KGL RESOURCES

30 June 2024 \ ANNUAL REPORT

KGL RESOURCES

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Corporate Directory

Name of Company Secretary

Kylie Anderson

Address of Registered Office

KGL Resources Limited
Level 5, 167 Eagle Street
Brisbane QLD 4000
07 3071 9003

Name and Address of Share Registry

Link Market Services Limited
Tower 4, 727 Collins Street
Melbourne VIC 3008

Securities Exchange Listing

Quotation has been granted for the unrestricted ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange

Message from the Chairman

Dear Shareholders

During the financial year ended 30 June 2024, KGL Resources Limited (**KGL**) continued to advance the high-grade Jervois Project in the midst of market expectations for stronger copper demand growth with the market price reaching its highest recorded price of US$5.20 per pound this year. The Jervois Project is a high-grade polymetallic project in Australia with substantial silver and gold by-products adding to its financial attractiveness. It is an important strategic mineral project in the Northern Territory that will create a regional mineral processing hub in the eastern Arunta region and once developed, will be a catalyst for economic development and job creation in the region.

Drilling over the past 12 months has successfully increased confidence in the Jervois Project's copper resource within the planned open cut mining areas now predominantly within the Mineral Resource Measured status. The Project total resource stands at 23.37 million tonnes at 2.02% copper containing 26.0 g/t silver and 0.2g/t gold.

KGL continues to explore and target near-mine extensions along strike and at depth for Reward and Rockface in addition to near surface targets, that hold the potential to add substantial value for shareholders. The Jervois and Unca Creek deposits remain under-explored and possess significant potential for more high-grade copper, gold, and silver, as evidenced by recent successful drilling at Rockface Deeps, which yielded some of the highest grades of polymetallic mineralisation ever encountered at Jervois.

Since the completion of the feasibility study in November 2022, which affirmed the technical soundness and financial viability of the Project, KGL has been actively enhancing the key project value drivers, including productivity improvements to offset recent hyperinflation and reducing construction and operating risks. The initiatives have included increasing the proportion of open-cut mined ore, revising underground mine designs for cost efficiency, and increasing the processing capacity by 25% to enable higher production rate/cashflow in the earlier years. These activities, together with the improvement in the resource definition and confidence, are aimed at delivering a project with lower operational and financial risk.

Independent analysts continue to forecast growing copper supply deficits that are predicted to widen over the next decade due to the lack of new discoveries, falling grades at existing mines and new mine approvals continuing to be challenging and slow. These deficits are forecast as a result of a structural increase in demand driven by the Government sanctioned clean energy transition globally, electric vehicle production, electrification, and AI / data centres, in addition to strong traditional demand growth from rapid urbanisation in developing economies, particularly India and South East Asia. We have already seen an increase in copper, silver, and gold commodity prices since November 2022.

KGL is well-positioned, with all necessary approvals, to deliver its high-grade Jervois Project into a copper market at a time of a projected chronic supply shortfall bringing opportunities for jobs and economic development to the Northern Territory.

The primary focus of the KGL team will be moving the project forward into development through finalisation of mining, plant and infrastructure contracts, and an off-take agreement to manage delivery and operational risks, as well as developing funding and other requirements to allow a final investment decision (**FID**). FID within the second half of 2025 will be critical to achieving first concentrate production in 2027.

We have been collaborating with key contractors, government authorities at all levels, and the local community to maintain the critical support necessary to deliver a major infrastructure initiative. Aligning with Tier-1 service providers for the mining and plant processing will deliver confidence in the planning and execution of the project, as does having a major resource player involved for the smooth offtake of concentrate to manage inventory and working capital.

During the 2024 year we have seen key appointments and promotions to strengthen and balance the management team including the Chief Financial Officer and Exploration Manager. New additions to the team included the Site Manager role to focus on site personnel management, safety, environmental controls, and local stakeholder interactions.

Denis Wood, who has been a key driver at KGL in terms of the exploration strategy and operations of the company, retired as Executive Director and Chairperson early in 2024. During the interim period whilst filling the Chief Executive Officer role, the company was fortunate to have Kylie Anderson step into the role to maintain the company momentum.

KGL recognises that developing projects in this challenging environment requires a sound people strategy, in particular, an experienced team of professionals with a proven track record in mine development. In this regard, KGL was pleased to announce the appointment of Mr. Philip Condon as Chief Executive Officer in July 2024. Philip brings over 35 years of extensive industry experience across a wide range of commodities and countries, with a particularly deep knowledge of the copper industry. His expertise, gained from working at CSA underground copper mine at Cobar, Freeport's Grasberg underground copper mine in West Papua, and Mawarid Mining Company's copper project in Oman, will be invaluable as KGL builds a skilled team to advance the project with a feasibility study update in the final quarter of this year.

I take this opportunity to extend my gratitude to all Jervois stakeholders, particularly the Central Lands Council, the Bonya community, Lucy Creek, and Jervois Station pastoralists, as well as the Northern Territory government, for their ongoing support. I would also like to thank our employees for their contributions over the past year and look forward to making considerable progress in advancing the Jervois Project towards production.

Finally, to our valued shareholders, I extend my heartfelt thanks for your unwavering patience, confidence, and steadfast support of the company. Your trust in our vision and commitment to our shared goals have been instrumental in our journey. We appreciate your continued belief in the Jervois Project's potential as we navigate the challenges and opportunities ahead.

Jeff Gerard
Chairman

Brisbane
24 September 2024

Operations Review

KGL Resources Limited (**KGL**, the **Company**) has continued to progress development of its high-grade Jervois Project (**Jervois**, the **Project**) through the year ended 30 June 2024 with the goal of delivering the Project into a copper market at a time of chronic supply shortfall.

The Company has been actively exploring ways to enhance key Project value drivers while also identifying opportunities to improve productivity. This focus is particularly important given the challenges posed by global and domestic inflation, disruptions to global supply chains, and geopolitical tensions. These factors have significantly influenced the pricing and availability of skilled labour, energy, materials, equipment, and contractors.

The Company's goal is to ensure it can deliver a cost competitive project, on time and on budget, and progress to a final investment decision (**FID**) and first production in 2027 while, at the same time, increasing confidence in the resource, and growing the mine life and value of the underlying resource.

The key milestones achieved during the year were:

- ✔ Maiden JORC Measured Resource reported for Reward. The updated Reward resource, combined with the Bellbird resource, gives JORC Measured Resource within two planned open pits at the Project: 67% Measured; 32% Indicated; 1% Inferred.
- ✔ Drilling during the past 12 months has increased confidence in the Jervois mineral resource to 23.37 million tonnes at 2.02% copper, 26.0 g/t silver and 0.26 g/t gold for 472.2 kt of copper, 19.5 Moz of silver and 192.8 koz of gold.
- ✔ KGL continues to target near mine extensions in proximity to the existing deposits of Reward and Rockface which have the potential to add considerable value for shareholders.
- ✔ The Company's understanding of the geological structures and potential prospectivity at Jervois continues to improve with some of the highest grades of polymetallic mineralisation ever encountered at Jervois confirmed from recent drilling at Rockface Deeps.
- ✔ Progress has been made on an update of the open cut and underground mine design on the back of an updated mineral resource estimate. A feasibility study update, together with updated reserve, is underway.
- ✔ Technology selection and design of the processing plant (sulphide and oxide) is complete with an increase in the nominal annual processing capacity from 1.6 million tonnes per annum to 2.0 million tonnes per annum.
- ✔ KGL was pleased to announce the appointment of Mr. Philip Condon to the position of Chief Executive Officer, effective 29 July 2024. Philip has extensive experience in the industry spanning more than 35 years across a wide range of commodities and countries with a particularly deep knowledge of the copper industry and all aspects of project development.

FEASIBILITY STUDY AND UPDATE

In November 2022, the Company completed its feasibility study on the Jervois Project. The study revealed an increase in the mine life from 7.5 years to 11.75 years, a 25% increase in copper metal produced, compared to the December 2020 prefeasibility study, and a 25% increase in ore reserves.

The study was based on expected production of 24.7 kt of copper metal in concentrate with gold and silver payable credits annually, with a pre-production capital cost of A$298 million. The study assumed a long-term copper price of US$4.23/lb and, assuming this price, the Project was expected to have a net present value (8% real, after-tax) of A$241 million, an internal rate of return of 20.7%, and a simple payback of 4.2 years. The Project was also shown to be well-positioned to benefit from an expected long-term copper shortage, a consequence of meeting global decarbonisation goals.

KGL has taken the opportunity to progress optimisation studies to improve key Project value drivers and identify opportunities for productivity improvements since the release of the feasibility study in November 2022, which coincided with the peak rate of inflation on a quarterly basis in Australia. These improved value drivers are aimed to support the goal to commence operations in 2027, a time of a forecast long-term chronic copper shortfall.

A feasibility study update is scheduled for release in the final quarter of 2024. This will include an updated open cut and underground mine design, and schedules and costing reflecting the increase in mineral resource estimate. Process plant, civil works and ancillary infrastructure costings will be updated where applicable. Once an updated feasibility study is completed, KGL intends to complete an independent technical review with the aim to reach FID, progress financing for the Project, to commence operations in 2027.

COPPER MARKET

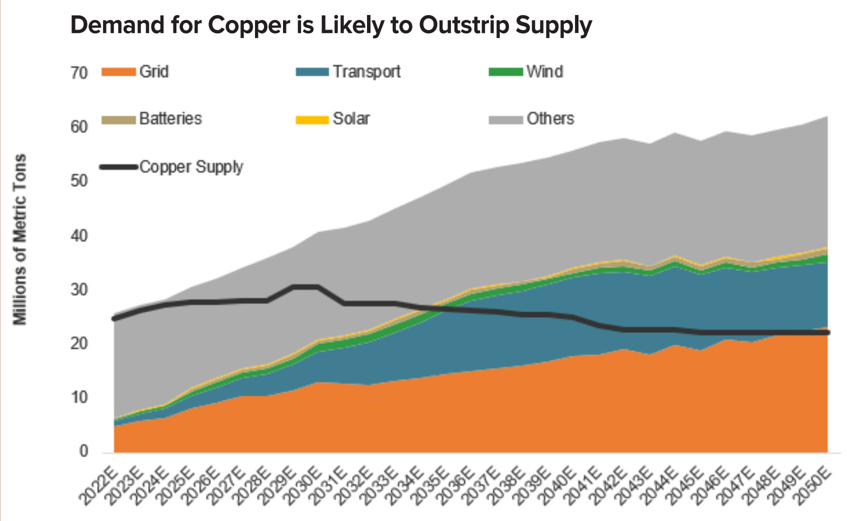
Whilst a softer short-term demand view for the copper market is expected to result in a marginal surplus for the remainder of 2024 and in 2025, the medium to long-term outlook for copper remains strong with forecast supply deficits likely to grow.

In addition to traditional demand growth from developing economies, accelerating demand from the clean energy transition is likely to support the long-term outlook for copper demand. Most nations have committed to net-zero emissions targets. Carbon dioxide emissions need to fall by about 45% from 2010 levels by 2030 to reach net zero by 2050, requiring significant investment in renewables, grid upgrades and electric vehicles (**EVs**). With EVs at least three times as copper intensive as internal combustion engine vehicles, analysts expect the transport sector to make up over 20% of global copper demand by 2040, compared to only 11% today.

New technologies will also drive demand. Major technology companies are expected to invest $1 trillion in data centres over the next five years. Artificial intelligence data centre racks could require seven times more power than traditional data centre racks. Demand growth in this sector, currently about 1% of global copper demand, could grow six-fold by 2050.[1]

The expected accelerating copper demand is forecast to lead to copper shortages later in the decade at a time when new mines are becoming ever harder to build.

1 https://sprottetfs.com/media/6112/setm-investor-presentation.pdf



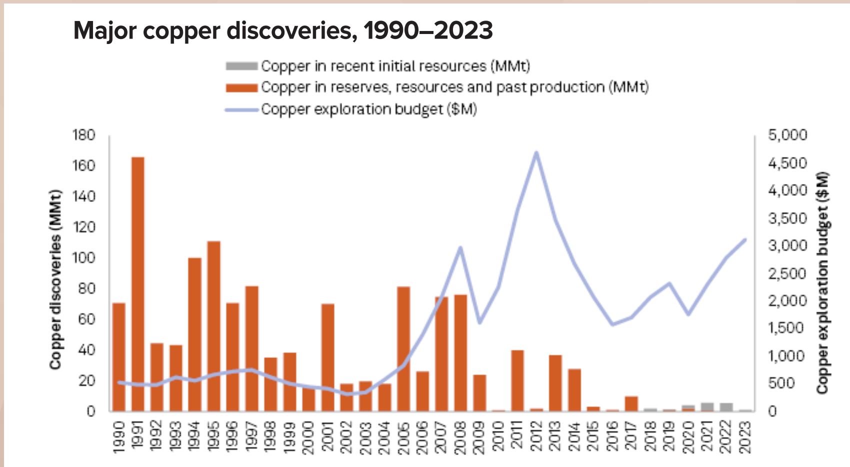
Source: BloombergNEF Transition Metals Outlook 2023. The black line represents supply and the shaded areas represent demand. Demand is based on a net-zero scenario, i.e., global net-zero emissions by 2050 to meet the goals of the Paris Agreement.

Figure 1 Sprott: Copper – A central role in electricity transmission and EVs. (31 March 2024)

While recycled scrap will be an important source of supply to meet growing demand, primary mine supply is struggling to keep up and continues to face large-scale challenges. Industry analysts estimate that the world will require about 10 Mtpa of copper supply over the next 10 years, including mine life extensions and replacement for depletions. This translates to around a quarter of a trillion dollars investment in the sector for the same period.

Lower grades and increased depth and complexity of deposits present significant below-ground challenges for primary supply while growing regulatory, environmental and sustainability commitments add to the cost of developing a mine, and this inflationary trend may prove stubbornly persistent.

S&P Global has noted the disconnect between major copper discoveries and exploration budgets per the adjacent chart.



As at 11 June 2024.
MMt - million metric tons; $/t=dollars per metric ton. Source: S&P Global Market Intelligence. ©2024 S7P Global.

Reserves and Resources Table

RESOURCE			MINERALISED MASS	GRADE			METAL		
	Area	Category	(Mt)	Copper (%)	Silver (g/t)	Gold (g/t)	Copper (kt)	Silver (Moz)	Gold (koz)
Open Cut Potential > 0.5 % Cu*	Reward	Measured	2.63	1.91	46.20	0.43	50.30	3.91	36.0
		Indicated	0.92	1.61	43.20	0.26	14.81	1.28	7.7
		Inferred	0.68	0.94	10.70	0.07	6.41	0.23	1.4
	Bellbird	Measured	1.23	2.53	15.1	0.14	31.18	0.6	5.6
		Indicated	1.26	1.45	9.1	0.17	18.23	0.37	6.8
		Inferred	1.02	1.24	10.6	0.12	12.67	0.35	4.0
	Sub Total		**7.74**	**1.72**	**27.1**	**0.25**	**133.6**	**6.7**	**61.5**
Underground Potential > 1 % Cu*	Reward	Indicated	5.3	2.0	40.8	0.4	107.3	6.9	70.8
		Inferred	3.7	1.5	18.6	0.2	56.1	2.2	23.9
	Bellbird	Indicated	0.33	2.33	19.8	0.14	7.78	0.21	1.5
		Inferred	2.84	2.09	12.3	0.11	59.15	1.12	9.7
	Rockface	Indicated	2.80	3.37	21.4	0.23	94.31	1.93	21.1
		Inferred	0.73	1.92	19	0.18	13.97	0.45	4.2
	Sub Total		**15.62**	**2.17**	**25.5**	**0.26**	**338.6**	**12.8**	**131.3**
TOTAL			**23.37**	**2.02**	**26.0**	**0.26**	**472.2**	**19.5**	**192.8**

Refer to ASX release for resource update on 23 May 2024.
* Cut-off grades: 0.5% Cu within approximately 150m of the surface; above 1% CU below 150m.

RESERVES		Ore (Mt)	Cu grade (%)	Cu (kt)	Au (g/t)	Au (koz)	Ag (g/t)	Ag (Moz)
Reward Open-Cut	Probable Reserve	2.34	1.73	40.6	0.3	25.7	38.5	2.9
Bellbird Open-Cut	Proven Reserve	1.40	2.07	29.1	0.1	5.2	12.3	0.6
	Probable Reserve	0.44	1.12	5.0	0.1	0.9	5.9	0.1
Rockface Underground	Probable Reserve	2.32	3.26	75.3	0.2	17.0	21.3	1.6
Reward Underground	Probable Reserve	1.82	2.30	41.9	0.6	37.6	30.2	1.8
Marshall Underground	Probable Reserve	2.98	1.57	46.7	0.2	21.6	43.2	4.0
Bellbird Underground	Probable Reserve	0.43	1.77	7.7	0.1	1.2	14.2	0.2
Proven Reserve		1.40	2.07	29.10	0.12	5.20	12.30	0.60
Probable Reserve		10.33	2.10	217.20	0.31	104.00	32.10	10.60
RESERVES TOTAL		**11.73**	**2.10**	**246.30**	**0.29**	**109.20**	**29.8**	**11.20**

Quantities and grades in the above table may not add exactly due to rounding or weighting. The ore reserves reported are contained within the mineral resources.

COMPETENT PERSON'S STATEMENT

The Jervois resources information was first released to the market on 23 May 2024 and complies with JORC 2012. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original market announcement.

