17,387,437**	47,007,779

The accompanying notes form part of the financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

1. GENERAL INFORMATION

The financial report covers Tietto Minerals Limited as a consolidated entity consisting of Tietto Minerals Limited and the entities it controlled during the period ("the Group"). The financial report consists of the financial statements, notes to the financial statements and the directors' declaration. Tietto Minerals Limited is a listed public company limited by shares, incorporated and domiciled in Australia. The Company was listed on the Australian Securities Exchange on 18 January 2018.

The Group's registered office and its principal place of business are as follows:

Australia:
Unit 22, 123B Collin Street
West Perth 6005

Republic of Côte d'Ivoire:
Cocody Attoban derrière le 30 ieme
arrondissement en face de l'ÀNSUT
Abidjan

The Group is principally engaged in gold production, exploration and development in West Africa, specifically in the Republic of Côte d'Ivoire and in the Republic of Liberia.

2. BASIS OF PREPARATION

This general purpose condensed financial report for the half-year ended 30 June 2023 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full understanding of the financial performance, financial positions and financing and investing activities of the Group as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report of the Group for the period ended 31 December 2022 and considered together with any public announcements made by the Group during the half-year ended 30 June 2023 in accordance with the continuous disclosure obligations of the ASX listing rules.

The financial report is presented in Australian dollars unless otherwise specified.

Basis of Consolidation

The half-year financial report is comprised of the financial statements of Tietto ("the Company") and its controlled entities (the Group).

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intercompany balances and transactions have been eliminated in full.

Consolidated entities are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. There was no change in ownership of controlled entities during the period.

Where there is loss of control of a controlled entity, the consolidated financial statements include the results for the part of the reporting period during which the Company has control.

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

Basis of Measurement

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair value of the consideration given in exchange for assets.

Going concern

These financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Group has a net profit of $6,093,304 and net cash inflows from operating activities of $821,368 for the half-year ended 30 June 2023. Cash and cash equivalents totalled $17,387,437 and net current liability was $51,335,212 as at 30 June 2023.

The ability of the Group to continue as a going concern is dependent upon continuous production at Abujar Gold Mine in Cote d'Ivoire. These conditions indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern, and therefore its ability to realise its assets and discharge its liabilities in the normal course of business.

The Directors have reviewed the Group's financial position and are of the opinion that there are sufficient funds to meet the entity's working capital requirements as at the date of this report.

The Directors believe that it is reasonably foreseeable that the consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Company completed full commissioning of its processing plant in March 2023, and achieved commercial production in July 2023; and
- The Company has a negligible amount of debt relative to the value of its operations.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

New and amended accounting standards and interpretations

The accounting policies adopted and applied by the Group are consistent with those of the previous financial year and corresponding interim period.

New and amended standards adopted by the Group in the current reporting period had no material impact with the exception of the items listed below.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

a) Sale of refined gold and silver

Revenue is recognised when control of the goods has passed to the buyer based upon agreed delivery terms.

The Company's metal sales represent sales of refined gold and silver, when control passes to the customer which is when legal title of the metal transfers to the customer. The sales price is based on prevailing market metal prices.

b) Mine Properties

Initial recognition

Upon completion of the mine construction phase, the assets are transferred into "Property, plant and equipment" or "Mine properties". Items of property, plant and equipment and producing mine are stated at cost, less accumulated depreciation and accumulated impairment losses.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the rehabilitation obligation, and, for qualifying assets (where relevant), borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

Mine properties also consist of the fair value attributable to mineral reserves and the portion of mineral resources considered to be probable of economic extraction at the time of an acquisition. When a mine construction project moves into the production phase, the capitalisation of certain mine construction costs ceases, and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalisation relating to mining asset additions, improvements or new developments, underground mine development or mineable reserve development.

Depreciation/ amortisation

Accumulated mine development costs are depreciated/amortised on a UOP basis over the economically recoverable reserves of the mine concerned, except in the case of assets whose useful life is shorter than the life of the mine, in which case, the straight-line method is applied. The unit of account for run-of-mine (ROM) costs is tonnes of ore, whereas the unit of account for post-ROM costs is recoverable ounces of gold and recoverable tonnes of silver. Rights and concessions are depleted on the UOP basis over the economically recoverable reserves of the relevant area. The UOP rate calculation for the depreciation/amortisation of mine development costs takes into account expenditures incurred to date, together with sanctioned future development expenditure. Economically recoverable reserves include proven and probable reserves.