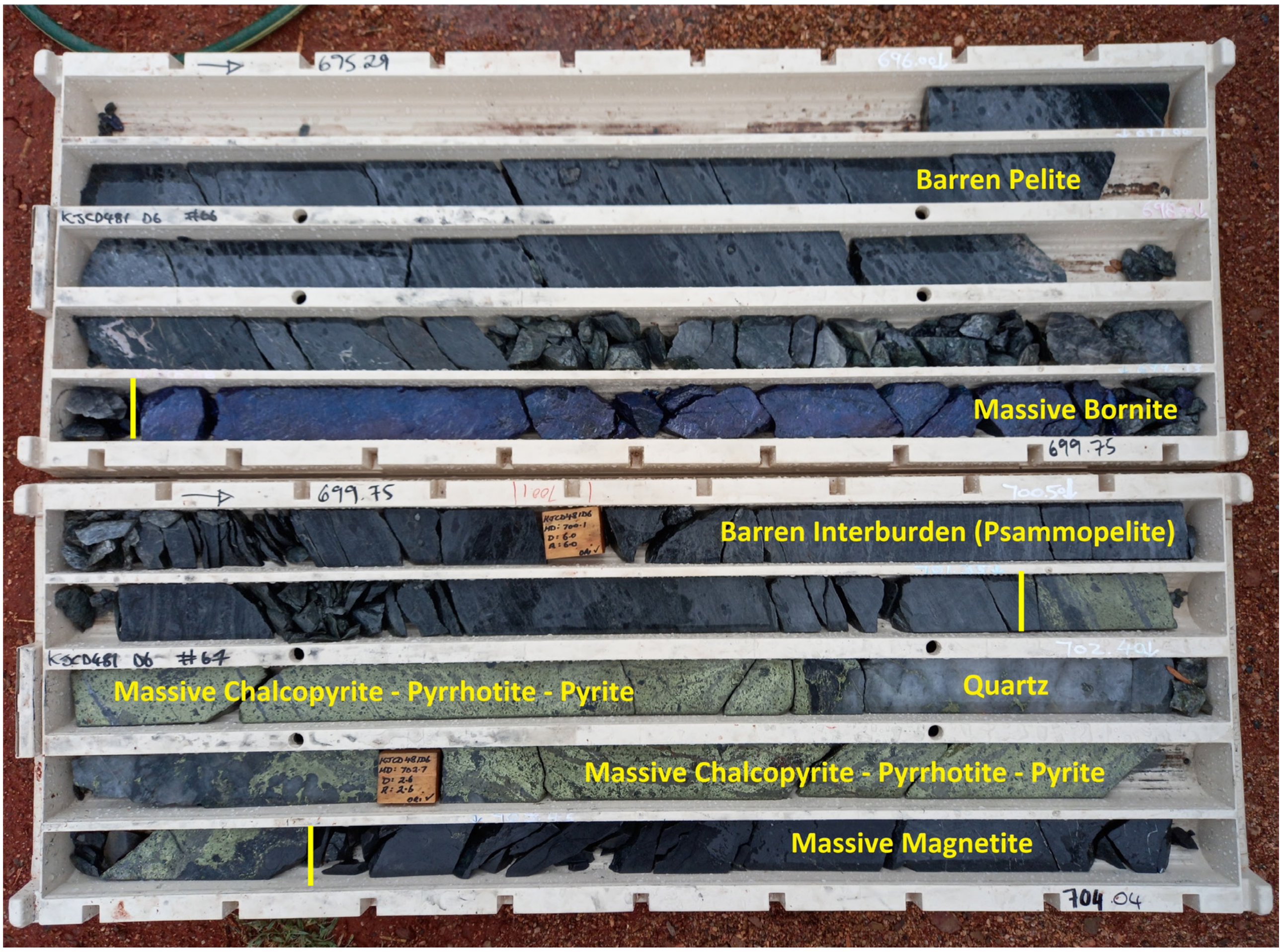
The Jervois reserves information was first released to the market on 10 November 2022 and complies with JORC 2012. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original market announcement.

Tenement Map and Holdings

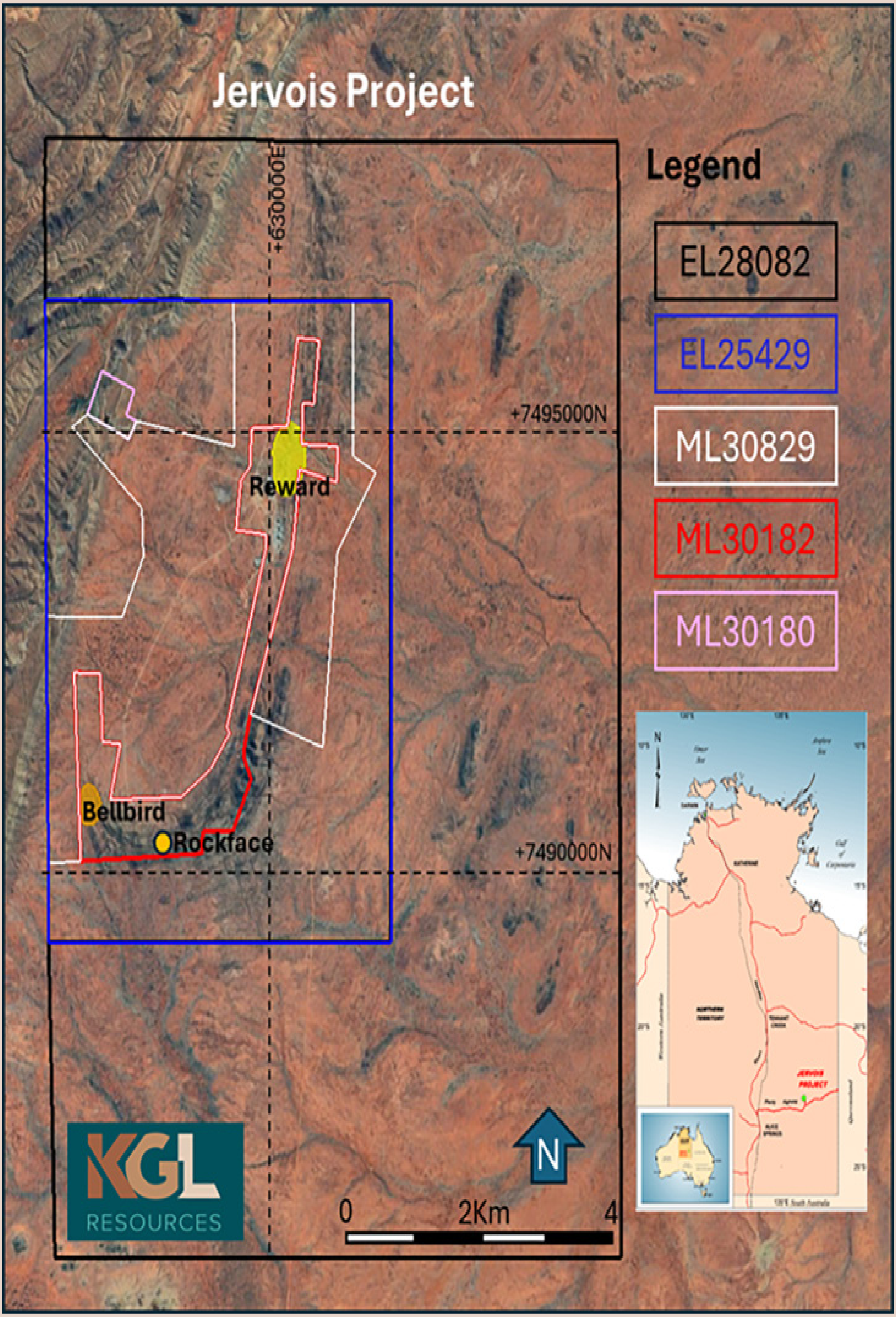
The Company's current tenement holdings cover over 600km^2 of Jervois Mining Leases, 37.9km^2 of Jervois Exploration Licences and 72.7km^2 of Unca Creek Exploration Licences.

TENEMENT NUMBER	PROJECTS	BENEFICIAL HOLDING	EXPIRY
ML 30180	Jervois Project, Northern Territory	100%	27/01/2034
ML 30182	Jervois Project, Northern Territory	100%	25/03/2034
ML 30829	Jervois Project, Northern Territory	100%	17/08/2032
ML 32277	Jervois Project, Northern Territory	100%	17/08/2032
EL 25429	Jervois Project, Northern Territory	100%	01/02/2025
EL 30242	Jervois, Northern Territory	100%	25/11/2024
EL 28340 [1]	Yambah, Northern Territory	100%	03/07/2024
EL 28271	Yambah, Northern Territory	100%	05/04/2025
EL 28082	Unca Creek, Northern Territory	100%	29/12/2025

1 Exploration licence renewal has been lodged.



JERVOIS PROJECT TENEMENTS



Sustainability

Environment, social and governance reporting and indigenous relations remain top priorities for KGL.

KGL emphasises health and safety by vigilant monitoring, continuous updates, and effective controls over its operations. The welfare of the Company's workforce remains paramount.

Ongoing interactions continue with key local stakeholders, and site visits are made to ascertain pivotal sustainability aspects relevant to both the local community and the business. This includes refining the set of overarching sustainability goals, targets, and performance metrics.

The Company is also dedicated to employing local personnel and engaging local businesses.

The Company's methodology for active management of environmental responsibilities and compliance with reporting mandates is outlined in the approved Mining Management Plan. An environmental risk assessment has been completed. No environmental, social, economic or human health and safety risks with extreme initial or residual risk rating were identified.

The Company continues to refine its hybrid power generation design (solar/battery/generators) targets furthering its commitment to reduce the Jervois Project's carbon footprint. Water intensity and re-use are also being optimised.

Corporate Governance Statement as at 30 June 2024

Approved by the Board of KGL Resources Limited

PRINCIPLE 1

LAYING SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

THE BOARD CHARTER

The overriding responsibility of the Board, as set out in the Board Charter, is to act honestly, fairly, diligently and in accordance with the law in serving the interests of the Company's shareholders, as well as its employees and its customers. The Board should work to promote and maintain an environment within the Company that establishes these principles as basic guidelines for all of its employees and representatives at all times.

More specifically, the role of the Board is to provide strategic guidance for the Company and to effectively oversee management of the Company. The Board's and Chairman's responsibilities are set out below.

AREA	BOARD RESPONSIBILITY
CEO and Senior Executives	Appointing and removing senior executives and monitoring their performance.
Authorities	Determining and approving the levels of authority to be given to senior executives in relation to operational expenditures, capital expenditures, contracts and authorising any further delegations of those authorities by senior executives to the other employees of the Company.
Corporate Strategy	Approval of corporate strategy, financial plans and performance objectives.
Risk Management	Reviewing, ratifying and monitoring risk management and internal control systems, codes of conduct and legal compliance.
Health Safety and Environment	Monitoring occupational health, safety and environmental performance. Compliance and commitment of appropriate resources.
Capital expenditure and Management	Evaluating, approving and monitoring major capital expenditure, capital management and all major corporate transactions including the issue of securities.
Reporting	Approving all financial report, material reporting and external communications.
Company Secretary	Appointment of Company Secretary.

AREA	CHAIRMAN RESPONSIBILITY
Leadership	Leadership of the Board, facilitating effective contribution and promoting constructive and respectful relations between Directors and the Board and Management.
Meeting Conduct	The Chairman is also responsible for setting the agenda for Board meetings and ensuring the efficient organisation and conduct of the Board's function, the briefing of all Directors in relation to issues arising at Board meetings and overseeing communications to shareholders and arranging Board performance evaluation.

To effectively carry out its responsibilities, the Board delegates all other functions to the Chief Executive Officer (**CEO**). Management, led by the CEO, is responsible for running the affairs of the Company under delegated authority from the Board and implementing the policies and strategies set by the Board.

With the knowledge of the Chairman, Directors may seek independent professional advice at the expense of the Company on any matter connected with the discharge of their responsibilities. The Chairman may determine whether any such advice received by a director will be circulated to the Board.

A copy of the Board Charter can be found on the Company's website www.kglresources.com.au.

The Board Charter is reviewed every two years.

NOMINATION AND APPOINTMENT OF DIRECTORS

Before a director is appointed, the Board undertakes appropriate evaluations including in-depth interviews and reference checks. All members of the Board are given the opportunity to interview the potential appointee.

Where a director is standing for election or re-election, the Notice of Meeting, including the Explanatory Memorandum, will set out information on the director including qualifications and experience, independence status and the recommendation of the rest of the Board on the resolution. A statement as to whether the Board supports the election/re-election of each director standing for election is provided.

Additionally, a detailed profile for each director is included in the Company's Annual Report.

TERMS OF APPOINTMENT FOR DIRECTORS AND EXECUTIVES

Each director executes a Letter of Appointment with the Company prior to appointment as a director. The Letter of Appointment covers the following key terms:

- continuing appointment contingent on performance and shareholder elections,
- performance requirements in terms of Board meetings and matters under consideration,
- key responsibilities and powers as detailed in the Board Charter,
- conditions of continuing in the role of director,
- membership of committees,
- remuneration,
- directors' and officers' liability insurance,
- confidentiality,
- consideration of independence, and
- ability to seek independent advice.

A separate Deed of Insurance and Indemnity is executed by each director.

Upon appointment, the chief executive officer's terms of contract, including remuneration, is provided to the market in an ASX announcement.

Details of each director's and other key management personnel's employment terms and conditions are also provided annually in the Remuneration Report as part of the Directors' Report.

Each executive is employed under an employment agreement which sets out the employment terms, duties and responsibilities, remuneration details and the circumstances under which employment can be terminated.

COMPANY SECRETARY

The company secretary reports solely to the Board and communication between the directors and the company secretary is open and unfettered. The company secretary advises the Board and its committees on governance matters, attends and takes minutes at all Board meetings, communicates with the ASX and ASIC on all regulatory matters, monitors adherence to Board policies and procedures and retains professional advisors at the Board's request.

DIVERSITY POLICY

The Company believes in equal opportunities for all of its people and recognises that its business benefits from the diversity of its people. The Company has a Diversity and Inclusiveness Policy and is committed to developing a diverse and inclusive workforce and providing a respectful environment free from discrimination.

The Company believes that recruitment and promotion of people should be based on merit, regardless of race, gender or gender orientation, age, relationship or family status, disability, sexual orientation, nationality, political or religious beliefs, or any other factor not relevant to an employee's competence and performance. The Company is focused on eliminating bias in all its forms. No form of unlawful discrimination will be tolerated.

The Board has not set measurable objectives for achieving gender diversity however there has been progress made in recruiting women into what is considered a traditionally male dominated industry. The Group has 24 employees, 42% being female.

The Company is not a 'relevant employer' as defined under the Workplace Gender Equality Act.

A copy of the Diversity and Inclusiveness Policy can be found on the Company website www.kglresources.com.au.

BOARD EVALUATION

The Company is currently a small single project company. It is yet to develop a procedure for evaluating the performance of the Board as the outcomes related to the Project align with the outcomes required of the Board. As the Company advances the development of the Jervois Project, consideration will be given to how best to structure a Board performance review.

SENIOR EXECUTIVE EVALUATION

As the Company advances the Jervois Project, consideration will be given to the appropriate structure of the executive roles within the Company. As positions are filled, the Board will consider the processes for evaluating the performance of senior executives.

PRINCIPLE 2

STRUCTURING THE BOARD TO BE EFFECTIVE AND ADD VALUE

NOMINATION COMMITTEE

At this point in time, the Board only comprises three non-executive directors. The Board considers that it is more efficient to deal with matters relating to nomination at a Board level rather than delegating to a committee.

When the Board increases the number of directors and the Company reaches a sufficient stage in its development, the Remuneration Committee, which comprises the functions of a Nomination Committee will be re-formed. The Remuneration Committee Charter is listed on the Company's website under the Corporate Governance section.

BOARD SKILLS

Directors recognise the following skills as being either essential or desirable to the effective operation of the Board. An assessment is made as to whether these skills are required from the members of the Board or whether they are better sourced through a consultant. External consultants have been used on a limited basis.

The directors have undertaken an assessment of their skills against the following skills list subsequent to the end of the reporting period.

Skills required:

- strategic thinking.
- financial expertise.
- legal expertise.
- risk and compliance oversight experience.
- experience with major transactions.
- financial/equity market experience.
- executive level experience.
- commercial and technical experience.
- metals industry experience.
- mine development and operational experience.

INDEPENDENT DIRECTORS

The Board currently has two independent, non-executive directors: Mr Jeff Gerard and Mr Brian Gell.

Mr Gell, through a company owned by him, has a consultancy arrangement with Mach Energy as a technical advisor on coal operational matters however, having sought legal advice and considered the quantum of the contract, the Board is of the opinion that the arrangement is not material and could not influence, or reasonably be perceived to influence Mr Gell's independent judgement in a material respect. The Board therefore consider Mr Gell an independent director.

The Board is actively searching for an additional independent, non-executive director.

The length of service of all directors is disclosed in the Directors' Report.

CHAIRMAN AND CEO ROLES

Mr Denis Wood resigned as Executive Chairman of the Company on 31 March 2024. Mr Jeff Gerard was appointed as Chairman and Ms Kylie Anderson appointed as interim Chief Executive Officer (**CEO**).

Mr Philip Condon was appointed as CEO on 29 July 2024.

Through these appointments, the Board has been able to provide a separation between management and the Board and improve the oversight of management activities.

DIRECTOR INDUCTION AND PROFESSIONAL DEVELOPMENT

New directors undergo an induction process which includes receiving a briefing from the Chairman and/or CEO of the Company, being provided with copies of all reports and announcements relevant to the Company's recent activities and developments and, when possible, a site familiarisation visit.

The current Board members have many years' experience, particularly in resources projects, and therefore come with a thorough understanding of what is required to perform their roles as directors. The Board, via the Chief Financial Officer, is regularly updated on developments in laws, regulations and accounting standards relevant to the Company.

PRINCIPLE 3

INSTILLING A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

COMPANY VALUES

The Company has developed a set of guiding principles and norms that define the type of Company it aspires to be and outline its expectations of directors, senior executives and employees in order to achieve that aspiration.

All policies and procedures use these values as the basis for development.

CODE OF CONDUCT

The Company's Code of Conduct outlines what is expected of everyone who works for the Company with respect to responsibilities to shareholders, employees, customers, suppliers, consumers and the broader community.

The Code of Conduct applies to everyone who works for the Company – directors, officers, employees and contractors – and covers business activities with all stakeholders in Australia and overseas.

The Code of Conduct is to be read in conjunction with the Company's policies and procedures and other relevant documents including employment contracts.

A copy of the Code of Conduct can be found on the Company's website www.kglresources.com.au.

WHISTLEBLOWER POLICY

The Company has introduced a comprehensive Whistleblower Policy that states the Company's commitment to doing business in an open and accountable way through supporting a culture of honest and ethical behaviour. The Company recognises that an important aspect of this is for individuals to feel confident about reporting any concerns they may have about suspicious activity or wrongdoing in relation to business activities without fear of harm or reprisal.

The policy details the process that should be followed to enable the protection of the whistleblower as well as the reporting requirements for issues raised.

A copy of the Whistleblower Policy can be found on the Company's website www.kglresources.com.au.

ANTI-BRIBERY AND CORRUPTION

The Company has an Anti-bribery and Corruption Policy that details its commitment to a zero-tolerance for bribery and corruption in all business dealings in every country it operates in or procures business or supplies from.

The policy details the objectives that the Company is accountable for and the accountabilities of its employees and contractors.

A copy of the Anti-bribery and Corruption Policy can be found on the Company's website www.kglresources.com.au.

PRINCIPLE 4

SAFEGUARDING THE INTEGRITY OF CORPORATE REPORTS

AUDIT COMMITTEE

At this point in time, the Board only comprises three non-executive directors. The Board considers that it is more efficient to deal with matters relating to audit at a Board level rather than delegating to a committee.

When the Board increases the number of directors and the Company reaches a sufficient stage in its development, the Audit and Risk Committee, which comprises the functions of an Audit Committee will be re-formed. The Audit and Risk Committee Charter is listed on the Company's website under the Corporate Governance section.

In the absence of the committee, the matters dealt with by the Board in relation to audits include:

- the integrity of the Company's accounting and financial reporting practices,
- the Company's risk profile and risk policies,
- the effectiveness of the Company's system of internal control and framework for risk management, and
- the Company's compliance with applicable legal and regulatory obligations.

The Audit and Risk Committee Charter details the following responsibilities that are now also dealt with by the Board as a whole:

- assessing whether the Company's external reporting is consistent with the information and knowledge of members of the Audit and Risk Committee and whether it is adequate for the needs of the Company's shareholders,
- assessing the management processes supporting external reporting,
- overseeing the development, implementation and review of the procedures for selection and appointment of the Company's external auditor and for the rotation of external audit engagement partners,
- making recommendations to the Board about the appointment and removal of the Company's external auditor,
- assessing the performance and independence of the Company's external auditors, including confirming that provision of non-audit services by the Company's external auditors has not compromised the auditor's independence (if the Company's external auditor provides non-audit services),
- reporting to the Board the results of the Audit and Risk Committee's review of the Company's risk management, internal controls and compliance systems and processes,
- monitoring, reviewing and assessing the propriety of related party transactions, and
- implementing comprehensive risk management systems across the Company.