The estimated fair value attributable to the mineral reserves and the portion of mineral resources considered to be probable of economic extraction at the time of the acquisition is amortised on a UOP basis, whereby the denominator is the proven and probable reserves. These other mineral resources may be included in depreciation calculations in limited circumstances and where there is a high degree of confidence in their economic extraction. This would be the case when the other mineral resources do not yet have the status of reserves merely because the necessary detailed evaluation work has not yet been performed and the responsible technical personnel agree that inclusion of a proportion of measured and indicated resources is appropriate based on historic reserve conversion rates.

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

b) Mine Properties (continued)

Stripping (waste removal) costs

As part of its mining operations, the Group incurs stripping (waste removal) costs both during the development phase and production phase of its operations. Stripping costs incurred in the development phase of a mine, before the production phase commences (development stripping), are capitalised as part of the cost of constructing the mine and subsequently amortised over its useful life using a UOP method. The capitalisation of development stripping costs ceases when the mine/component is commissioned and ready for use as intended by management.

Stripping activities undertaken during the production phase of a surface mine (production stripping) are accounted for as set out below. After the commencement of production, further development of the mine may require a phase of unusually high stripping that is similar in nature to development phase stripping. The cost of such stripping is accounted for in the same way as development stripping (as outlined above).

Production stripping is generally considered to create two benefits, being either the production of inventory or improved access to the ore to be mined in the future. Where the benefits are realised in the form of inventory produced in the period, the production stripping costs are accounted for as part of the cost of producing those inventories.

Where the benefits are realised in the form of improved access to ore to be mined in the future, the costs are recognised as a non-current asset, referred to as a 'stripping activity asset', if the following criteria are met:

- Future economic benefits (being improved access to the ore body) are probable
- The component of the ore body for which access will be improved can be accurately identified
- The costs associated with the improved access can be reliably measured

If any of the criteria are not met, the production stripping costs are charged to profit or loss as operating costs as they are incurred.
In identifying components of the ore body, the Group works closely with the mining operations personnel for each mining operation to analyse each of the mine plans. Generally, a component will be a subset of the total ore body, and a mine may have several components. The mine plans, and therefore the identification of components, can vary between mines for a number of reasons.

The stripping activity asset is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of ore, plus an allocation of directly attributable overhead costs. If incidental operations are occurring at the same time as the production stripping activity, but are not necessary for the production stripping activity to continue as planned, these costs are not included in the cost of the stripping activity asset.

If the costs of the inventory produced and the stripping activity asset are not separately identifiable, a relevant production measure is used to allocate the production stripping costs between the inventory produced and the stripping activity asset. This production measure is calculated for the identified component of the ore body and is used as a benchmark to identify the extent to which the additional activity of creating a future benefit has taken place. The Group uses the expected volume of waste extracted compared with the actual volume for a given volume of ore production of each component.

b) **Mine Properties (continued)**

The stripping activity asset is accounted for as an addition to, or an enhancement of, an existing asset, being the mine asset, and is presented as part of 'Mine properties' in the statement of financial position. This forms part of the total investment in the relevant cash generating unit(s), which is reviewed for impairment if events or changes of circumstances indicate that the carrying value may not be recoverable.

The stripping activity asset is subsequently depreciated using the UOP method over the life of the identified component of the ore body that became more accessible as a result of the stripping activity. Economically recoverable reserves, which comprise proven and probable reserves, are used to determine the expected useful life of the identified component of the ore body. The stripping activity asset is then carried at cost less depreciation and any impairment losses.

Impairment

The carrying value of capitalised mine properties and development expenditure is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

b) Inventories

Gold bullion, gold in circuit and ore stockpiles are physically measured or estimated and valued at the lower of cost or net realisable value. Net realisable value is the estimated future sales price of the product the entity expects to realise when the product is processed and sold, less estimated costs to complete production and bring the product to sale.

If the ore stockpile is not expected to be processed in 12 months after the reporting date, it is included in non-current assets and the net realisable value is calculated on a discounted cash flow basis.

Cost is determined by using the weighted-average method and comprises direct purchase costs and an appropriate portion of fixed and variable overhead costs, including depreciation and amortisation, incurred in converting materials into finished goods, based on the normal production capacity. The cost of production is allocated using a ratio of spot prices by volume at each month end. Separately identifiable costs of conversion of each metal are specifically allocated.

d) Rehabilitation provision

Mine rehabilitation costs will be incurred by the Group either while operating, or at the end of the operating life of, the Group's facilities and mine properties. The Group assesses its mine rehabilitation provision at each reporting date. The Group recognises a rehabilitation provision where it has a legal and constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. The nature of these restoration activities includes: dismantling and removing structures; rehabilitating mines and tailings dams; dismantling operating facilities; closing plant and waste sites; and restoring, reclaiming and revegetating affected areas.

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

d) Rehabilitation provision (continued)

The obligation generally arises when the asset is installed or the ground/environment is disturbed at the mining operation's location. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related mining assets to the extent that it was incurred as a result of the development/construction of the mine. Any rehabilitation obligations that arise through the production of inventory are recognised as part of the related inventory item. Additional disturbances that arise due to further development/construction at the mine are recognised as additions or charges to the corresponding assets and rehabilitation liability when they occur. Costs related to the restoration of site damage (subsequent to the start of commercial production) that is created on an ongoing basis during production are provided for at their net present values and recognised in profit or loss as extraction progresses.

Changes in the estimated timing of rehabilitation or changes to the estimated future costs are dealt with prospectively by recognising an adjustment to the rehabilitation liability and a corresponding adjustment to the asset to which it relates, if the initial estimate was originally recognised as part of an asset measured in accordance with IAS 16.

Any reduction in the rehabilitation liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the statement of profit or loss and other comprehensive income.

If the change in estimate results in an increase in the rehabilitation liability and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment. If, for mature mines, the estimate for the revised mine assets net of rehabilitation provisions exceeds the recoverable value, that portion of the increase is charged directly to expense.

Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in the statement of profit or loss and other comprehensive income as part of finance costs.

The Group recognises neither the deferred tax asset in respect of the temporary difference on the decommissioning liability nor the corresponding deferred tax liability in respect of the temporary difference on a decommissioning asset.

e) Financial liabilities

Convertible notes were issued by the Group which include embedded derivatives. Convertible notes are initially recognised as financial liabilities at fair value.

On initial recognition, the fair value of the convertible notes equated to the proceeds received and subsequently the convertible note is measured at fair value. The movements are recognised in profit and loss as finance costs except the movement attributed to changes in the group's own credit risk status, in which case it is recognised in other comprehensive income.

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

3. USE OF JUDGEMENTS AND ESTIMATES

The preparation of the half-year report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed half-year consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the period ended 31 December 2022, other than disclosed below:

Revenue

Judgment is required to determine when transfer of control occurs relating to the sale of the goods to customers. Management based its assessment on a number of indicators of control, which include, but are not limited to whether the Company has present right of payment, and whether the control and legal title have transferred to the customer.

Determination of Mineral Resources and Ore Reserves

Estimated economically recoverable reserves are used in determining the depreciation and/or amortisation of mine-specific assets. This results in a depreciation/amortisation charge proportional to the depletion of the anticipated remaining life-of-mine production. The life of each item, which is assessed at least annually, has regard to both its physical life limitations and present assessments of economically recoverable reserves of the mine property at which the asset is located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and estimates of future capital expenditure. The calculation of the UOP rate of depreciation/amortisation could be impacted to the extent that actual production in the future is different from current forecast production based on economically recoverable reserves, or if future capital expenditure estimates change. Changes to economically recoverable reserves could arise due to changes in the factors or assumptions used in estimating reserves, including:

- The effect on economically recoverable reserves of differences between actual commodity prices and commodity price assumptions
- Unforeseen operational issues

Depreciation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only.