The Board meets with the external auditor without management present on general matters concerning the audit and the financial management of the Company.

The Board reviews the performance of the external auditor, generally after the release of the annual financial statements, to ensure that the auditor has provided an efficient and effective audit. The Board is responsible for the removal of the auditor if, in its opinion, the auditor is not meeting the standards required. The appointment of new auditors would also be recommended by the Board. Partner rotation complies with the requirements of the *Corporations Act 2001*.

CEO AND CFO DECLARATIONS

The Company requires the CEO and CFO to provide the Board with their written opinion stating:

- that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position of the entity in accordance with Section 295A of the *Corporations Act 2001*, and
- that this opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

VERIFICATION OF CORPORATE REPORTS NOT AUDITED

Any periodic corporate reports that are released to the market are prepared or reviewed by the Company's CFO. In relation to the Quarterly Cashflow Report, the CEO and CFO make a declaration that:

- the financial records of the Group have been properly maintained in accordance with Section 286 of the *Corporations Act 2001*,
- the financial statements on which the Quarterly Cashflow Report is based are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board, and
- the Company's risk management and internal compliance and control systems are operating efficiently and effectively in all material respects.

PRINCIPLE 5

MAKING TIMELY AND BALANCED DISCLOSURES

CONTINUOUS DISCLOSURE OBLIGATIONS

The Board has approved a Continuous Disclosure Standard (**Standard**) that sets out what information must be disclosed, what exemptions may apply and the importance of confidentiality. The Standard is applicable to all directors and employees and details how to report potentially disclosable information. Personnel who are authorised to speak on behalf of the Company are approved by the Chairman and the Standard imposes restrictions on the content and timing of briefings.

The ASX Continuous Disclosure Policy is listed on the Company's website www.kglresources.com.au.

ADVICE OF MARKET ANNOUNCEMENTS

All directors receive a copy of the final version of all material market announcements both prior to the announcement being released to the ASX and after confirmation has been received from the ASX that the announcement has been released to the market.

COMPANY PRESENTATIONS

The Company regularly updates its corporate presentations used for investors, the annual general meeting and conferences, and provides the ASX with copies of this material prior to the presentations. Additionally, for annual general meetings, the Company provides a written transcript of the Chairman's address to these meetings.

PRINCIPLE 6

RESPECTING THE RIGHTS OF SECURITY HOLDERS

COMPANY DETAILS AND GOVERNANCE ON WEBSITE

The Company's website contains detailed information about its business and projects. Details of the Board members and executive team are also disclosed.

The investor page provides helpful information to the shareholders. It allows shareholders to view all ASX and media releases, copies of annual reports and quarterly activities and cashflow statements.

The website also contains the following corporate governance documents:

CONSTITUTION AND CHARTERS

- KGL Resources Constitution
- Board Charter
- Audit and Risk Committee Charter
- Remuneration Committee Charter

POLICIES AND STANDARDS

- Securities Trading Policy
- Work Health and Safety Policy
- Diversity and Inclusiveness Standard
- Privacy Standard
- Whistle-blower Standard
- ASX Continuous Disclosure Standard
- Anti-Bribery & Corruption Policy

INVESTOR RELATIONS PROGRAM

The Company has not established a formal investor relations program, and the Board considers this appropriate for the Company's stage of development. The Company takes the appropriate measures to keep shareholders informed about its activities and listens to issues or concerns raised by shareholders.

Information is communicated to the members through compliance with ASX Listing Rules and the *Corporations Act 2001* by way of the Annual Report, Half-Yearly Report, Quarterly Activities Reports, Appendix 5B Cashflow Reports, the annual general meeting and other meetings that may be called to obtain approval for Board recommendations. In addition to this the Company releases regular progress reports and presentations to the ASX to keep members abreast of developments. The Company also maintains a website – www.kglresources.com.au – where all of the Company's ASX announcements and media releases can be viewed at any time.

PARTICIPATION AT MEETINGS OF SECURITY HOLDERS

Notices of meeting sent to shareholders comply with the 'Guideline for Notices of Meeting' issued by the ASX. In relation to the annual general meeting (**AGM**), shareholders are encouraged to submit questions before the meeting.

The Chairman encourages shareholders at the AGM to ask questions or make comments about the Company's projects and the performance of the Board and senior management. The Chairman may respond directly to the questions or, at his discretion, refer the question to another director or executive.

For recent meetings, the Company has made video links available to shareholders to view the proceedings of the shareholder meetings.

SECURITY HOLDER RESOLUTIONS

The Company held its annual general meeting in November 2023 with all resolutions being decided by poll. It is the Company's intention to have all resolutions, not only those considered to be substantive, decided by a poll at future meetings.

ELECTRONIC COMMUNICATIONS

The Company's Share Registry provides shareholders with an opportunity to register an email address to receive electronic communication of information provided by the Share Registry e.g. advice on Entitlement Offers, Notices of Meetings.

Additionally, the Company provides a subscription service whereby subscribers can receive advice of ASX announcements after their release to the market.

PRINCIPLE 7

RECOGNISING AND MANAGING RISK

RISK COMMITTEE

At this point in time, the Board only comprises three non-executive directors. The Board considers that it is more efficient to deal with matters relating to risk at a Board level rather than delegating to a committee.

When the Board increases the number of directors and the Company reaches a sufficient stage in its development, the Audit and Risk Committee, which comprises the functions of a Risk Committee will be re-formed. The Audit and Risk Committee Charter is listed on the Company's website under the Corporate Governance section.

In the absence of the committee, the matters dealt with by the Board in relation to risk include:

- the Company's risk profile and risk policies,
- the effectiveness of the Company's system of internal control and framework for risk management, and
- the Company's compliance with applicable legal and regulatory obligations.

The Audit and Risk Committee Charter details the following responsibilities that are now also dealt with by the Board as a whole:

- reporting to the Board the results of the Audit and Risk Committee's review of the Company's risk management, internal controls and compliance systems and processes,
- ensuring that management has implemented a structured and comprehensive risk management system across the Company,
- reviewing, and approving for recommendation to the Board, guidelines and policies governing the oversight and management of the Company's material business risks, including the processes by which management assesses, manages and controls the Company's exposure to risk, and
- monitoring material changes to the Company's risk profile.

The Board has reviewed the risk management framework provided by management.

RISK MANAGEMENT FRAMEWORK

The Board considers risks specific to each stage of development and a comprehensive risk assessment is undertaken at each stage. As the Company is rapidly changing, it is considered appropriate to assess risk at each stage of development and following each program.

A risk workshop has been undertaken and a detailed assessment and management strategy has been applied to each of the risk areas identified. The risks have been broadly divided into business risks, project risks and operational risks to enable detailed control mapping and accountabilities to be established.

INTERNAL AUDIT FUNCTION

The Company does not have an internal audit function and considers this appropriate for the size of the Company and the stage of its development.

The Board as a whole receives and considers reports on, and monitors and discusses, known and emerging risk and compliance issues, including non-financial, operational and other business risks.

The Company's management is directly responsible for risk management in its respective areas of accountability.

Operational, financial, legal, compliance, strategic and reputational risks continue to be managed primarily by the directors and where appropriate, these risks are managed with the support of relevant external professional advisers. The Board receives monthly reports to ensure that management is appropriately addressing the risks to the Company. Specifically, a compliance register is presented in each monthly report detailing the major items that the Company must adhere to. The register provides specifics of actions taken to ensure compliance.

MATERIAL EXPOSURE TO ENVIRONMENTAL OR SOCIAL RISKS

Material environmental and social risks are dealt on pages 33 to 36 of the Directors' Report.

PRINCIPLE 8

REMUNERATING FAIRLY AND RESPONSIBLY

REMUNERATION COMMITTEE

At this point in time, the Board only comprises three non-executive directors. The Board considers that it is more efficient to deal with matters relating to remuneration at a Board level rather than delegating to a committee.

When the Board increases the number of directors and the Company reaches a sufficient stage in its development, the Remuneration and Nomination Committee, which comprises the functions of a Remuneration Committee will be re-formed. The Remuneration and Nomination Committee Charter is listed on the Company's website under the Corporate Governance section.

In the absence of the committee, the matters dealt with by the Board in relation to remuneration include:

- the integrity of the Company's remuneration practices,
- the Company's remuneration, including the remuneration of executives, and
- the Company's compliance with applicable legal and regulatory obligations.

The Board, with the assistance of management, reviews the following items at least annually:

- remuneration levels of the Board and senior management and recommending changes as appropriate,
- management incentive schemes including employee short-term and long-term incentives,
- the identification of material risks insofar as they relate to remuneration matters, and
- the review and recommendation of guidelines and policies for the management of material business risks.

REMUNERATION POLICIES AND PRACTICES

The Company has developed a Remuneration Policy for executives and directors. This ensures a clear distinction is maintained between the structure of non-executive directors' remuneration and that of executive directors and other senior executives. The objectives of the policy are as follows:

- to attract, retain and motivate key executives who will generate value for shareholders,
- to ensure that remuneration is fair and reasonable having regard to the performance of the Company and the relevant executive,
- to ensure effective benchmarking of total annual remuneration for executives in accordance with market practices for a clearly defined peer group of comparable companies to ensure remuneration is fair and competitive,
- to reward individual and group performance objectives thus promoting a balance of individual performance and teamwork across the executive management team, and
- to comply with applicable securities and corporate law and ASX Listing Rules.

Annually and, if required, more frequently, the Board receives a report on the employment conditions of staff, including the executives, referencing external salary surveys to ensure that the Company's employment conditions remain competitive. As the Company progresses the development of the Jervois Project and the number of roles increases, policies and practices will be established.

The responsibility of the Board and management in respect of performance reviews is to:

- review and recommend to the Board for approval the individual goals for executives,
- review and recommend to the Board for approval the Company goals; and
- assist the Board in relation to the performance evaluation of executives, including reviewing performance against pre-determined individual goals and the terms of their employment contracts and advising the Board of the outcomes of the performance reviews and any recommended actions.

The directors are paid a fixed remuneration per month.

Full details of payments to executives can be found in the Remuneration Report as part of the Directors' Report section of the Annual Report.

EQUITY BASED REMUNERATION RISK

The Company has a Securities Trading Policy. This policy strictly prohibits directors and employees from entering into any transaction that is designed to limit the economic risk of a holding in unvested KGL Resources Limited securities.

A full copy of the Securities Trading Policy can be found on the Company's website www.kglresources.com.au.


#128

KGL RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES

ABN 52 082 658 080

Financial Report

FOR THE YEAR ENDED 30 JUNE 2024

Financial Report Contents

Directors' Report

Your directors present their report on the consolidated entity (**Group**) consisting of KGL Resources Limited (**KGL**, **Company**) and the entities it controlled at the end of, or during, the year ended 30 June 2024. All amounts are in Australian dollars unless otherwise stated.

DIRECTORS

The following persons were directors of KGL Resources Limited (Company) during the whole of the financial year and up to the date of this report, unless otherwise stated.

DIRECTOR	ROLE	CHANGES IN TENURE
Current Directors		
Mr J. Gerard	Independent Non-executive Chairman	Appointed Chairman 31 March 2024
Mr F. Purnamasidi	Non-executive Director	
Mr B. Gell	Independent Non-executive Director	
Former Directors		
Mr D. Wood	Executive Chairman	Resigned 31 March 2024

REVIEW OF OPERATIONS

Exploration and drilling results

Growing the high-grade copper resource and mine life at the Jervois Project (**Jervois** or the **Project**) continues to be a key value driver for KGL. The drilling program at Rockface Deeps and Reward during the year highlighted the potential to further increase the high-grade resource and mine life with the associated benefits of enhanced capital efficiency, increased cashflow, and improvements in the Project's internal rate of return.

The priorities for the drilling program during the year included:

- increasing confidence in the mineral resource estimate at Reward, including infill drilling within the Reward open cut mine plan, to upgrade the resource classification for at least the first two years of planned production to JORC measured status, and including shallow to intermediate drilling at the Reward Main Lodes and the Marshall Lodes,
- infill drilling at Reward underground area to upgrade the resource from inferred to indicated status,
- infill drilling within the Rockface mine plan to upgrade the resource classification from inferred to indicated and from indicated to measured increasing confidence in the resource,
- targeted resource extensions at Rockface shallow to intermediate depths,
- targeted resource extensions at Rockface North at depth, and
- exploration drilling with a deep stratigraphic hole at the southern end of the Jervois mineralised field to improve understanding of the geological structures at depth and the source of the high-grade mineralisation at Rockface.

During the year, the Company announced an updated mineral resource estimate (**MRE**) for Reward. The Rockface resource is the next scheduled for update based on a program of infill drilling and extensions at shallow to intermediate depths and at Rockface north at depth.

Reward

The purpose of the infill drilling conducted within and around the intended Reward open pit is to increase the confidence in the mineral resource estimate and deliver a more robust mine plan and resource to reserve conversion. The Marshall Lodes and Reward Main Lodes, along with Bellbird, are key areas slated for exploitation through open pits during the initial phases of mining operations.

REVIEW OF OPERATIONS (CONTINUED)

Exploration and drilling results (continued)

The Company announced an updated MRE for Reward on 23 May 2024 as follows:

- 13.16 Mt at 1.79% Cu, 34 g/t Ag and 0.33 g/t Au for 234.9 Kt of copper metal and 14.5 Moz of silver and 139.9 Koz of gold.
- Includes maiden measured resource of 2.63Mt at 1.91% Cu, 46.2g/t Ag and 0.43g/t Au for 50.3kt of Cu metal, 3.91Moz Ag and 36koz Au.

The focus of the drilling program this year was primarily to increase confidence in the resource within the proposed open pit design to support the increase in design processing nominal capacity to 2 Mtpa. The measured resource at Reward and Bellbird now represents approximately 67% of the total MRE within the proposed open pit designs.

Infill drilling within the planned Reward open pit design confirmed shallow intersections of high-grade copper and silver as well as deeper intersections with thick zones of strong copper with higher grade cores supporting a positive impact on the Project's economics.

Significant drilling results within the Reward Main Lode during the year included high-grade copper with appreciable silver and gold in near-surface deposits (Figure 1, Figure 2):

KJD583:

- 5.6 m @ 3.25% Cu, 98.5 g/t Ag, 0.63 g/t Au from 64.57m including:
  - 3.1 m @ 5.07% Cu, 147.9 g/t Ag, 0.93 g/t Au from 64.57m, and
  - 1.8 m @ 6.18% Cu, 239.2 g/t Ag, 1.39 g/t Au from 66.50m.

KJD588:

- 14.8m @ 1.55% Cu, 18.2 g/t Ag, 0.32 g/t Au from 17.00m including:
  - 2.1m @ 3.53% Cu, 30.7 g/t Ag, 0.69 g/t Au from 18.00m.

KJD586:

- 13.6m @ 2.00% Cu, 25.3 g/t Ag, 0.29 g/t Au from 57.30m including:
  - 5.7m @ 3.35% Cu, 35.8 g/t Ag, 0.47 g/t Au from 71.00m.

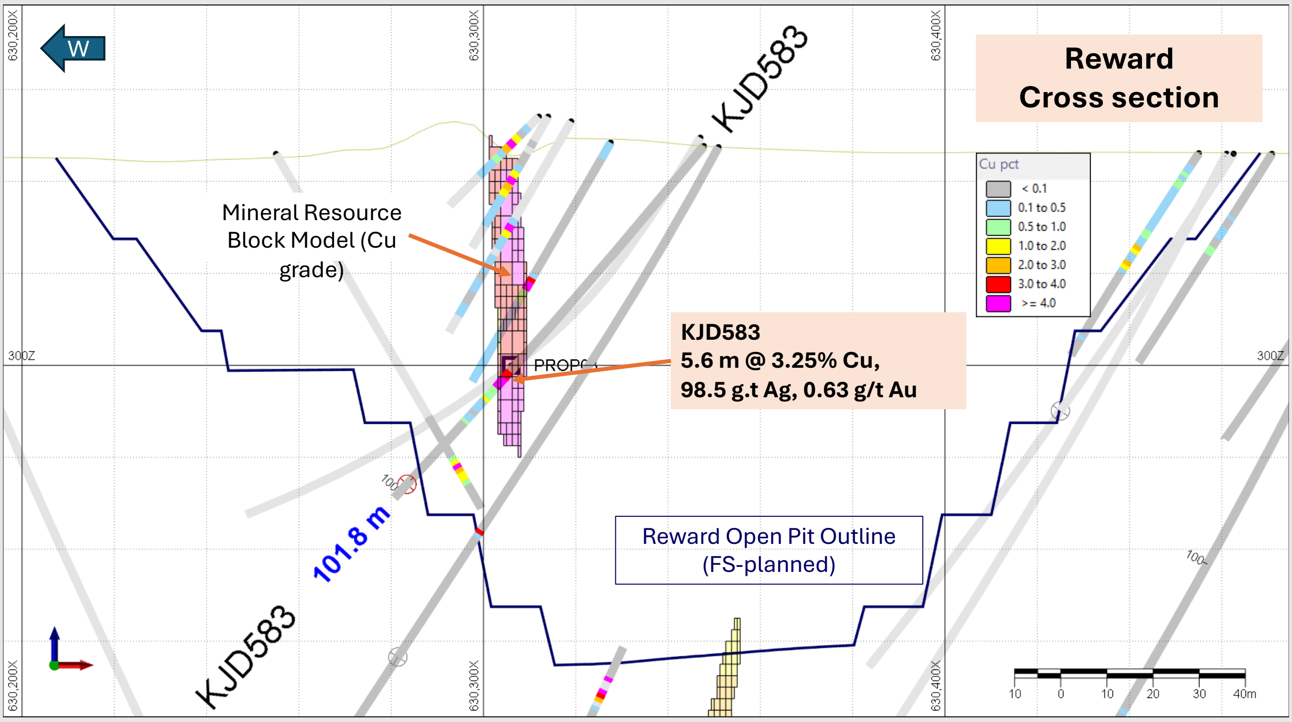


Figure 1. Cross section through KJD583 trace, looking north. Reward Resource block model copper grade > 1%. Proposed Reward pit.