Net realisable value of stockpile inventory

Inventories consisting of ore in stockpiles, metal-in process and finished metal are valued at the lower of cost and net realisable value. Cost represents the weighted average cost and includes direct costs and an appropriate portion of fixed and variable production overhead expenditure, incurred in converting materials into finished goods. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Consumables are valued at the lower of cost and net realisable value. Any allowance for obsolescence is determined by reference to stock items identified.

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

Rehabilitation provision

In determining an appropriate level of provision, consideration is given to the expected future costs to be incurred, the timing of these expected future costs (largely dependent on the life of the mine), and the estimated future level of inflation. The discount rate is a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. The ultimate cost of decommissioning and restoration is uncertain, and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other mine sites. The expected timing of expenditure can also change, for example in response to changes in reserves or to production rates. Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results.

Convertible notes carried at fair value

On initial recognition, the value of the convertible notes was calculated based on the proceeds received. At the reporting date, the fair value of the conversion options within the convertible loan has been assessed to be nil and credit risk has not changed from inception.

4. REVENUE

	Half-year ended 30 June 2023 $	Half-year ended 31 December 2022 $
Sale of gold at spot	63,758,012	-
Sale of silver at spot	46,446	-
	63,804,458	-

5. EXPLORATION EXPENSES

	Half-year ended 30 June 2023 $	Half-year ended 31 December 2022 $
Exploration expenses – Liberia	281,146	264,788
Exploration expenses - Côte d'Ivoire	2,695,891	6,743,420
	2,977,037	**7,008,208**

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

6. INCOME TAX

	For the half-year ended 30 June 2023 $	For the half-year ended 31 December 2022 $
Accounting profit/ (loss) before income tax	6,093,304	(17,630,159)
Income tax at 25%	1,523,326	(4,407,540)
Tax effect of amounts which are not deductible/ (taxable) in calculating taxable income:		
Non-deductible expenses	475,010	6,350
Non-assessable income		500,361
Adjustments recognised in the current year in relation to the current tax for previous years		(454,301)
Effect of temporary differences that would be recognised directly in equity	(88,678)	291,532
Temporary differences not recognised	(1,909,658)	4,063,598
Income tax expense	-	-

The tax rate used in the above reconciliation is the corporate tax rate of 25% payable by Australian corporate entities on taxable profits under Australian tax laws. There has been no change in this tax rate since the previous reporting period.

7. CASH AND CASH EQUIVALENTS

	30 June 2023 $	31 December 2022 $
Cash at bank and on hand	17,387,437	47,007,779
	17,387,437	**47,007,779**

8. TRADE AND OTHER RECEIVABLES

	30 June 2023 $	31 December 2022 $
Accrued income	8,581,821	-
Term deposits	1,438,291	1,314,652
Prepayments	2,352,286	2,022,814
GST paid	4,692,569	255,928
Interest receivables	19,523	19,523
Other debtors and advances	160,930	179,139
	17,245,420	**3,792,056**

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

9. INVENTORIES

	30 June 2023 $	31 December 2022 $
Spare parts and consumables	6,538,626	6,260,252
Ore stockpile	7,051,754	-
Gold in circuit	9,748,480	-
Gold bullion	9,354,002	-
	32,692,862	**6,260,252**

10. PROPERTY, PLANT AND EQUIPMENT

	30 June 2023 $	31 December 2022 $
Assets under construction	6,495,808	241,245,825
Motor vehicles	617,395	704,767
Plant and equipment	63,693,066	5,733,867
Mine properties	246,231,347	-
	317,037,616	**247,684,459**

Movement in carrying amounts of plant and equipment:

	Assets under construction $	Motor vehicles $	Plant and equipment $	Mine properties $	Total $
Balance at 1 January 2023	241,245,825	704,767	5,733,867	-	247,684,459
Transfers (i)	(286,618,413)	-	57,273,516	229,344,897	-
Additions	48,539,790	-	1,796,981	14,367,660	64,704,431
Depreciation	-	(87,372)	(3,936,263)	(3,742,678)	(7,766,313)
Exchange difference	3,328,606	-	2,824,965	6,261,468	12,415,039
Balance at 30 June 2023	6,495,808	617,395	63,693,066	246,231,347	317,037,616
Balance at 1 July 2022	129,082,866	806,395	5,380,244	-	135,269,505
Additions	111,701,157	-	1,333,998	-	113,035,155
Depreciation	-	(101,628)	(996,176)	-	(1,097,804)
Exchange difference	461,802	-	15,801	-	477,603
Balance at 31 December 2022	241,245,825	704,767	5,733,867	-	247,684,459

(i) Assets under construction attributable to Abujar gold mine were transferred to its respective property, plant and equipment as a result of completed process plant commissioning.

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

11. TRADE AND OTHER PAYABLES

	30 June 2023 $	31 December 2022 $
Trade payables	19,731,845	29,349,445
Other payables	22,598,762	17,029,338
Accrued expenses	26,389,475	54,900
	68,720,082	**46,433,683**

12. BORROWINGS

	30 June 2023 $	31 December 2022 $
Loan from Coris Bank (i)	38,047,949	-
Loan from Kongwell Management Limited (ii)	8,768,743	8,856,089
Loan from Dr. Minlu Fu (ii)	2,955,956	2,955,956
	49,772,648	**11,812,045**

i. Loan from Coris Bank

The working capital facility of $37.9 million was arranged with Coris Bank. It was fully drawn at the half-year ended 30 June 2023. The loan is repayable in twelve (12) months, with annual interest rate of 8%.

The loan includes the following guarantee:

- An independent and unconditional letter of guarantee from Tietto Minerals Pty Ltd;
- Pledge of 30% of the shares of Tietto Minerals Austar Pty Ltd held by Tietto Minerals Ltd; and
- The opening of a current account for SML at CBI Cote d'Ivoire.

ii. Loans from Kongwell and Dr. Minlu

On 26 April 2023, the Company amended the terms of the original loan agreement by extending the maturity of each loan to 30 September 2023. It has also been agreed that the Company will issue additional 4,000,000 options expiring 31 December 2026.

In addition, the Company granted the right to convert any or all of the loan amount and interest under the loan into shares.

The converted shares to be issued to the lenders (as applicable) will be issued at a price equal to the lower of;

a) The lowest VWAP of shares for each calendar month between 1 January 2023 and 30 September 2023 (inclusive); and
b) The price of any shares issued by the Company as part of any capital raise between 1 January 2023 to 30 September 2023 (inclusive).

The converted shares to be issued following receipt of a conversion notice will be issued within five (5) business days of the maturity date and will constitute full and final payment of the relevant portion of the loan amount.

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

Issue of options

a) Loan from Dr. Minlu

Tranche 1

The Group, within three (3) business days of the Effective Date, will issue one (1) million options being one option for every US$2 of the Loan amount to the lender.

Tranche 2

The Group will issue a further one (1) million options being one option for every US$2 of the loan amount to the lender.

	For the half-year ended 30 June 2023 $	For the half-year ended 31 December 2022 $
Interest charged at 8% interest per annum	115,971	11,014
Interest paid	-	-
Options granted	1,000,000	1,000,000

b. Loan from Kongwell

Tranche 1

The Group, within three (3) business days of the Effective Date, will issue three (3) million options being one option for every US$2 of the Loan amount to the lender.

Tranche 2

The Group will issue a further three (3) million options being one option for every US$2 of the loan amount to the lender.

	For the half-year ended 30 June 2023 $	For the half-year ended 31 December 2022 $
Interest charged at 8% interest per annum	347,912	33,042
Interest paid	-	-
Options granted	3,000,000	3,000,000

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

Valuation of options issued on 28 March 2023

On 28 March 2023, the Company granted 3,000,000 options to Kongwell Management Limited and 1,000,000 options to Dr. Minlu for extension of the Company's loan facility agreement. The options were valued using the Black Sholes pricing model.