REVIEW OF OPERATIONS (CONTINUED)

Exploration and drilling results (continued)

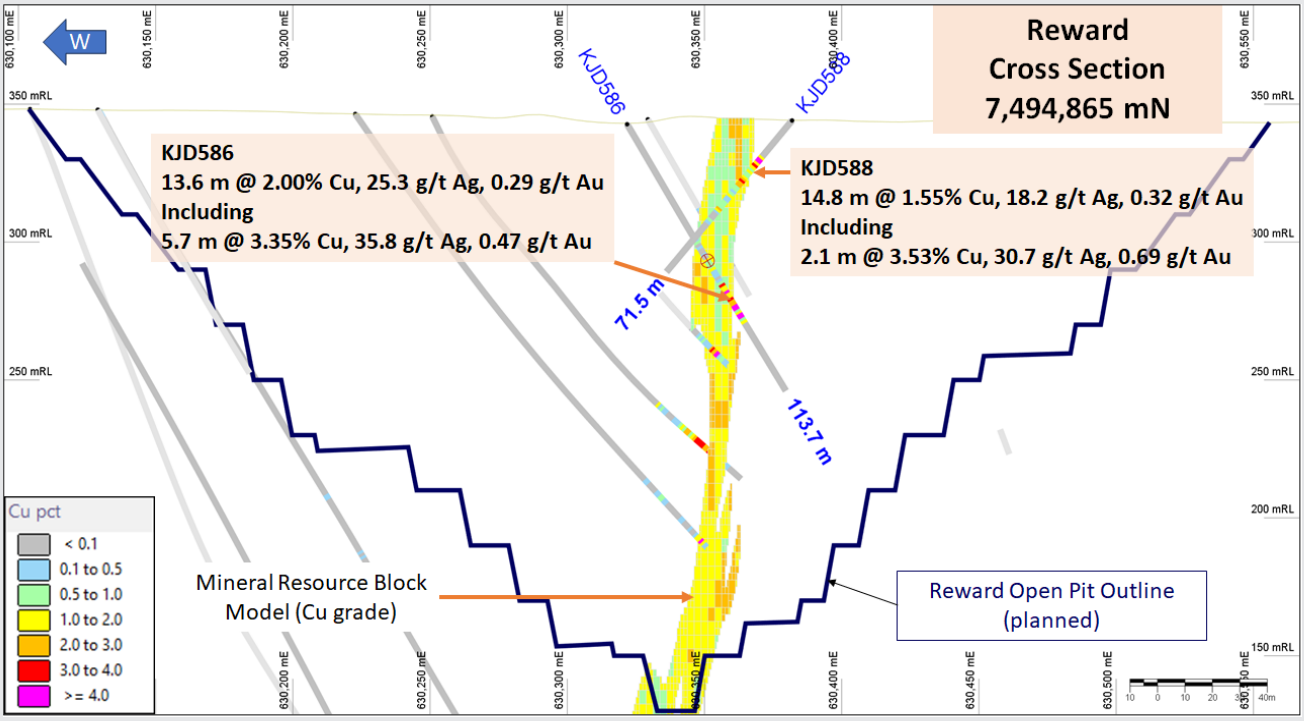


Figure 2. Cross section through 7494865.00mN, looking north. Reward Resource block model copper grade >1%. Reward proposed open pit.

Significant drilling results within the Reward Marshall Lode also revealed high-grade copper with appreciable silver and gold in the near-surface deposits:

KJD613:

- 2.8m @ 8.37% Cu, 127.3 g/t Ag, 1.42 g/t Au from 30.35m including:
  - 1.8m @ 11.80% Cu, 183.7 g/t Ag, 1.76 g/t Au from 30.35m.

KJD614:

- 6.7m @ 3.13% Cu, 40.9 g/t Ag, 0.46 g/t Au from 19.00m including:
  - 1.6m @ 9.25% Cu, 71.3 g/t Ag, 1.64 g/t Au from 20.00m.

Within the Reward Marshall Lode, high-grade occurrences extend to deeper levels. These instances of elevated copper grades are observed within thicker mineralised zones, as evidenced by the three intersections highlighted below. The outcomes from these drillholes serve to reinforce and validate the existing mineral resource model, as depicted in Figure 3 and Figure 4.

KJD606:

- 9.9m @ 2.07% Cu, 32.9 g/t Ag, 0.30 g/t Au from 39.00m including:
  - 2.9m @ 3.24% Cu, 26.4 g/t Ag, 0.60 g/t Au from 46.80m.

KJD608:

- 11.7m @ 2.00% Cu, 54.1 g/t Ag, 0.32 g/t Au from 73.00m including:
  - 2.3m @ 4.52% Cu, 108.3 g/t Ag, 0.85 g/t Au from 79.81m.

KJD612:

- 10.4m @ 3.25% Cu, 90.6 g/t Ag, 0.34 g/t Au from 123.80m including:
  - 3.2m @ 6.62% Cu, 195.7 g/t Ag, 0.61 g/t Au from 130.00m.

The Reward deposit remains open at depth.

REVIEW OF OPERATIONS (CONTINUED)

Exploration and drilling results (continued)

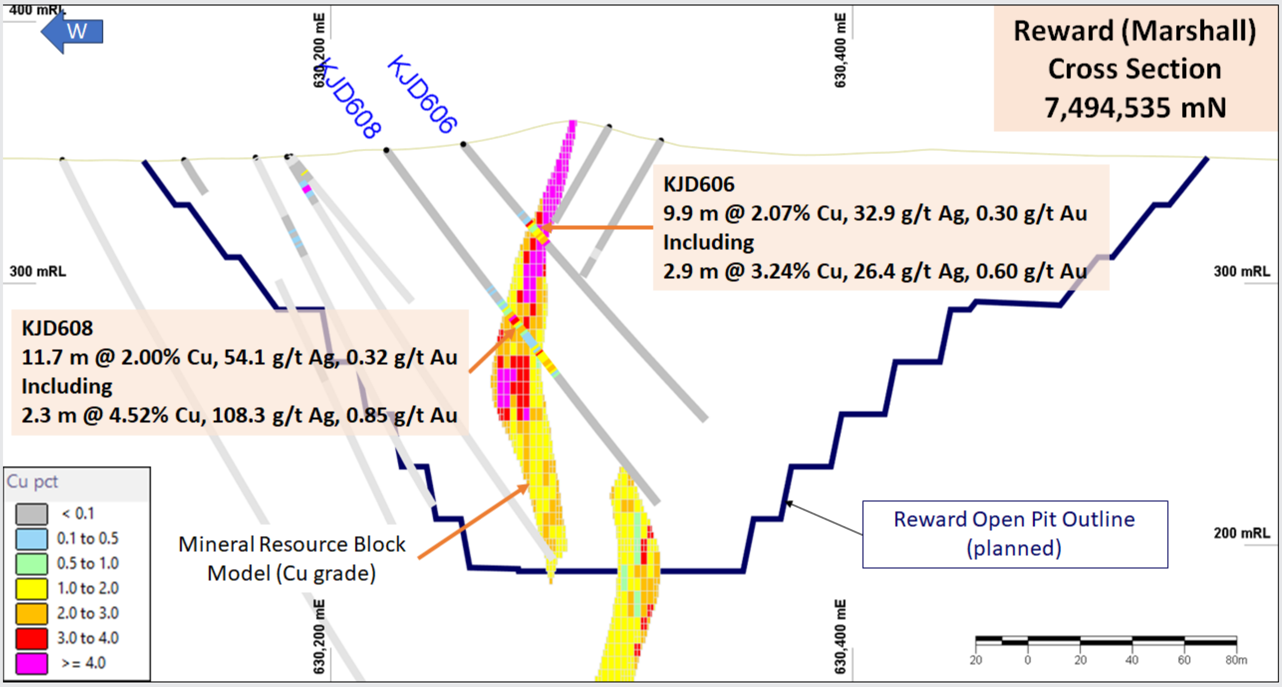


Figure 3. Cross section through 7494535.00mN looking north. Reward Resource block model copper grade >1%. Reward proposed open pit.

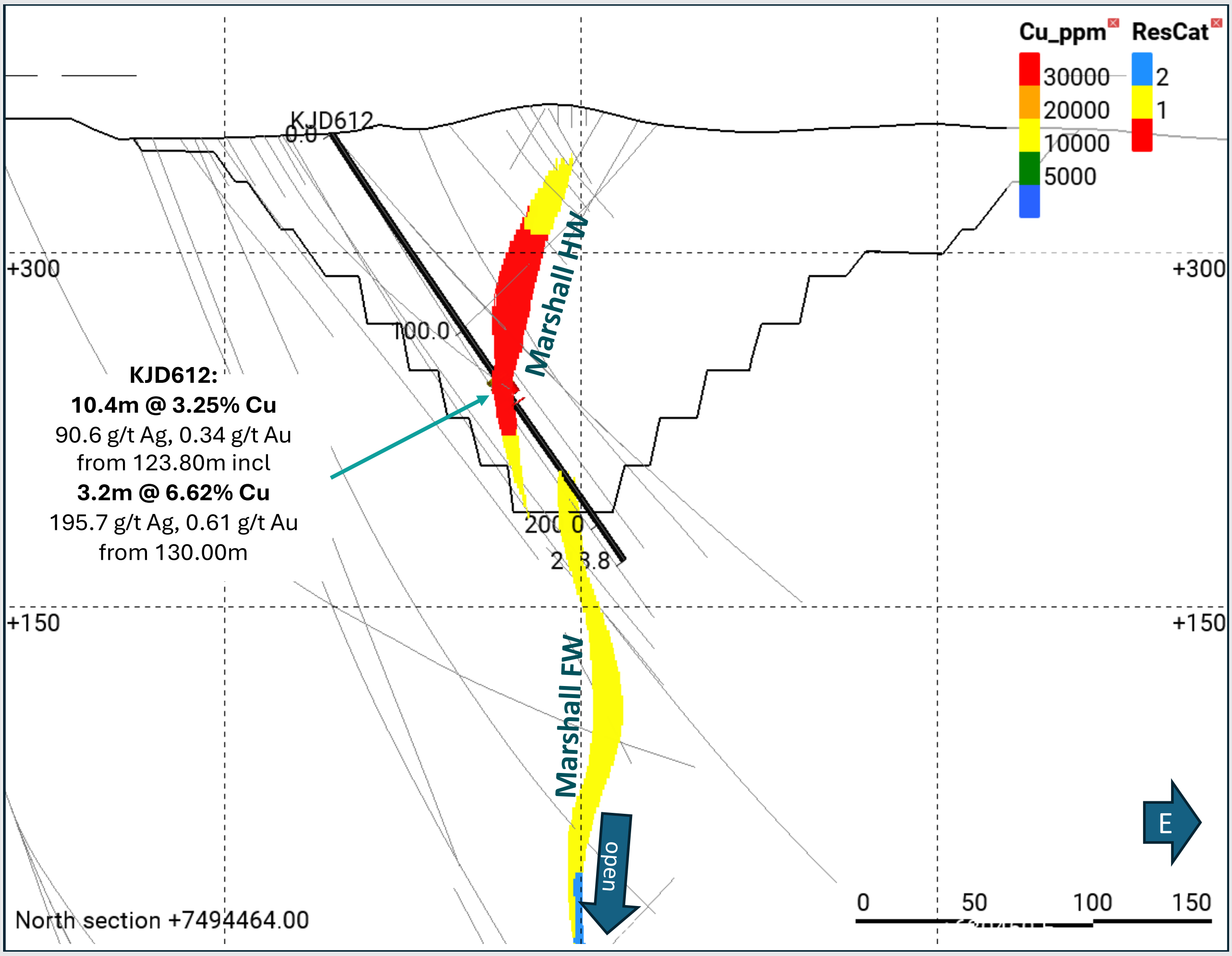


Figure 4. Cross section through KJD612 trace (7494464.00mN), looking north. Reward Resource block model copper grade >1% and proposed reward open pit. All other hole traces are in grey.

REVIEW OF OPERATIONS (CONTINUED)

Exploration and drilling results (continued)

Rockface

The primary objective of the Rockface drilling program this year was to increase confidence in the resource by upgrading inferred resource to indicated resource status. In addition, drilling results confirmed the potential to expand the high-grade Rockface Main Lode at shallow to intermediate depths. Drilling results also confirmed the potential to refine and expand the high-grade Rockface mineralisation at depth with the deepest holes at Rockface intercepting strong copper and gold grades and some of the highest grades of polymetallic mineralisation ever encountered at Jervois.

Significant drilling results at Rockface during the year include:

Rockface Main Lode

KJD617:

- 10.8m @ 2.73% Cu, 15.2 g/t Ag, 0.19 g/t Au from 455.77m including:
  - 2.6m @ 5.03% Cu, 23.2 g/t Ag, 0.25 g/t Au from 459.51m, and
  - 1.9m @ 3.55% Cu, 26.0 g/t Ag, 0.37g/t Au from 467.95m.

KJCD215:

KJCD215 drilled in May 2017 intersected two high-grade zones of copper mineralisation in the Rockface Main Lode, namely Rockface Main Lode and Rockface Main Footwall Lode:

- 6.0m @ 9.21% Cu, 38.1 g/t Ag, 0.29 g/t Au from 587.5m (Rockface Main Lode).
- 10.2m @ 4.74% Cu, 23.0 g/t Ag, 0.26 g/t Au from 610.09m (Rockface Main Footwall Lode).

KJCD215D2:

KJCD215D2 was drilled to provide further definition and confirmation of the position of the lower terminus of the Rockface Main Lode. The results from this hole confirm and strengthen the geological modelling and high-grade copper intersections in both the Main and Main Footwall Lodes (Figure 5).

- 5.0m @ 9.80% Cu, 42.3 g/t Ag, 0.64 g/t Au from 577.48m (Rockface Main Lode) including:
  - 3.3m @ 11.06% Cu, 44.5 g/t Ag, 0.36 g/t Au from 577.48m, and
  - 1.1m @ 10.71% Cu, 55.8 g/t Ag, 1.80 g/t Au from 582.80m.
- 12.1m @ 4.23% Cu, 21.0 g/t Ag, 0.33 g/t Au from 596.14m (Rockface Main Footwall Lode).

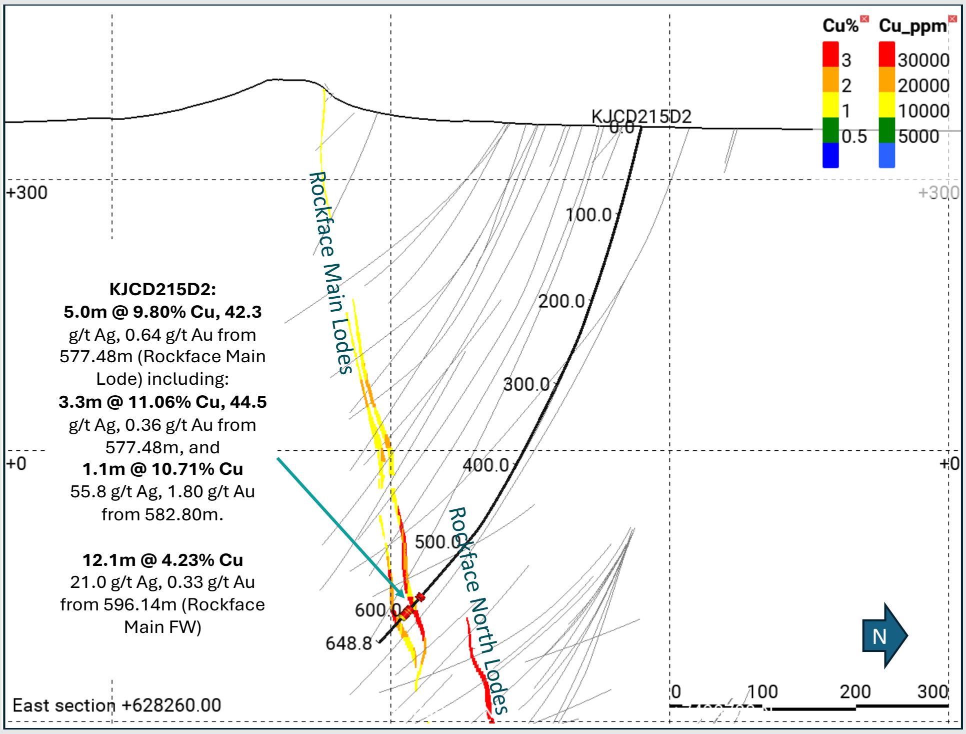


Figure 5. Cross section through KJCD215D2 trace, looking west. Rockface Resource bock model copper grade >1%.

REVIEW OF OPERATIONS (CONTINUED)

Exploration and drilling results (continued)

Rockface North Lode

KJCD208D1:

KJCD208D1 was targeted at a gap in the centre of the Rockface North Lode to increase confidence in the mineral resource model. (Figure 6). A zone of strong mineralisation was intersected at the Rockface North Lode with extension to the Rockface Main Lode.

- 2m @ 7.37% Cu, 41.12 g/t Ag, 0.38 g/t Au from 617.16m (Rockface North Lode), and
- 7.44m @ 7.49% Cu, 36.19 g/t Ag, 0.89 g/t Au from 708.75m (Rockface Main Lode).

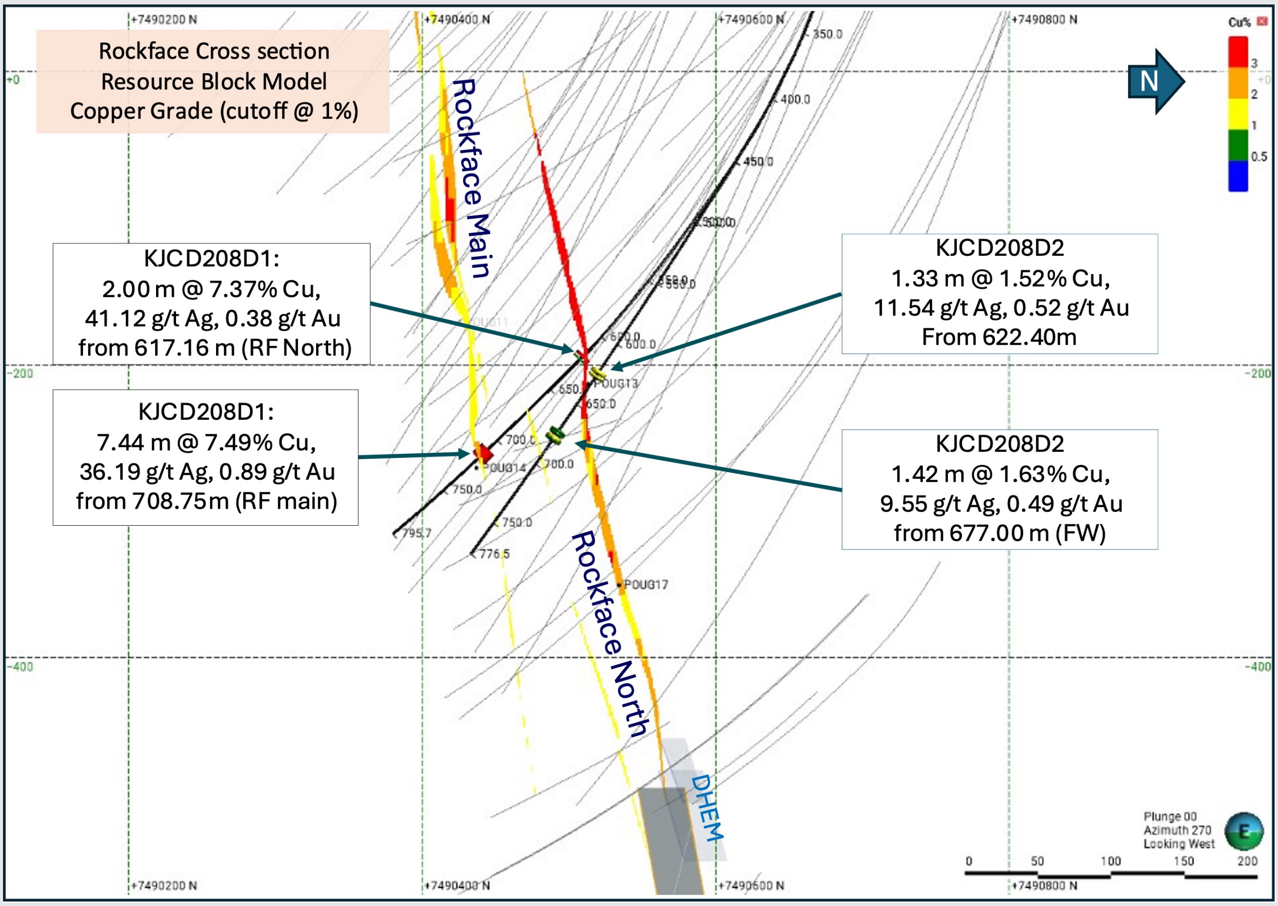


Figure 6 North-south cross section looking west through KJDCD208D1 and KJDCD208D2 hole trace. 2021 resource block model blocks >1% Cu coloured by copper grade; older drill hole traces shown in grey.

KJD227D1 and **KJD227D2**:

Holes KJD227D1 and KJD227D2 were targeted primarily at gaps in Rockface North Lodes to increase confidence in the minerals resource model. Both holes intersected high grade copper as part of the infill drilling program completed at Rockface to increase the geological confidence of minerals resources categories for a future resource update.

REVIEW OF OPERATIONS (CONTINUED)

Exploration and drilling results (continued)

Hole KJD227D1 was targeted at the centre of North Lodes and extended further through to Main Lodes (Figure 7). The extension along the Rockface Main Lode strike intersected background grade mineralisation only. However, a thick zone of high-grade copper mineralisation was intersected at North Lode hanging wall (**HW**) and two thin zones of mineralisation intersected corresponding to North Lodes footwall (**FW**), separated by low grade (<1% Cu). The best results from the hole were:

- 4.16m @ 2.17% Cu, 23.08 g/t Ag, 0.19 g/t Au from 711.82m (HW),
- 0.92m @ 1.02 % Cu, 8.40 g/t Ag, 0.12g/t Au from 718.40m (HW), and
- 1.85m @ 1.11% Cu, 6.95 g/t Ag, 0.14g/t Au from 722.00m (FW).

Hole KJD227D2 was targeted at a gap 34 metres below the hole KJD227D1 in the centre of North Lodes (Figure 7), intersecting a thick zone of sulphide brecciated vein yielding strong copper mineralisation in line with the footwall. Two thin but high-grade zones of mineralisation intersected above and below the main sulphide breccia vein. The assay results from the three intersections were:

- 4.14m @ 6.14 % Cu, 48.26 g/t Ag, 0.48g/t Au from 737.30m (FW) including:
  - 2.65m @ 8.68 % Cu, 65.23 g/t Ag, 0.65 g/t Au, and
  - 0.73m @ 1.27% Cu, 4.60 g/t Ag, 0.12 g/t Au from 745.47m (FW).

The style of mineralisation in the holes reported is consistent with Rockface type sulphide-magnetite brecciated shoots and chalcopyrite being the main copper mineral.

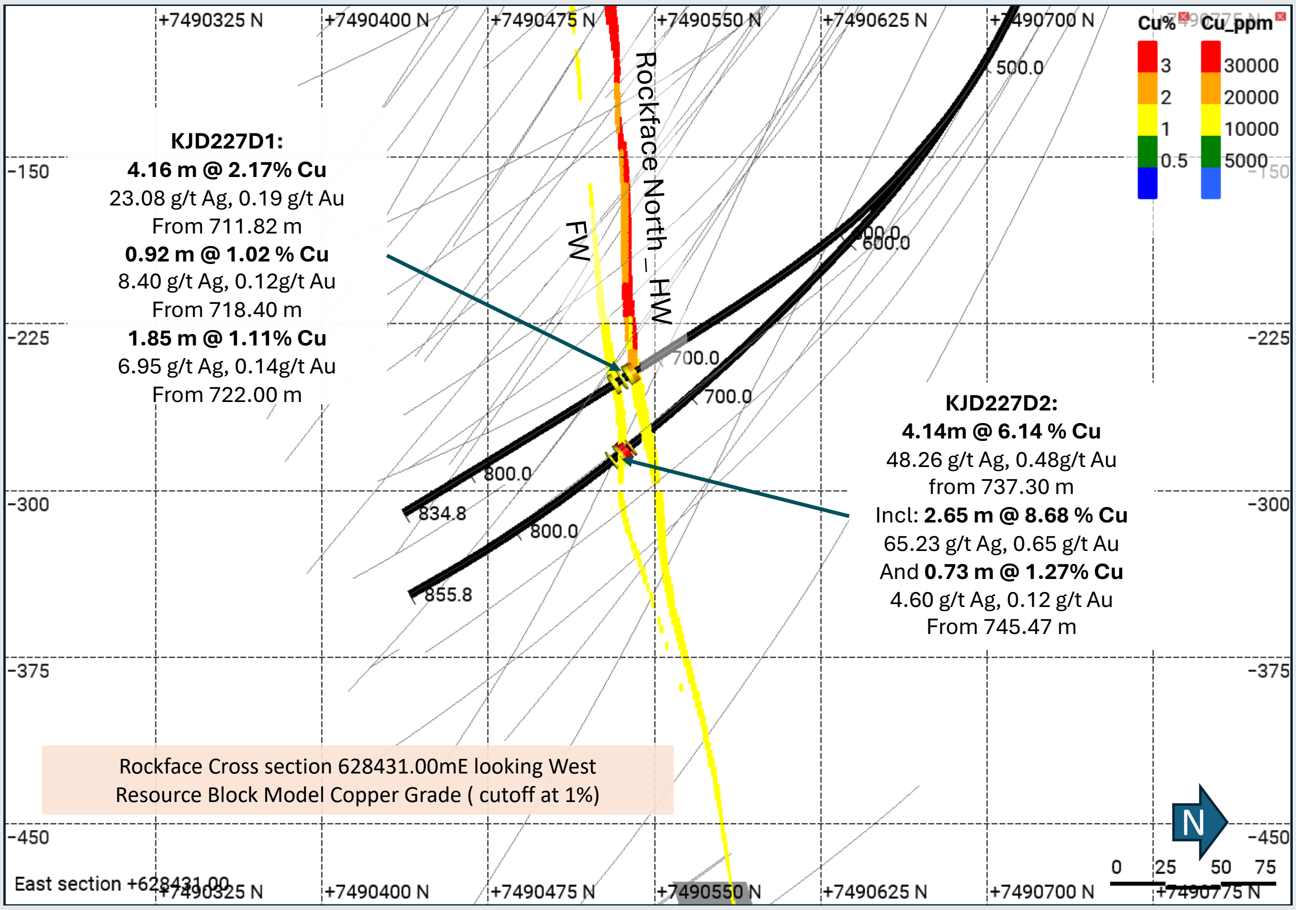


Figure 7. North-south cross section (628431.00 mE) looking west through KJD227D1 and KJD227D2 projection. 2022 resource block model blocks >1% Cu coloured by copper grade; older drill hole traces shown in grey.

REVIEW OF OPERATIONS (CONTINUED)

Exploration and drilling results (continued)

KJCD481D3, **KJCD481D6** and **KJCD481D7**:

KGL previously announced the Project's highest-grade intersection of copper in the western margin of the Rockface North Lode in drillhole KJCD481D6 (14 February 2022), which intersected a zone of high-grade copper mineralisation including a hanging wall bornite-rich massive sulphide zone (0.84m) and a footwall chalcopyrite-rich massive sulphide zone (1.90m). (Figure 8):

KJCD481D3:

- 4.45m @ 18.88% Cu, 396.8 g/t Ag, 0.42 g/t Au from 725.35m including:
  - 1.51m @ 37.41% Cu, 1,105.5 g/t Ag, 0.59 g/t Au from 725.35m, and
  - 1.16m @ 21.98% Cu, 73.1 g/t Ag, 0.41 g/t Au from 728.06m.

KJCD481D6:

- 4.00m @ 19.80% Cu, 298.6 g/t Ag, 1.10 g/t Au from 698.88m including:
  - 0.74m @ 61.4% Cu, 521.0 g/t Ag, 0.11 g/t Au from 698.88m.

KJCD481D7:

- 2.17m @ 12.81% Cu, 218.4 g/t Ag, 0.71 g/t Au from 692.00m including:
  - 1.24m @ 21.49% Cu, 374.1 g/t Ag, 1.20 g/t Au from 692.97m.

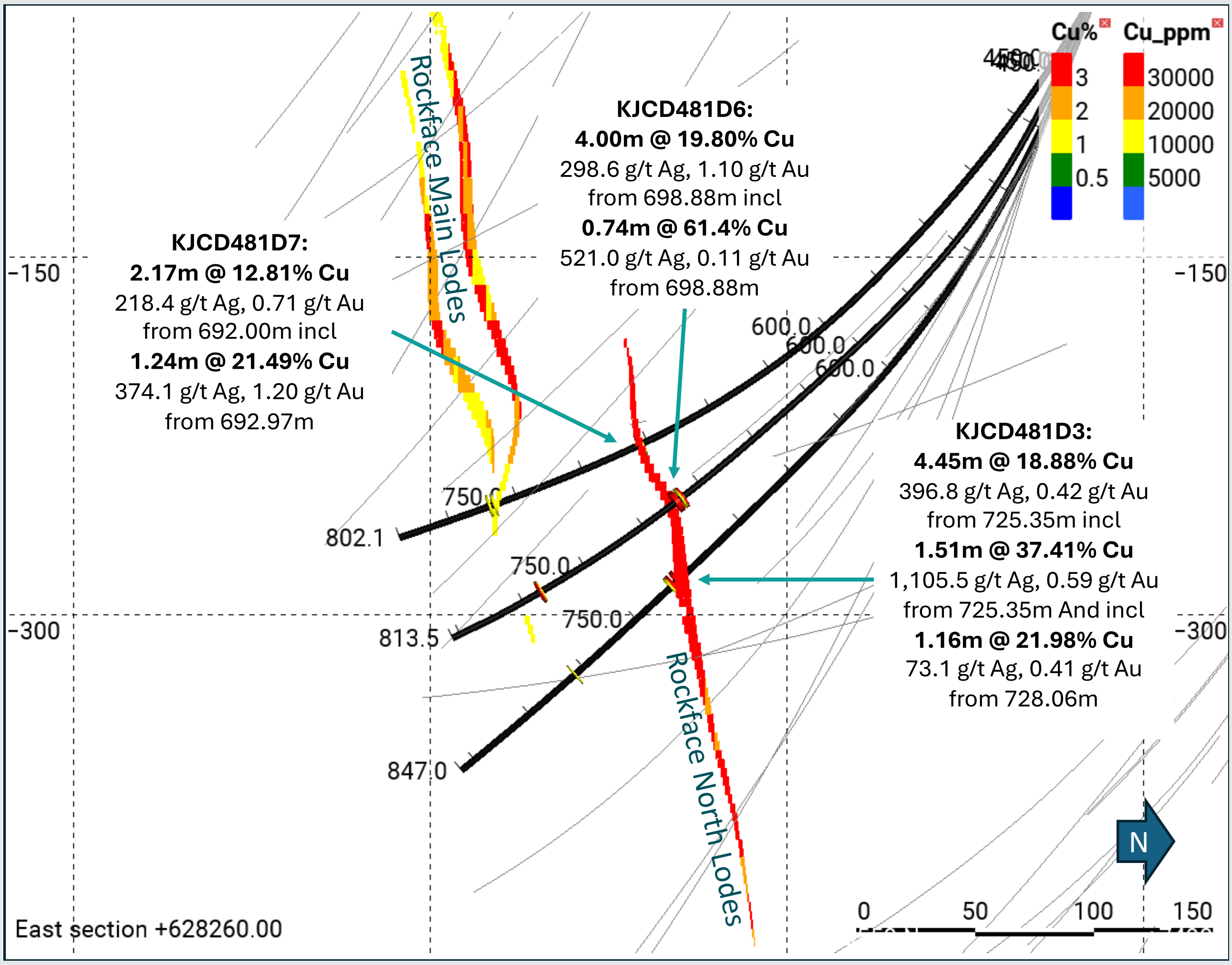


Figure 8. Cross section through 628260.00mN, looking west, Rockface Resource block model copper grade >1% and intersections of copper assay >1%. All other hole traces are shown in grey.

REVIEW OF OPERATIONS (CONTINUED)

Exploration and drilling results (continued)

KJD627:

Hole KJD627 was targeted at a gap in the western margin of Rockface North Lode (Figure 9), 64 m below Hole KJCD481D6, and intersected a thin faulted sulphide vein, containing the copper mineral bornite (Cu5FeS4). Another thin sulphide vein intersected in the footwall, containing copper mineral chalcopyrite (CuFeS2). Confirmation of the zone of high grade copper mineralisation was confirmed. The assay results from the intersections were:

- 1.42m @ 19.87% Cu, 286.00 g/t Ag, 1.07 g/t Au from 919.27m.

Rockface Deeps

A number of deep holes were drilled at Rockface North during the year, below the 2022 feasibility study mine plan, which intersected strong copper and gold grades and some of the highest grades of polymetallic mineralisation recorded at Jervois.

KJCD575W1:

High grade copper and gold results were reported from drillhole KJCD575W1, the deepest hole at Rockface (prior to drilling KJD627D2) encountering high-grade stringer copper mineralisation over an estimated true width of 5m, approximately 130m below the 2022 feasibility study mine plan.

- 5.0m @ 2.43% Cu, 0.55 g/t Au, 18.1 g/t Ag from 1,132.5m including:
  - 2.1m @ 3.53% Cu, 1.01 g/t Au, 21.5 g/t Ag from 1,134.54m.

The DHEM conductor modelled from the drillhole KJCD575W1 demonstrated continuity of mineralisation below the current resource model.

KJD627D1:

Hole KJD627D1 was designed to investigate the lateral continuity of high-grade copper mineralisation at Rockface Deeps targeting the midpoint between previous intersections from KJCD556 and KJCD556D4.

Robust copper results were reported (ASX announcement dated 27 September 2022) in deep Rockface drillhole KJCD556 with a 12.38m zone of massive, semi-massive and stringer sulphides comprised mainly of chalcopyrite (copper-iron-sulphide) and pyrite (iron-sulphide):

- 12.38m @ 2.60% Cu, 23.8 g/t Ag, 0.34 g/t Au from 978.26m, and
- 8.74m @ 3.20% Cu, 29.7 g/t Ag, 0.42 g/t Au from 978.26m including:
  - 5.75m @ 3.86% Cu, 34.4 g/t Ag, 0.51 g/t Au from 978.26m, and
  - 4.70m @ 4.26% Cu, 35.3 g/t Ag, 0.59 g/t Au from 979.41m.

High-grade copper-zinc-lead-silver massive sulphides were reported in deep Rockface drillhole KJCD556D4 (ASX Announcement dated 08 November 2023):

- 4.1m @ 3.59% Cu, 20.49% Zn, 4.32% Pb, 199.9 g/t Ag, 0.65 g/t Au from 990.0m.

Drill hole KJD627D1 intersected a massive sulphide-magnetite brecciated vein, containing significant chalcopyrite, sphalerite and galena at the lower edge of the Rockface North Lodes proving the lateral continuity of high-grade copper (Figure 9). The intersection is located to the north of the current resource model.

REVIEW OF OPERATIONS (CONTINUED)

Exploration and drilling results (continued)

The massive shoot exhibits a sharp contact with barren pelite in the hanging wall (**HW**). In contrast, the footwall (**FW**) contains another quartz-magnetite vein, which is less mineralised. The low-grade mineralisation (Cu <1%) continued for tens of meters in the footwall. Another thin zone of high-grade copper was intersected corresponding to Rockface Main Lode strike. The best assay results were:

- 5.08m @ 6.74% Cu, 330.63 g/t Ag, 5.36 g/t Au, 18.41% Zn, 8.42% Pb from 1013.05m (HW) including:
  - 3.66m @ 8.72% Cu, 454.72 g/t Ag, 0.83 g/t Au, 25.06% Zn, 11.60% Pb,
- 0.66m @1.59% Cu, 11.90 g/t Ag, 0.09 g/t Au from 1020.37m (HW),
- 0.80m @ 1.21% Cu, 6.50 g/t Ag, 0.08 g/t Au from 1028.00m (FW),
- 0.80m @ 1.02% Cu, 5.30 g/t Ag, 0.16 g/t Au from 1033.00m, and
- 1.28m @ 2.67% Cu, 13.04 g/t Ag, 0.40 g/t Au from 1043.53m (Rockface Main Lode strike).

Massive sulphide zones have previously been identified at Jervois as higher-grade domains in which the primary copper mineralisation has been remobilised by later structural reworking. The new intersection (KJD627D1), together with KJCD556D4, opens the potential for a new high-grade domain at the bottom of the current resource, subject to further infill drilling, with the possibility of increasing tonnages and mine life.

KJD627D2:
A newly drilled deep hole, KJD627D2, was completed 40m below KJCD575W1 to validate the DHEM conductor model and extend the resource further down-dip. Assay results for hole KJD627D2 are pending and will be reported when received.

Rockface remains open for further drilling at depth. Recent drilling efforts at Rockface have primarily focused on exploring deep holes to discover extensions of the Rockface North Lode at significant depths. This exploration technique has been extremely successful and involves an iterative process combining drilling and DHEM geophysics.