The table below summarises the valuation inputs for these:

	31 December 2022 $
Number granted	4,000,000
Expected volatility (%)	70%
Risk-free interest rate (%)	2.9%
Expected life of options (years)	3.7
Share price at grant date (cents)	60.50
Fair value at grant date (cents)	29.00
Value attributed ($)	1,160,000
Value expensed at 30 June 2023	586,237

13. REHABILITATION PROVISION

	30 June 2023 $	**31 December 2022 $**
Beginning balance	-	-
Recognition	8,580,303	-
Unwinding of discount	137,771	-
Exchange differences	3,262	-
Ending balance	**8,721,336**	**-**

The Group makes full provision for the future cost of rehabilitating mine sites and related production facilities on a discounted basis.
The rehabilitation provision represents the present value of rehabilitation costs relating to mine sites, which are expected incurred up to 2033, which is when the producing mine properties are expected to cease operations. These provisions have been created based on the Group's internal estimates. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time. Furthermore, the timing of rehabilitation is likely to depend on when the mines cease to produce at economically viable rates. This, in turn, will depend upon future gold prices, which are inherently uncertain.

The discount rate used in the calculation as 30 June 2023 is 6.74%.

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

14. ISSUED CAPITAL

	30 June 2023 # of shares	31 December 2022 # of shares	30 June 2023 $	31 December 2022 $
Ordinary shares – fully paid	1,087,527,490	1,079,527,490	362,961,344	382,176,711
Less: Capital raising costs			-	(19,660,367)
			362,961,344	**362,516,344**

Movement in ordinary shares on issue

	30 June 2023		31 December 2022	
	# of shares	$	# of shares	$
Opening balance	1,079,527,490	362,516,344	959,513,204	295,756,000
Issued share capital on conversion of listed options	-	-	4,200,000	2,338,844
Issued share capital on conversion of performance rights	-	-	100,000	37,000
Issued share capital	-	-	115,714,286	64,657,143
Exercise of options (note 15)	8,000,000	445,000	-	-
Share issue cost, net of tax	-	-	-	(272,643)
At 30 June 2023	**1,087,527,490**	**362,961,344**	**1,079,527,490**	**362,516,344**

Ordinary shares carry one vote per share and participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held.

15. RESERVES

	30 June 2023 $	31 December 2022 $
Revaluation reserve for financial assets at fair value through other comprehensive income (i)	(115,000)	(101,000)
Foreign exchange reserve (ii)	1,199,062	(1,539,773)
Share-based payment reserve (iii)	7,629,915	6,174,878
Other reserve (iv)	(7,242,202)	(7,229,253)
	1,471,775	**(2,695,148)**

(i) Revaluation reserve for financial assets at fair value through other comprehensive income

The revaluation reserve comprises the cumulative net change in the fair value of financial assets at fair value through other comprehensive income (in accordance with AASB 9 Financial Instruments), until the investments are derecognised or impaired.

(ii) Foreign exchange reserve

The foreign exchange reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

15. RESERVES (continued)

(iii) Share-based payment reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

	# of unlisted options	# of performance rights	30 June 2023 $
On issue 31 December 2022	26,000,000	14,050,000	6,174,878
Exercise of options (note 14)	8,000,000	-	(445,000)
Recognition of share-based payment vesting expense for options and performance rights	-	-	1,900,037
	34,000,000	**14,050,000**	**7,629,915**

(iv) Other reserve

The other reserve relates to transactions with non-controlling interests.

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

16. SEGMENT INFORMATION

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker has been identified as the Board of Directors of Tietto Minerals Limited.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics. The Group operates as four segments which is mineral exploration within Liberia and Côte d'Ivoire, production within Côte d'Ivoire and administration within Australia. The Group is domiciled in Australia.

The following table presents the revenue and results information regarding the segment information provided to the Board of Directors.