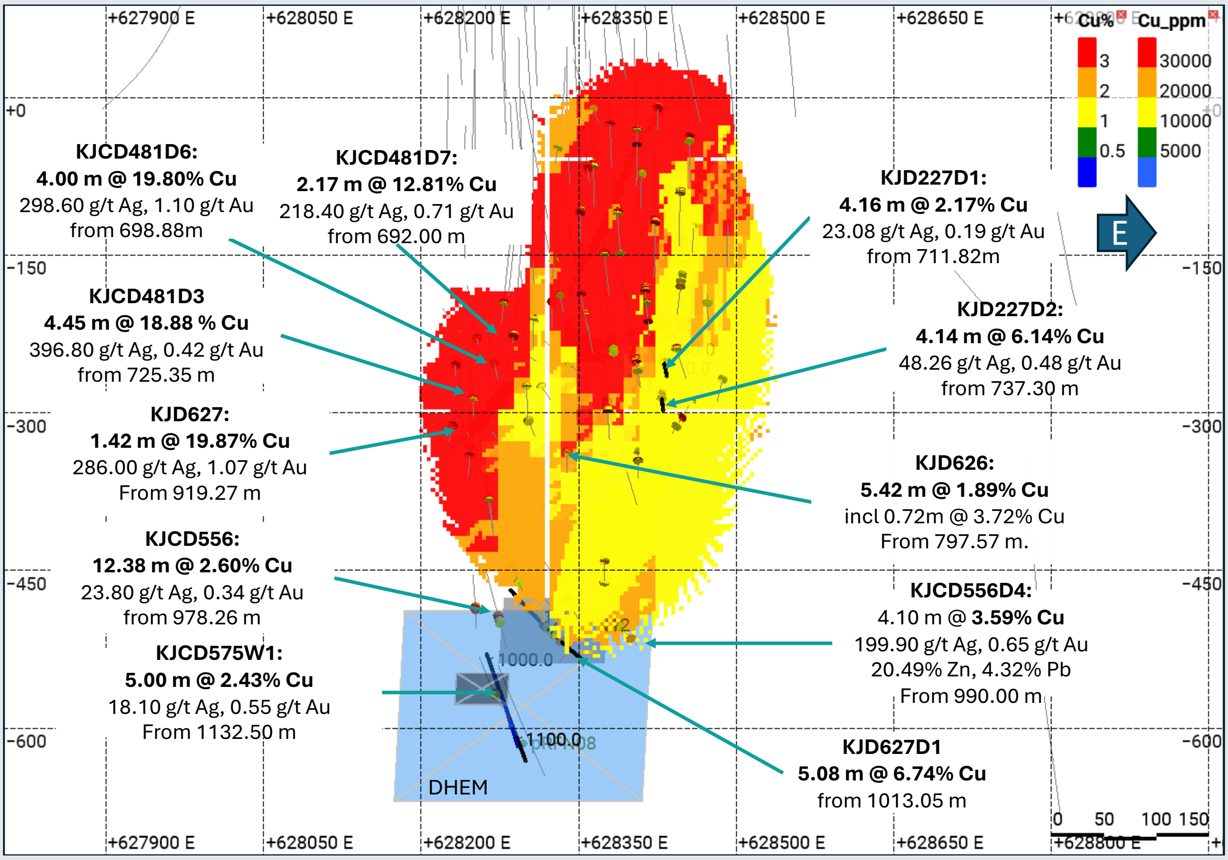


Figure 9. Long projection of Rockface north lodes showing locations of reported drill hole intersections. 2022 resource block model blocks >1% Cu shown coloured by copper grade, other drilling lode intersections shown by copper grade >1%. locations of holes drilled waiting on assay results. Location of previously announced holes. All intersections quoted are estimated true thickness (ETT). The DHEM conductor plates modelled from deepest hole (KJCD575W1) at Rockface.

REVIEW OF OPERATIONS (CONTINUED)

Capital raising (subsequent to year end)

On 8 July 2024, the Company announced a 4 for 15 pro rata non-renounceable entitlement offer for new fully paid ordinary shares in the Company (**Offer**) at an Offer price of $0.10 per new ordinary share to raise up to $15.1 million. The Offer was not underwritten and was subject to a minimum raise of $6.0 million.

The Offer closed on 31 July 2024 with the Company having received valid applications for 80,821,185 new ordinary shares. This represented approximately 54% of the total number of new ordinary shares offered to shareholders.

In total, the Offer raised $8,082,118 before costs. 80,821,185 new ordinary shares were issued and allotted on 7 August 2024 and commenced trading on the ASX on 8 August 2024.

The Company plans to use the funds in accordance with its strategic objectives:

- positioning the Company to commence production at Jervois in 2027 to coincide with a forecast chronic copper shortfall,
- continuing a drilling program at Jervois to extend the life of the Project, and
- undertaking exploration at depth at Jervois.

Board and senior management team

There were a number of changes to the Board and the senior management team in the year under review:

During the year, the Company announced the resignation of Executive Chairman, Mr Denis Wood, effective 31 March 2024, as a result of health issues. The Board expressed its gratitude to Denis for his dedication to the Company over the past almost 9 years. The advances made in the development of the Project have largely been a result of Denis' hard work and his engagement with the KGL team and other stakeholders.

Mr Jeff Gerard, who has been a Non-executive Director since 1 June 2022, assumed the role of Independent Chairman effective 31 March 2024.

Ms Kylie Anderson was appointed as interim Chief Executive Officer to ensure business continuity and transfer of corporate knowledge whilst a search process was commenced for a permanent Chief Executive Officer. Kylie has been with the Company since 2008, is currently the Company Secretary, and previously served as Chief Financial Officer.

Mr. Philip Condon was appointed to the role of Chief Executive Officer. Philip is a senior mining executive with extensive experience in the industry spanning more than 35 years across a wide range of commodities and countries.

The Board also announced it is seeking another Non-executive Director, who, along with Philip's appointment, will underpin and strengthen delivery of the Company's future plans.

FINANCIAL REVIEW

For the year ended 30 June 2024, the Group has recorded a loss after income tax of $2,671,410 (30 June 2023: loss of $2,404,468).

A total of $14,826,615 was capitalised to exploration and evaluation assets during the year (30 June 2023: $10,196,763).

The Group's cash reserve at 30 June 2024 was $6,329,796 (30 June 2023: $22,513,602) including $4,001,179 (30 June 2023: $7,000,000) in term deposits. In August 2024, the Company completed a capital raising to fund the Group's strategic objectives for the coming financial year. Refer to Events After the Reporting Date for a summary of the capital raising.

MATERIAL BUSINESS RISKS

The Group's exploration and mining operations will be subject to the normal risks of mining and any revenues will be subject to numerous factors beyond the Group's control. The material business risks that may affect the Group are summarised below.

Future capital raisings

The Group's ongoing activities are expected to require substantial further financing, in addition to amounts raised pursuant to the entitlement offer completed in August 2024. The Group will require additional funding to bring the Jervois Project into commercial production. Any additional equity financing may be dilutive to shareholders and may be undertaken at lower prices than the current market price, and debt financing, if available, may involve restrictive covenants which limit the Group's operations and business strategy.

Although the directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding will, if and when needed, be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on the Group's activities and could affect the Group's ability to continue as a going concern.

Exploration risk

The success of the Group depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Group's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities. Exploration on the Group's existing tenements may be unsuccessful, resulting in a reduction in the value of those tenements, diminution in the cash reserves of the Group and possible relinquishment of the tenements.

The exploration costs of the Group are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially adversely affect the Group's viability. If the level of operating expenditure required is higher than expected, the financial position of the Group may be adversely affected. The Group may also experience unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

Feasibility and development risks

It may not always be possible for the Group to exploit successful discoveries which may be made in areas in which the Group has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. The Group continues to assess the economic viability of a potential mine through to completion of final investment decision (**FID**) works, including contract negotiations being undertaken in 2024 aimed at reducing development risks for the Jervois Project. There is a risk, even if satisfactory contractual arrangements are put in place, the Jervois Project may not be successfully developed for commercial and/or financial reasons.

MATERIAL BUSINESS RISKS (CONTINUED)

Regulatory risk

The Group's operations are subject to various Commonwealth, State and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials. No assurance can be given that the Group will be successful in obtaining or maintaining such approvals, licences and permits in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, the Group may be curtailed or prohibited from continuing or proceeding with production and exploration. The Group's business and results of operations could be adversely affected if applications lodged for exploration licences are not granted.

Mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Group's projects. The imposition of new conditions, or the inability to meet those conditions, may adversely affect the operations, financial position and/or performance of the Group. It is also possible that, in relation to tenements which the Group has an interest in or will in the future acquire such an interest in, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Group to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations, may be affected. The Group has a registered Indigenous Land Use Agreement with the traditional owners for its Jervois Project.

Occupational health and safety

Given the Group's exploration activities (and especially if it achieves exploration success leading to mining activities), it will face the risk of workplace injuries which may result in workers' compensation claims, related common law claims and potential occupational health and safety prosecutions. Further, the production processes used in conducting any future mining activities of the Group can be hazardous. The Group has, and intends to maintain, a range of workplace practices, procedures and policies which will seek to provide a safe and healthy working environment for its employees, visitors, and the community.

Limited operating history of the group

The Group has a limited operating history on which it can base an evaluation of its future prospects. If the Group's business model does not prove to be profitable, investors may lose their investment. The Group's historical financial information is of limited value because of the Group's lack of operating history and the emerging nature of its business. The prospects of the Group must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly in the mineral exploration sector, which has a high level of inherent uncertainty.

Key personnel

In formulating its exploration programs, feasibility studies and development strategies, the Group relies to a significant extent upon the experience and expertise of the directors and management. A number of key personnel are important to attaining the business goals of the Group. One or more of these key employees could leave their employment, and this may adversely affect the ability of the Group to conduct its business and, accordingly, affect the financial performance of the Group and its share price. Recruiting and retaining qualified personnel is important to the Group's success. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons is strong.

MATERIAL BUSINESS RISKS (CONTINUED)

Resource and reserve estimate risk

Resource and reserve estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates. Resource and reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource and reserve estimates could affect the Group's future plans and ultimately its financial performance and value. Copper, silver and gold price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render resources containing relatively lower grades uneconomic and may materially adversely affect resource and reserve estimations.

Environmental risk

The operations and activities of the Group are subject to the environmental laws and regulations of Australia. As with most exploration projects and mining operations, the Group's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Group attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. The Group is unable to predict the effect of additional environmental laws and regulations which may come into effect in the future, including whether any such laws or regulations would materially increase the Group's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Group to incur significant expenses and undertake significant investments which could have a material adverse effect on the Group's business, financial condition and performance.

Availability of equipment and contractors

Appropriate equipment, including drill rigs, is in short supply. There is also high demand for skilled contractors providing other services to the mining industry. Current economic conditions, global and domestic, have only served to exacerbate these issues. Consequently, there is a risk that the Group may not be able to source all the equipment and contractors required to fulfill its proposed activities. There is also a risk that hired contractors may under-perform or that equipment may malfunction, either of which may affect the progress of the Group's activities. The availability of equipment, material and contractors is also a key consideration of the Company's board of directors in relation to the timing of the final investment decision.

Fluctuations in copper price and Australian dollar exchange rate

The copper mining industry is competitive. There can be no assurance that copper, silver and gold prices will be such that the Group can mine its deposits at a profit. Copper, silver and gold prices fluctuate due to a variety of factors including supply and demand fundamentals, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns and speculative activities. Similarly, demand and supply of capital and currencies, forward trading activities, relative interest rates and exchange rates and relative economic conditions can impact exchange rates.

Climate change risk

The operations and activities of the Group are subject to changes into local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage, and other possible restraints on industry that may further impact the Group and its profitability. While the Group will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Group will not be impacted by these occurrences. Climate change may also cause certain physical and environmental risks that cannot be predicted by the Group, including events such as increased severity of weather patterns, incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Group operates. The Company is working proactively to increase the level of renewal energy penetration at its Jervois Project and is considering a range of technologies that could be applied to the Jervois Project for the benefit of all stakeholders.

MATERIAL BUSINESS RISKS (CONTINUED)

Macro-economic risks

In 2024, the world continues to experience global supply chain disruptions, and labour and equipment shortages. Inflationary pressures for appropriately skilled labour, oil and capital items are being seen across many industries, including the mining industry, and the recent geopolitical tensions across a number of areas worldwide (including the ongoing conflict between Ukraine and Russia) may also continue to adversely affect capital markets and cause spikes in materials prices, including diesel prices.

SHARES UNDER OPTION

At the date of this report, the unissued ordinary shares of the Company under option are as follows:

ISSUE DATE	EXPIRY DATE	EXERCISE PRICE	NUMBER OF OPTIONS
Options issued 23 June 2021	22 Jun 2026	-	234,000

During the year ended 30 June 2024, no shares were issued on exercise of options and no shares relating to the exercise of options have been issued since the end of the financial year.

DIVIDENDS

No dividends in respect of the current year have been paid, declared or recommended for payment.

ENVIRONMENTAL REGULATION

The Group's operations in the Northern Territory are subject to significant environmental regulations under Northern Territory legislation. The Group is also subject to certain environmental obligations under the *Commonwealth Native Title Act 1993*. There have been no breaches by the Company or its subsidiaries.

INDEMNITY AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has entered into Deeds of Access, Insurance and Indemnity with each of the directors and the company secretary, indemnifying them against certain liabilities and costs to the extent permitted by law.

The Company has also agreed to pay a premium in respect of a contract insuring the directors and officers of the Company. Full details of the cover and premium are not disclosed in this report as the insurance policy prohibits their disclosure.

NON-AUDIT SERVICES

No amounts have been paid or are payable to the auditor for non-audit services provided during the financial year. Refer to Note 24 to the financial statements for further information on the remuneration of auditors.

OFFICERS OF THE COMPANY WHO ARE FORMER AUDIT PARTNERS OF BDO AUDIT PTY LTD

There are no officers of the Company who are former audit partners of BDO Audit Pty Ltd.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

OTHER CORPORATE INFORMATION

Principal Activity

The principal activity of the Group during the financial year was the exploration and evaluation of the Jervois Project in the Northern Territory.

Employees

The Group had 24 employees as of 30 June 2024 (30 Jun 2023: 21 employees).

INFORMATION ON DIRECTORS

The following information is current as at the date of this report.

MR JEFFERY GERARD

GRADUATE OF CAPRICORNIA INSTITUTE OF ADVANCE EDUCATION (CIAE)

GRADUATE OF AUSTRALIAN INSTITUTE OF COMPANY DIRECTORS (GAICD)

INDEPENDENT NON-EXECUTIVE CHAIRMAN:
Appointed 31 March 2024

INDEPENDENT NON-EXECUTIVE DIRECTOR:
Appointed 31 May 2022

Mr Gerard has over 40 years' experience in the resources industry, both domestically and abroad, in various technical, operational, commercial and executive management roles. His wide-ranging career has included roles as Strategy and Global Business Development Executive for Xstrata Coal, Chief Operating Officer for Xstrata Coal's operations in the Americas and Xstrata Coal South Africa. Following Glencore's 2013 merger with Xstrata, Mr Gerard served as Chief Development Officer for Glencore Coal and then as CEO of TSX-listed Katanga Mining, a subsidiary of Glencore, and as head of Glencore's assets in the Democratic Republic of Congo.

Following his retirement from Glencore in 2020, Mr Gerard established a management consulting business providing services to domestic and international companies in the areas of business strategy, technical evaluations, funding, investment and divestments.

Special Responsibilities:
- None.

Other Current Directorships of ASX Listed Companies:
- Independent Non-executive Director for Australia Pacific Coal Limited – Appointed 5 June 2024.

Former Directorships of ASX Listed Companies in Last Three Years:
- Atrum Coal Limited – Resigned 1 December 2022.

Interests in Shares and Options:
- 1,689,525 ordinary shares.

MR FERDIAN PURNAMASIDI

BACHELOR OF COMMERCE

DIPLOMA OF BUSINESS MANAGEMENT

NON-EXECUTIVE DIRECTOR:
Appointed 26 Apr 2016

Mr Purnamasidi is an executive at the Salim Group and a representative for KMP Investments Pte Ltd, a subsidiary of Salim Group. He is responsible for managing the Salim Group's investments in Australia. The Salim Group is a diversified multinational business group which owns various interests in mining, food products, agribusiness, retail, automobile, banking and financial and property sectors.

Mr Purnamasidi is also the Managing Director of Mach Energy Australia Pty Ltd which owns the world-class Mt Pleasant coal operation in the Hunter Valley region, New South Wales.

Special Responsibilities:
- None.

Other Current Directorships of ASX Listed Companies:
- None.

Former Directorships of ASX Listed Companies in Last Three Years:
- None.

Interests in Shares and Options:
- 1,308,530 ordinary shares.

INFORMATION ON DIRECTORS (CONTINUED)

MR BRIAN GELL

INDEPENDENT NON-EXECUTIVE DIRECTOR:

Appointed 4 April 2023

Mr Gell has over 40 years' experience in the construction industry having delivered projects in civil and municipal infrastructure, ferrous and non-ferrous metal minerals processing, petrochemical, mining and industrial sectors. His responsibilities have included project management, business development, contract negotiations and leading business units charged with delivery of mineral processing plants and related facilities. Mr Gell's career has included roles as General Manager for Mining and Metals – Eastern Region for Ausenco, Director of Projects for QCoal as well as positions with Leighton Asia and Leighton Contractors.

In 2014, Mr Gell established a company providing management advisory services in the areas of civil infrastructure, mining infrastructure, contract mining and process plant design, construction, commissioning and operations.

Special Responsibilities:

- None.

Other Current Directorships of ASX Listed Companies:

- None.

Former Directorships of ASX Listed Companies in Last Three Years:

- None.

Interests in Shares and Options:

- None.

MR DENIS WOOD

BACHELOR OF SCIENCE (GEOLOGY)

EXECUTIVE CHAIRMAN:
Appointed 28 July 2015
Retired 30 August 2021
Reappointed 18 May 2022
Resigned 31 March 2024

NON-EXECUTIVE DIRECTOR:
Appointed 18 March 2022

Mr Wood is an Australian and international mining industry director, executive and professional metallurgist and geologist with more than 45 years' experience. Following a 13-year career as a metallurgist and geologist with BHP and a further 8 years with CCI Holdings, where he reached the position of Managing Director, Mr Wood moved to Chicago to join a multinational company which supplied a complete range of services to the mining industry.

On his return to Australia, Mr Wood held multiple directorships of Australian based resource companies including executive directorships with Australian Premium Coals and Talbot Group.

Special Responsibilities:

- None.

Other Current Directorships of ASX Listed Companies:

- None.

Former Directorships of ASX Listed Companies in Last Three Years:

- None.

Interests in Shares and Options:

- 57,582,192 ordinary shares.

COMPANY SECRETARY

MS KYLIE ANDERSON

BSC. MBA (INT. BUS.) MPA

COMPANY SECRETARY: Appointed 02 Jan 2008

Ms Anderson has held senior financial and company secretarial roles with a number of companies in the resources sector including Felix Resources Limited and Rio Tinto Group.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors (**Board**), and of each Board committee, held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	FULL BOARD		AUDIT AND RISK COMMITTEE[2]		REMUNERATION COMMITTEE[2]	
	ATTENDED	HELD[1]	ATTENDED	HELD[1]	ATTENDED	HELD[1]
Current Directors						
J. Gerard	10	10	-	-	-	-
F. Purnamasidi	10	10	-	-	-	-
B. Gell	10	10	-	-	-	-
Former Directors						
D. Wood	6	7	-	-	-	-

1 Held is the number of meetings held during the time the director held office or was a member of the relevant committee.

2 Due to the current size of the Board, all matters that would normally have been considered by the Remuneration Committee and the Audit and Risk Committee have been considered by the Board as a whole.

REMUNERATION REPORT – AUDITED

The Remuneration Report, which has been audited, outlines the director and executive remuneration arrangements for the Group in accordance with the requirements of the *Corporations Act 2001* and its regulations.

A. Remuneration Philosophy

The Group's remuneration philosophy is to ensure that remuneration packages accurately reflect employees' duties and responsibilities, with the overall objective of ensuring maximum stakeholder benefit from the attraction and retention of a high-quality Board and executive team members.

The key principles underpinning the Group's remuneration philosophy are:

- Remuneration that is comparable and market-competitive,
- An appropriate balance between fixed and variable (at-risk) remuneration components,
- The alignment of directors' and executives' interests with those of shareholders, and
- Fairness and transparency.

The Group's remuneration philosophy and practices are overseen by the Remuneration Committee. The Remuneration Committee is responsible for:

- Monitoring and reporting to the Board material risks insofar as they relate to people and remuneration matters,
- Reviewing on an annual basis the remuneration levels of the Board and senior management and recommending changes to the Board as appropriate,
- Overseeing management incentive schemes including employee short-term (**STI**) and long-term (**LTI**) incentives,
- Developing and recommending to the Board performance goals for executives, and
- Assisting the Board in evaluating the achievement of performance goals.

Where the Remuneration Committee is not properly constituted according to the terms of the Remuneration Committee Charter (having three independent director members), the Board will perform the role and duties of the Remuneration Committee until such time that it is properly constituted.

REMUNERATION REPORT – AUDITED (CONTINUED)

B. Key Management Personnel

The Key Management Personnel (**KMP**) of the Group, comprising the chairman, the non-executive directors, the chief executive officer and the chief financial officer, are those individuals considered to have significant influence over the Group's operating performance and decision making. The KMP of the Group are listed in the following table below. Unless otherwise indicated, KMP have held the stated position since the commencement of the financial year and up to the date of this report.

NAME	POSITION	CHANGES IN TENURE
Directors		
Mr J. Gerard [1]	Independent Non-executive Chairman	Appointed 31 March 2024
Mr F. Purnamasidi	Non-executive Director	
Mr B. Gell	Independent Non-executive Director	
Former Directors		
Mr D. Wood	Executive Chairman	Resigned 31 March 2024
Other KMP		
Mr. A. Liaw	Chief Financial Officer	Appointed 5 December 2023
Former KMP		
Ms. K. Anderson [2]	Chief Executive Officer and Company Secretary	Appointed 22 March 2024 Resigned 29 July 2024
Mr. N. Spencer	Chief Executive Officer	Appointed 19 September 2023 Resigned 30 January 2024
Mr. M. Dippenaar	Chief Financial Officer	Appointed 5 September 2023 Resigned 11 December 2023
Ms. A. Treble	Chief Financial Officer	Resigned 22 September 2023

1 Prior to taking up the position of independent non-executive chairman, Mr Gerard was an independent non-executive director of the Company.

2 Ms Anderson has been company secretary for the Group since 2 January 2008 and assumed the additional role of chief executive officer on 22 March 2024. In accordance with the terms of her contract of employment, Ms Anderson stepped down from the role of chief executive officer on the appointment of Mr Philip Condon to this role on 29 July 2024.

REMUNERATION REPORT – AUDITED (CONTINUED)

C. Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

i) Non-executive Director Remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain non-executive directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

Structure

The Constitution of the Company and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The current aggregate remuneration so determined is $500,000. An amount not exceeding $500,000 is divided between the directors as agreed.

When appropriate, the Board considers advice from external consultants as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process. No remuneration consultants were engaged to review non-executive remuneration in the year to 30 June 2024.

Each director receives a fee for being a director of the Company. Directors who are called upon to perform extra services beyond the director’s ordinary duties may be paid additional fees for those services. Non-executive directors do not receive any form of equity incentive entitlement, bonus, options, other form of incentive entitlement or retirement benefits. All non-executive directors are entitled to superannuation contributions up to the statutory capped rates.

In order to align with shareholder interests, non-executive directors are encouraged to hold shares in the Company.

ii) Executive Remuneration

Objective

The Company aims to attract, motivate and retain high-performing and high-quality executives, to reward them with a level of remuneration commensurate with their position and responsibilities within the Group and to align their interests with those of shareholders.

Structure

Executive remuneration has three components, a combination of which comprises the executive’s total remuneration:

- fixed remuneration comprising a base salary, employer superannuation contributions and non-monetary benefits,
- other remuneration, including annual leave and long service leave benefits, and
- a performance-based incentive.

Executives can receive the fixed component of their remuneration in the form of cash or other fringe benefits (for example car parking benefits) where it does not create any additional costs to the Group and adds value for the executive. Any awards over and above contractual fixed remuneration and associated statutory entitlements are made at the discretion of the Board.

Upon retirement or termination, executive KMP are paid employee benefits accrued to date of retirement or termination. No other termination benefits are payable under service contracts.

In determining the level and make-up of executive remuneration, the Board may obtain independent advice from external consultants on market levels of remuneration for comparable executive roles. No remuneration consultants were engaged to review executive remuneration in the year to 30 June 2024. It is the Board’s policy that employment contracts are entered into with all the senior executives.

REMUNERATION REPORT – AUDITED (CONTINUED)

D. Relationship between Remuneration and the Company's Performance

The earnings of the Group for the five years / periods to 30 June 2024 are summarised below:

	30 JUN 2024 12 months $	30 JUN 2023 12 months $	30 JUN 2022 6 months $	31 DEC 2021 12 months $	31 DEC 2020 12 months $
Sales revenue	–	–	–	–	–
EBITDA [1]	(2,563,152)	(2,312,867)	(1,629,523)	(2,265,958)	(1,195,375)
EBIT [1]	(2,663,959)	(2,402,535)	(1,673,985)	(2,322,511)	(1,246,596)
Loss after income tax	(2,671,410)	(2,404,468)	(1,676,050)	(2,325,072)	(1,248,140)
Total KMP remuneration	1,044,622	1,277,590	534,242	897,523	538,695

1 EBIT and EBITDA are non-IFRS measures. They are calculated as follows:

EBIT: Total comprehensive income for the year, less income tax benefit and finance expense.

EBITDA: Total comprehensive income for the year, less income tax benefit, finance expense and depreciation and amortisation expense.

The factors that are considered to affect Total Shareholders' Return are summarised below:

	30 JUN 2024 12 months	30 JUN 2023 12 months	30 JUN 2022 6 months	31 DEC 2021 12 months	31 DEC 2020 12 months
Share price at financial year/period end ($)	$0.10	$0.18	$0.195	$0.60	$0.27
Total dividends declared (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	(0.47)	(0.52)	(0.41)	(0.61)	(0.39)

E. Employment Contracts

Employment contracts have been entered into by the Group with key management personnel, documenting the components and level of remuneration applicable to their appointments. These contracts do not fix the amount of remuneration increases from year to year. Remuneration levels are generally reviewed each year by the Remuneration Committee, when properly constituted, to align with changes in job responsibilities and market salary expectations. Employment contracts are currently reviewed annually by the Board as a whole.

F. Remuneration of Directors and Executives

1) Remuneration of Non-executive Directors

There have been no changes to the remuneration of non-executive directors in the current financial year.

All non-executive directors receive an annual fee of $47,250 plus superannuation at the statutory rate, subject to annual review. There are no additional fees paid for additional roles such as committee members, or chair positions. The annual fees have been apportioned in accordance with each director's period of tenure during the financial year.

2) Remuneration of the other Key Management Personnel

Refer to Section G: Service Contracts for further information.

REMUNERATION REPORT – AUDITED (CONTINUED)

F. Remuneration of Directors and Executives (continued)

3) Remuneration Summary

Directors and other key management personnel received the following compensation for their services during the year ended 30 June 2024 and the comparative year ended 30 June 2023:

YEAR ENDED 30 JUN 2024	CASH SALARY AND FEES $	OTHER SHORT-TERM BENEFITS $	OTHER LONG-TERM BENEFITS $	POST-EMPLOYMENT BENEFITS SUPERANNUATION $	SHARE-BASED PAYMENTS (A) $	TOTAL $	TOTAL PERFORMANCE RELATED %
Current Directors							
J. Gerard	47,250	-	-	5,197	-	52,447	-
F. Purnamasidi	47,250	-	-	5,197	-	52,447	-
B. Gell	47,250	-	-	5,197	-	52,447	-
Former Directors							
D. Wood [1]	339,375	-	-	20,599	-	359,974	-
Other KMP							
A. Liaw [2]	143,469	-	10,064	15,198	-	168,731	-
Former KMP							
K. Anderson [3]	124,579	-	-	6,850	-	131,429	-
N. Spencer [4]	127,301	-	-	13,992	-	141,293	-
M. Dippenaar [5]	79,836	-	-	8,156	-	87,992	-
A. Treble [6]	80,136	-	-	7,538	(89,812)	(2,138)	-
	1,036,446	**-**	**10,064**	**87,924**	**(89,812)**	**1,044,622**	**-**

A. Negative share-based payments are expense reversals recorded on the forfeiture of share options.

1 Resigned 31 March 2024

2 Appointed 5 December 2023

3 Appointed 22 March 2024. Resigned 29 July 2024

4 Appointed 19 September 2023. Resigned 30 January 2024

5 Appointed 5 September 2023. Resigned 11 December 2023

6 Resigned 22 September 2023.

REMUNERATION REPORT – AUDITED (CONTINUED)

F. Remuneration of Directors and Executives (continued)

3) Remuneration Summary (continued)

YEAR ENDED 30 JUNE 2023	CASH SALARY AND FEES $	OTHER SHORT-TERM BENEFITS $	OTHER LONG-TERM BENEFITS $	POST-EMPLOYMENT BENEFITS SUPERANNUATION $	SHARE-BASED PAYMENTS (A) $	TOTAL $	TOTAL PERFORMANCE RELATED %
Current Directors							
D. Wood	512,667	-	-	19,987	-	532,654	-
F. Purnamasidi	47,250	-	-	4,961	-	52,211	-
B. Gell [1]	11,616	-	-	1,220	-	12,836	-
J. Gerard	47,250	-	-	4,961	-	52,211	-
Former Directors							
I. Williams [2]	19,688	-	-	1,240	-	20,928	-
Other KMP							
A. Treble	283,931	-	5,723	27,052	17,051	333,757	5.1
Former KMP							
S. Rooney [3]	266,788	-	-	26,575	(20,370)	272,993	(7.5)
	1,189,190	**-**	**5,723**	**85,996**	**(3,319)**	**1,277,590**	**(0.3)**

A Negative share-based payments are expense reversals recorded on the forfeiture of share options.
1 Appointed 4 April 2023 2 Resigned 28 November 2022 3 Resigned 30 April 2023.

The remuneration of non-executive directors is fixed. For all other key management personnel, the proportion of remuneration that is fixed and the proportion of remuneration that is linked to performance is outlined below.

		FIXED REMUNERATION %	AT RISK – STI %	AT RISK – LTI %
Executive KMP				
A. Liaw	**30 June 2024**	**100**	**-**	**-**
	30 June 2023	-	-	-
Former Executive Chairman				
D. Wood	**30 June 2024**	**100**	**-**	**-**
	30 June 2023	100	-	-
Former Chief Executive Officers				
K. Anderson	**30 June 2024**	**100**	-	-
	30 June 2023	-	-	-
N. Spencer	**30 June 2024**	**100**	-	-
	30 June 2023	-	-	-
Former Chief Financial Officers				
M. Dippenaar	**30 June 2024**	**100**	**-**	**-**
	30 June 2023	-	-	-
A. Treble	**30 June 2024**	**100**	-	-
	30 June 2023	94.9	-	5.1
Former Chief Operating Officer				
S. Rooney	**30 June 2024**	**-**	**-**	**-**
	30 June 2023	100	-	-

No member of key management personnel is entitled to receive securities that are not performance based.

REMUNERATION REPORT – AUDITED (CONTINUED)

G. Service Contracts

Remuneration and other terms of employment for key management personnel, other than non-executive directors, are formalised in service agreements. Details of these agreements are as follows:

COMPONENT	CEO DESCRIPTION	OTHER SENIOR EXECUTIVE DESCRIPTION
Base salary	Range between $350,000 and $452,601	Range between $250,000 and $285,593
STI	Provides for eligibility for an STI plan, at rules and rates at be agreed between the executive and the Board.	
Contract duration	Until terminated in accordance with the provisions of the agreement.	
Notice by individual / Company	Range between no notice required to be given by either party to 6 months' notice in writing.	Range between 1 month's notice in writing and 6 months' notice in writing.
Termination of employment	Executives are entitled to receive their statutory entitlement of accrued annual leave, together with any superannuation benefits. No other termination benefits are payable.	

H. Cash Bonuses

There were no cash bonuses granted to KMP in relation to either the year ended 30 June 2024, or the year ended 30 June 2023.

I. Options Granted as Remuneration

The terms and conditions relating to long-term incentive share options granted to KMP that affected remuneration during the year are as follows:

GRANTEE	TYPE	GRANT DATE	GRANT DATE FAIR VALUE[1]	% VESTED	EXPIRY/ FORFEITURE DATE
Tranche 1 Options					
A.Treble	Share Options	31 May 2021	$78,400	-	22 Sep 2023
Tranche 2 Options					
A. Treble	Share Options	31 May 2021	$78,400	-	22 Sep 2023

1 The grant date fair value was determined using a Black Scholes-Merton valuation model at grant date.

2 Ms Treble's options were forfeited at the time of her resignation on 22 September 2023.

The number of options over ordinary shares held during the financial year by the key management personnel of the Group is set out below:

BALANCE BEGINNING OF YEAR NUMBER		GRANTED			EXERCISED		LAPSED	BALANCE END OF YEAR NUMBER
		GRANT DATE	NUMBER	VALUE $	NUMBER	VALUE $	NUMBER	
Former KMP								
A. Treble	224,000	-	-	-	-	-	(224,000)	-
	224,000		**-**	**-**	**-**	**-**	**(224,000)**	**-**

REMUNERATION REPORT – AUDITED (CONTINUED)

I. Options Granted as Remuneration (continued)

In accordance with the terms and conditions of the issue, Ms Treble's zero-priced options were forfeited on her resignation as chief financial officer of the Company. In the current financial year, a reversal of $89,812 resulting from the forfeiture has been reported in the Statement of Profit or Loss and Other Comprehensive Income.

Zero-priced share options had been offered by the Board to incentivise executive members of key management personnel and to align their interests with those of shareholders. Following the resignation of Ms Treble, no remaining zero-priced share options were held by the key management personnel of the Group.

No share options had vested or were exercisable at 30 June 2024.

J. Shareholdings of Directors and Key Management Personnel

The numbers of ordinary shares in the Company held during the financial year by each director and by each other member of key management personnel of the Group, including their personally related parties, are as follows:

30 JUNE 2024	BALANCE AT BEGINNING OF YEAR NUMBER	ENTITLEMENT OFFER NUMBER	ISSUED ON EXERCISE OF OPTIONS NUMBER	OTHER CHANGES NUMBER	BALANCE AT END OF YEAR NUMBER
Current Directors					
J. Gerard	1,000,000	-	-	-	1,000,000
F. Purnamasidi	1,033,050	-	-	-	1,033,050
B. Gell	-	-	-	-	-
Former Directors					
D. Wood [1]	57,582,192	-	-	(57,582,192)	-
Other KMP					
A. Liaw	-	-	-	-	-
Former KMP					
K. Anderson [2]	-	-	-	887,484	887,484
N. Spencer	-	-	-	-	-
M. Dippenaar	-	-	-	-	-
A Treble	-	-	-	-	-
TOTAL	**59,615,242**	**-**	**-**	**(56,694,708)**	**2,920,534**

1 Resigned 31 March 2024
2 Appointed 22 March 2024

REMUNERATION REPORT – AUDITED (CONTINUED)

K. Other Transactions with Key Management Personnel and / or their Related Parties

1) Amounts Payable to Key Management Personnel

At 30 June 2024, the following amounts due to members of key management personnel were outstanding:

	CONSOLIDATED	
PAYABLE TO KEY MANAGEMENT PERSONNEL	30 JUN 2024 $	30 JUN 2023 $
Director's fees and superannuation	4,587	4,786

2) Other Related Party Transactions

There were no other transactions conducted between the Group and key management personnel or their related parties, apart from those disclosed above relating to equity and compensation, that were conducted other than in accordance with normal employee or supplier relationships on terms no more favourable than those reasonably expected under arm's length dealings with unrelated parties.

THIS IS THE END OF THE REMUNERATION REPORT – AUDITED

EVENTS AFTER THE REPORTING DATE

Capital Raising

On 8 July 2024, the Company announced a 4 for 15 pro-rata non-renounceable entitlement offer for new fully paid ordinary shares in the Company (the **Offer**) at an Offer price of $0.10 per new ordinary share to raise up to $15.1 million. The Offer was not underwritten and was subject to a minimum raise of $6.0 million.

The Offer closed on 31 July 2024 with the Company having received valid applications for 80,821,185 new ordinary shares. This represented approximately 54% of the total number of new ordinary shares offered to shareholders.

In total, the Offer raised $8,082,118 before costs. 80,821,185 new ordinary shares were issued and allotted on 7 August 2024 and commenced trading on the ASX on 8 August 2024.

The proceeds of the Offer will be used to fund the Company's strategic objectives, these being:

- positioning the Company to commence production at Jervois in 2027 to coincide with a forecast chronic copper shortfall,
- continuing a drilling program at Jervois to extend the life of the Project, and
- undertaking exploration at depth at Jervois.

Appointment of Chief Executive Officer

On 5 July 2024, the Company announced that Mr Philip Condon has been appointed as chief executive officer of the Group with the appointment to take effect from 29 July 2024. Ms Anderson, who has been chief executive officer since the resignation of Mr Wood in March 2024, stepped down on the appointment of Mr Condon but continues in her role as company secretary for the Group.

Other than those matters noted above, no matters or circumstances have arisen since the end of the financial year which 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.

AUDITOR INDEPENDENCE

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001*, is set out on page 52 of the financial report.

This report is made in accordance with a resolution of the directors.

On behalf of the Board,

Jeff Gerard

Chairman
Brisbane
Dated: 24 September 2024

Competent Person's Statement

The Jervois Project resources information was first released to the ASX on 23 May 2024 and complies with JORC 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The Jervois Ore Reserves Estimates was first released to the market on 10 November 2022/11/2022 and complies with JORC 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The following drill holes were originally reported on the dates indicated and using the JORC code specified in the table. The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply.

HOLE		DATE REPORTED	JORC REPORTED UNDER
KJCD	208D1	6/6/2024	2012
KJCD	208D2	6/6/2024	2012
KJCD	215	27/3/2024	2012
KJCD	215D2	27/3/2024	2012
KJCD	481D3	11/10/2021 14/2/2022	2012
KJCD	481D6	10/11/2021 14/2/2022	2012
KJCD	481D7	8/12/2021 14/2/2022	2012
KJCD	556	27/9/2022	2012
KJCD	556D4	8/11/2023	2012
KJCD	575W1	8/11/2023	2012
KJD	227D1	29/7/2024	2012
KJD	227D2	29/7/2024	2012
KJD	583	8/11/2023	2012
KJD	586	19/12/2023	2012
KJD	588	19/12/2023	2012
KJD	606	24/1/2024	2012
KJD	608	24/1/2024	2012
KJD	612	24/1/2024	2012
KJD	613	24/1/2024	2012
KJD	614	24/1/2024	2012
KJD	617	27/3/2024	2012
KJD	626	5/7/2024	2012
KJD	627	5/7/2024	2012
KJD	627D1	29/7/2024	2012

Auditor’s Independence Declaration

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DECLARATION OF INDEPENDENCE BY A J WHYTE TO THE DIRECTORS OF KGL RESOURCES LIMITED

As lead auditor of KGL Resources Limited for the year ended 30 June 2024, 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of KGL Resources Limited and the entities it controlled during the period.