	Production Cote D Ivoire $	Exploration Liberia $	Exploration Cote D'Ivoire $	Administration Australia $	Intersegment Eliminations $	Total $
Half-year ended 30 June 2023						
Revenue	63,804,458	-	-	-	-	63,804,458
Cost of sales	(42,908,559)	-	-	-	-	(42,908,559)
Gross profit	20,895,899	-	-	-	-	20,895,899
Depreciation	(6,999,623)	-	(682,461)	(120,549)	-	(7,802,633)
Exploration expenditure	(1,556,977)	(281,146)	(103,797)	(1,035,117)	-	(2,977,037)
Net income/ (loss)	16,147,207	(666,120)	(3,681,529)	(5,706,254)	-	6,093,304
Total assets	277,671,064	2,221	103,469,798	306,732,062	(303,376,080)	384,499,065
Total liabilities	265,638,114	7,823,808	159,936,987	18,310,438	(324,284,781)	127,424,566
Net assets	12,032,950	(7,821,587)	(56,467,189)	288,421,624	20,908,701	257,074,499
Half-year ended 31 December 2022						
Segment income	940	-	-	348,501	-	349,441
Segment expenditure	(4,257,912)	(521,159)	(4,266,782)	(8,933,748)	-	(17,979,601)
Net income/ (loss)	(4,256,972)	(521,159)	(4,266,782)	(8,585,247)	-	(17,630,160)
Depreciation	(111,300)	-	(713,475)	(232,373)	-	(1,057,148)
Exploration expenditure	-	(264,788)	(4,579,867)	(2,163,553)	-	(7,008,208)
Total assets	164,619,694	36,104	102,817,234	306,431,400	(269,096,954)	304,807,478
Total liabilities	167,722,787	7,579,095	149,481,155	19,344,645	(285,696,016)	58,431,666
Net assets	(3,103,093)	(7,542,991)	(46,663,921)	287,086,755	16,599,062	246,375,812

NOTES TO FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2023

17. COMMITMENTS

	30 June 2023 $	31 December 2022 $
Committed at reporting date but not recognised as liabilities, payable:		
Within one year	27,901,367	26,184,964
After one year but not more than five years	-	-
	27,901,367	**26,184,964**

The commitments relate to the capital expenditure for the mill, equipment to be used in the Abujar project.

18. CONTINGENT LIABILITIES

In accordance with the Partnership Agreement between the Group and Bamba & Fred Minerals Sarl ("B&F"), the Group has an obligation to pay the shareholders of B&F (other than Tietto Minerals) USD$250,000 upon each discovery of 500,000 ounces of gold to a maximum USD$1,500,000 upon the discovery of total 3,000,000 ounces of gold, as defined by the standard "indicated" category of the JORC code. USD$500,000 has been paid via issue of shares during the previous years. The remaining contingent obligation at 30 June 2023 is USD$1,000,000.

There have been no significant changes in contingent liabilities since 31 December 2022.

19. RELATED PARTIES

Transactions with related parties

During the 6-months period the Company made no cash payment to Resource Strategy Consultants (half-year ended 31 December 2022: $495,000), a company associated with the Company's Non-Executive Director, Mr Hanjing Xu, in relation to capital raising.

All related party transactions are on arm's length terms.

New contract with Matthew Wilcox

Matthew Wilcox signed a new contract for his appointment as Managing Director and Chief Executive Officer of the Company commencing 30 May 2023, with fixed remuneration of $625,000 per annum exclusive of superannuation. Termination is subject to three months' notice by either party.

There were no other transactions with related parties during the half-year ended 30 June 2023.

20. EVENTS SUBSEQUENT TO REPORTING DATE

In July, Tietto announced that Clinton Bennett will commence as Tietto's Chief Operating Officer in October 2023 after serving with Endeavour Mining since 2017. He has vast international operational and development experience at mines in Burkina Faso, Mali, Cote D'voire, Saudi Arabia, Indonesia and Australia, and most recently was General Manager of Endeavour's 300koz+ Ity Gold Mine. He also held the position of Vice-President of Metallurgy during his tenure at Endeavour.

There has not been any other matter or circumstance occurring subsequent to the end of the period that has significantly affected, or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Directors' Declaration

The directors of the Company declare that:

- The attached financial statements notes thereto comply with the Corporations Act 2001, The Australian Accounting Standards AASB 134 'Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- The attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial period ended on that date; and
- There are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Matthew Wilcox

Managing Director

Dated at Perth this 12th day of September 2023

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Tietto Minerals Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Tietto Minerals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the half-year ended on that date; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

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

Material uncertainty relating to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 30 June 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

BDO

J Prue

Jarrad Prue

Director

Perth, 12 September 2023