A J Whyte
Director

BDO Audit Pty Ltd

Brisbane, 24 September 2024

Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2024

		CONSOLIDATED	
		30 JUN 2024 $	30 JUN 2023 $
	NOTE	$	$
Other income	3	**631,200**	416,802
Administrative expenses	4(a)	**(1,244,988)**	(1,180,687)
Employee benefits expense	4(b)	**(1,530,715)**	(1,394,320)
Write-off of prepaid expenses		**(289,987)**	-
Other expenses		**(128,662)**	(154,662)
Depreciation and amortisation expense		**(100,807)**	(89,668)
Finance expense	4(c)	**(7,451)**	(1,933)
Loss before income tax		**(2,671,410)**	(2,404,468)
Income tax benefit	5	**-**	-
Net loss for the year		**(2,671,410)**	(2,404,468)

Other comprehensive income, net of tax		**-**	-
Total comprehensive income for the year		**(2,671,410)**	(2,404,468)

Loss per share attributable to the owners of the Company

Basic loss per share (cents per share)	6	**(0.47)**	(0.52)
Diluted loss per share (cents per share)	6	**(0.47)**	(0.52)

This financial statement should be read in conjunction with the accompanying notes.

Statement of Financial Position

AS AT 30 JUNE 2024

		CONSOLIDATED	
		30 JUN 2024	30 JUN 2023
	NOTE	$	$
Current assets			
Cash and cash equivalents	7	**6,329,796**	22,513,602
Trade and other receivables	8	**183,656**	201,443
Financial assets	9	**148,765**	148,765
Prepayments	10	**832,326**	1,158,322
Total current assets		**7,494,543**	24,022,132
Non-current assets			
Financial assets	9	**303,312**	303,312
Property, plant and equipment	11	**484,371**	335,263
Right-of-use assets	12	**153,414**	163,238
Exploration and evaluation assets	13	**115,774,199**	100,947,584
Intangible assets		**1,682**	2,555
Total non-current assets		**116,716,978**	101,751,952
Total assets		**124,211,521**	125,774,084
Current liabilities			
Trade and other payables	15	**2,839,647**	1,662,977
Lease liabilities	12	**135,179**	108,202
Total current liabilities		**2,974,826**	1,771,179
Non-current liabilities			
Lease liabilities	12	**24,429**	53,798
Total non-current liabilities		**24,429**	53,798
Total liabilities		**2,999,255**	1,824,977
Net assets		**121,212,266**	123,949,107
Equity			
Contributed equity	17	**250,645,610**	250,691,208
Reserves	16	**163,800**	183,633
Accumulated losses		**(129,597,144)**	(126,925,734)
Total equity		**121,212,266**	123,949,107

This financial statement should be read in conjunction with the accompanying notes.

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2024

		CONSOLIDATED	
		30 JUN 2024	30 JUN 2023
	NOTE	$	$
Cash flows from operating activities			
Receipts in the course of operations		**1,328,697**	976,911
Payments to suppliers and employees		**(4,154,278)**	(3,566,696)
Interest received		**637,548**	383,344
Finance costs – leases		**(13,324)**	(13,792)
Net cash used in operating activities	7(a)	**(2,201,357)**	(2,220,233)
Cash flows from investing activities			
Payment for exploration and evaluation assets		**(13,499,455)**	(11,339,112)
Payment for property, plant and equipment	11	**(249,514)**	(212,924)
Net cash used in investing activities		**(13,748,969)**	(11,552,036)
Cash flows from financing activities			
Proceeds from issue of shares	17	**-**	13,524,346
Payment of share issue costs		**(58,052)**	(198,310)
Principal elements of lease payments	7(d)	**(175,428)**	(311,421)
Net cash provided by / (used in) financing activities		**(233,480)**	13,014,615
Net increase / (decrease) in cash and cash equivalents		**(16,183,806)**	(757,654)
Cash and cash equivalents at the beginning of the year		**22,513,602**	23,271,256
Cash and cash equivalents at the end of the year	7	**6,329,796**	22,513,602

This financial statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2024

CONSOLIDATED	CONTRIBUTED EQUITY	SHARE-BASED PAYMENT RESERVE	ACCUMULATED LOSSES	TOTAL EQUITY
	$	$	$	$
Balance as at 1 July 2023	**250,691,208**	**183,633**	**(126,925,734)**	**123,949,107**
Loss for the year	-	-	**(2,671,410)**	**(2,671,410)**
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	**(2,671,410)**	**(2,671,410)**
Transactions with owners in their capacity as owners				
Share issue costs	**(45,598)**	-	-	**(45,598)**
Share-based payments – reversed	-	**(89,812)**	-	**(89,812)**
Share-based payments – expensed	-	-	-	-
Share-based payments – capitalised [i]	-	**69,979**	-	**69,979**
Balance as at 30 June 2024	**250,645,610**	**163,800**	**(129,597,144)**	**121,212,266**

Balance as at 1 July 2022	237,329,681	169,140	(124,521,266)	112,977,555
Loss for the year	-	-	(2,404,468)	(2,404,468)
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(2,404,468)	(2,404,468)
Transactions with owners in their capacity as owners				
Issue of share capital (net of costs)	13,361,527	-	-	13,361,527
Share-based payments – expensed	-	17,051	-	17,051
Share-based payments – capitalised [i]	-	(2,558)	-	(2,558)
Balance as at 30 June 2023	250,691,208	183,633	(126,925,734)	123,949,107

i The value of share-based payments to employees of the Jervois Project has been capitalised as part of the exploration and evaluation asset (Refer to Note 13).

This financial statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements for the year ended 30 June 2024

1. Basis of preparation

The financial statements of KGL Resources Limited for the year ended 30 June 2024 cover the consolidated entity consisting of KGL Resources Limited (**Company**, **Parent Entity**) and its controlled entities (**Group**, **Consolidated Entity**) as required by the *Corporations Act 2001*.

The registered office and principal place of business is Level 5, 167 Eagle Street, Brisbane, Queensland, 4000, Australia.

The financial statements are presented in the Australian currency.

KGL Resources Limited is a public company, incorporated and domiciled in Australia.

The principal activity of the Group during the year was exploration and evaluation of the Jervois Project in the Northern Territory. There have been no significant changes in the nature of these activities during the year.

The consolidated general-purpose financial report of the Group for the year ended 30 June 2024 was authorised for issue in accordance with a resolution of the directors on 24 September 2024. The directors have the power to amend and reissue the financial report. The financial report is a general-purpose financial report which:

- Has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board.
- Adopts all new and amended Accounting Standards and Interpretations issued by the AASB and IFRS that are relevant to the operations of the Group and effective for reporting period beginning on or after 1 July 2023. The impact of adopting these standards did not have any impact on the Group's accounting policies and did not require retrospective adjustments.
- Does not early adopt any Australian Accounting Standards and Interpretations that have been issued or amended but are not yet effective.

The financial statements have been prepared on a historical cost basis. The Company is a for-profit entity for the purposes of Australian Accounting Standards.

Key judgements and estimates

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates which are material to the financial report are found in the following notes:

- Note 5: Income taxes
- Note 13: Exploration and evaluation assets

Basis of consolidation

Subsidiaries are those entities over which KGL Resources Limited has control. The Group controls an entity when the Group is exposed, or has the rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies.

1. Basis of preparation (continued)

Other accounting policies

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

The notes to the financial statements

The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Group. Information is considered relevant and material if, for example:

- The amount in question is significant because of its size or nature,
- It is important for understanding the results of the Group,
- It helps to explain the impact of significant changes in the Group's business, for example acquisitions and impairment write-downs, or
- It is related to an aspect of the Group's operations that is important to its future performance.

Going concern

The financial report has been prepared on the going concern basis, which contemplates 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 report, the Group incurred a net loss of $2,671,410, net operating cash outflows of $2,201,357 and net investing cash outflows of $13,748,969 for the year ended 30 June 2024. As at 30 June 2024, the Group has cash and cash equivalents of $6,329,796 (excluding a term deposit of $148,765 currently classified as a financial asset). Subsequent to balance date, the Company raised $8,082,118 before costs as part of a non-renounceable entitlement offer for new fully paid ordinary shares in the Company.

The ability of the Group to continue as a going concern is principally dependent upon one or more of the following:

- The ability of the Company to raise capital as and when necessary, and/or
- The successful exploration and subsequent exploitation of the Group's tenements.

These conditions give rise to material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate for the following reasons:

- The directors can curtail the Group's activities to preserve cash,
- The directors believe there is sufficient cash available for the Group to continue operating until it can raise further capital to fund its ongoing activities, and
- The Group has a proven track record in equity raising with consistent support from existing shareholders in taking up entitlement offers. The entitlement offer announced on 8 July 2024 to existing shareholders at $0.10 per new ordinary share closed with 54% of entitlements taken up amounting to $8.08 million, before costs.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial report.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

2. Segment information

The Group identifies its operating segments based on the internal reports that are reviewed and used by the Board, the chief operating decision makers, in assessing performance and determining the allocation of resources.

All information provided to the Board is consolidated information. Accordingly, management currently identifies the Group as having only one reportable segment, being exploration at the Jervois Project in the Northern Territory. The financial results from this segment are equivalent to the financial statements of the Group as a whole. All significant operating decisions are based upon analysis of the Group as one segment.

All assets of the Group are located in Australia.

The Group does not yet have any products or services from which it derives an income.

3. Other income

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Interest revenue – third parties	**631,200**	416,802
Total other income	**631,200**	416,802

Recognition and measurement

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

All revenue is stated net of the amount of goods and services tax (**GST**).

4. Expenses

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
a) Administrative expenses		
Professional and consulting fees	**463,374**	416,510
Business development and investor relations expenses	**130,847**	155,650
Software development costs	**688**	6,606
Corporate office overheads	**217,405**	172,597
Corporate fees	**101,541**	104,175
Insurance	**327,557**	321,483
Expenses relating to leases of low-value assets	**3,576**	3,666
	1,244,988	1,180,687
b) Employee benefits expense		
Salaries, wages, and related costs	**1,360,142**	1,146,700
Directors' fees (excluding superannuation)	**146,947**	141,553
Expense reversal on forfeiture of employee share options (refer to Note 18)	**(89,812)**	-
Share-based payments expense (refer to Note 18)	**-**	17,051
Superannuation contributions	**113,438**	89,016
	1,530,715	1,394,320
c) Finance expense		
Interest on lease liabilities (refer to Note 12)	**7,451**	1,933
	7,451	1,933

4. Expenses (continued)

Recognition and measurement

Post-employment benefits plans – defined contribution plans

The Group provides post-employment benefits through defined contribution plans.

The Group pays fixed contributions into independent entities in relation to several plans. The Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions which are recognised as an expense in the period in which the relevant employee services are received.

5. Income taxes

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
a) Components of tax expense		
Current tax benefit on loss for the year	-	-
Deferred tax arising from origination and reversal of temporary differences	-	-
Total income tax benefit in profit or loss	-	-
b) The prima facie income tax on the loss is reconciled to income tax benefit as follows:		
Loss before income tax	**(2,671,410)**	(2,404,468)
Prima facie tax benefit on loss before income tax at 25% (2023: 25%)	**(667,853)**	(601,117)
Other deductible expenses	**(22,830)**	(80,421)
Adjustment recognised for prior periods	-	(94,368)
Deferred tax assets arising from temporary differences not recognised	**(690,683)**	775,906
Income tax benefit attributable to the Group	-	-
c) Unrecognised deferred tax assets		
Prior year tax losses brought forward – gross	**180,566,617**	166,377,225
Adjustment to prior period losses – gross	**1,424**	377,470
Total losses recognised – gross	**(110,633,146)**	(96,902,547)
Current period tax losses – gross	**16,492,093**	13,811,922
Unrecognised tax losses – gross	**86,426,987**	83,664,070
Deferred tax assets not taken up – at 25% (2023: 25%)	**21,606,747**	20,916,017
d) Recognised net deferred tax assets		
Deferred tax liabilities		
Exploration and evaluation	**(27,895,083)**	(24,340,195)
	(27,895,083)	(24,340,195)
Deferred tax assets		
Tax losses recognised at 25% (2023: 25%)	**27,658,287**	24,225,946
Provisions / accruals	**236,796**	114,249
	27,895,083	24,340,195
Net deferred tax asset recognised	–	–

e) Franking credits

There are no franking credits available.

5. Income taxes (continued)

Recognition and measurement

The income tax expense / (benefit) for the year comprises current income tax expense / (benefit) and deferred tax expense / (benefit).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities / (assets) are measured at the amounts expected to be paid to / (recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense / (benefit) reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense / (benefit) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss. Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

6. Loss per share

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Loss after income tax attributable to the owners of the Company used in calculating basic and diluted loss per share.	**(2,671,410)**	(2,404,468)
Basic loss per share (cents per share)	**(0.47)**	(0.52)
Diluted loss per share (cents per share)	**(0.47)**	(0.52)

	# SHARES	# SHARES
Weighted average number of ordinary shares used in the calculation of basic and diluted loss per share.	**567,291,863**	465,704,875

At 30 June 2024, the Company had granted 234,000 options (30 Jun 2023: 458,000 options) over unissued ordinary shares. No options had vested or were exercisable at financial year end. As the Company has generated losses, the options have been treated as anti-dilutive for the purposes of determining diluted loss per share (Refer to Note 18).

Recognition and measurement

Basic earnings per share
Basic earnings / (loss) per share is calculated by dividing the profit / (loss) attributable to the owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings / (loss) per share adjusts the figures used in the determination of basic earnings / (loss) per share to take into account the after-tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

7. Cash and cash equivalents

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Cash at bank	**2,328,617**	15,513,602
Term deposits with short-term maturity	**4,001,179**	7,000,000
Total cash and cash equivalents	**6,329,796**	22,513,602

Cash at bank balances bear floating interest rates between 0% and 4.35% (30 Jun 2023: 0% and 4.1%).

Term deposits bear fixed interest rates between 2.98% and 4.83% (30 Jun 2023: 4.15% and 4.35%).

Recognition and measurement

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

7. Cash and cash equivalents (continued)

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
a) Reconciliation of loss after tax to net cash flows from operations		
Loss for the year after income tax benefit	**(2,671,410)**	(2,404,468)
Non-cash flows in loss:		
Depreciation and amortisation expense	**100,807**	89,668
Expense reversal on forfeiture of employee share options	**(89,812)**	-
Share-based payments expense	**-**	17,051
(Gain) / loss on disposal of property, plant and equipment	**1,324**	-
Write-off of prepaid expenses	**289,987**	-
Capitalised expenditure classified as cash flows from operating activity:		
Interest expense	**(5,873)**	(11,859)
Change in operating assets and liabilities:		
(Increase) / decrease in trade and other receivables	**17,787**	(118,079)
(Increase) / decrease in payables for exploration and evaluation assets [i]	**89,655**	105,885
(Increase) / decrease in prepayments	**(13,011)**	(317,588)
Increase / (decrease) in trade and other payables	**79,189**	419,157
Net cash used in operating activities	**(2,201,357)**	(2,220,233)

i Classified as investing activity

b) Facilities with banks

There are no borrowing facilities at the reporting date (30 Jun 2023: Nil).

c) Non-cash financing and investing activities

Non-cash investing and financing activities disclosed in other notes are:

- Additions to right-of-use assets – refer to Note 12, and
- Share options issued to employees for no cash consideration – refer to Note 18.

(d) Cash and non-cash movements in liabilities arising from financing activities

The following table reconciles the cash and non-cash movements in liabilities arising from financing activities:

Borrowings	Opening Balance	Non-cash Additions	Cash Lease Payments	Closing Balance
	$	$	$	$
30 Jun 2024				
Lease liabilities	162,000	173,036	(175,428)	159,608
30 Jun 2023				
Lease liabilities	426,101	47,320	(311,421)	162,000

8. Trade and other receivables

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
GST receivable (net)	**137,743**	139,233
Other receivables	**45,913**	62,210
Total trade and other receivables	**183,656**	201,443

Other receivables are non-interest bearing and have repayment terms up to thirty days.

9. Financial assets

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Current		
Term deposits	**148,765**	148,765
Total current financial assets	**148,765**	148,765
Non-current		
Security deposits	**303,312**	303,312
Total non-current financial assets	**303,312**	303,312

Financial assets are comprised of rental bonds, rolling interest-bearing term deposits supporting environmental bank guarantees with the Department of Mines and other guarantees. Security deposits and guarantees of $303,312 (30 Jun 2023: $303,312) have been provided to the Department of Mines and other suppliers.

10. Prepayments

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Prepayment for infrastructure [i]	**160,000**	449,987
Other operating prepayments [ii]	**672,326**	708,335
Total prepayments	**832,326**	1,158,322

i This was a progress payment for communications hardware at the Jervois Project. Certain earlier progress payments incurred for assessment of communications infrastructure did not proceed.

ii Other operating prepayments include prepayments for insurance, software licences, tenement rents and other operating expenditure.

11. Property, plant and equipment

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Plant and equipment		
Cost	**1,087,764**	856,267
Accumulated depreciation	**(603,393)**	(521,004)
Total plant and equipment	**484,371**	335,263

Recognition and measurement

Each class of property, plant and equipment is carried at historical cost less, where applicable, any accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

At each reporting period end, the carrying amount of property, plant and equipment is reviewed to ensure that carrying values are not in excess of the recoverable amounts. The assets' residual values and useful lives are also reviewed, and adjusted if appropriate, at each reporting date.

The depreciable amount of all property, plant and equipment is depreciated on a straight-line basis to allocate cost, net of any residual value, over the estimated useful lives to the Group commencing from the time the asset is held ready for use. The useful lives of assets classified as plant and equipment are between 3 and 10 years.

11. Property, plant and equipment (continued)

Movements in carrying amount of property, plant and equipment:

30 JUNE 2024	PLANT AND EQUIPMENT $
Carrying amount at 1 July 2023	**335,263**
Additions	**249,514**
Depreciation [i]	**(99,082)**
Disposals	**(1,324)**
Carrying amount at 30 June 2024	**484,371**

i $82,521 (30 Jun 2023: $54,882) of depreciation expense on property, plant and equipment acquired to advance the Jervois Project has been capitalised as part of the exploration and evaluation asset.

30 JUNE 2023	PLANT AND EQUIPMENT $
Carrying amount at 1 July 2022	198,355
Additions	212,924
Depreciation	(76,016)
Disposals	-
Carrying amount at 30 June 2023	335,263

12. Leases

This note provides information on the Group as a lessee.

Amounts recognised in the statement of financial position

The statement of financial position shows the following amounts relating to leases:

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Right-of-use assets		
Property	**100,938**	11,277
Motor vehicles	**52,476**	151,961
Total right-of-use assets	**153,414**	163,238
Lease liabilities		
Current	**135,179**	108,202
Non-current	**24,429**	53,798
Total lease liabilities	**159,608**	162,000

12. Leases (continued)

Amounts recognised in the statement of profit or loss and other comprehensive income

The statement of profit or loss and other comprehensive income includes the following amounts relating to leases:

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Amortisation expense [i]	**83,375**	67,661
Interest expense [ii]	**7,451**	1,933
Expense relating to leases of low value assets	**3,576**	3,666

i Amortisation of $99,485 (30 Jun 2023: $241,777) relating to leased assets acquired for the purpose of advancing the Jervois Project has been capitalised as part of the Exploration and Evaluation asset.

ii Interest of $5,873 (30 Jun 2023: $11,859 recognised on leases entered into for the purposes of advancing the Jervois Project has been capitalised as part of the Exploration and Evaluation asset

Recognition and measurement

The Group leases property and various motor vehicles. Lease contracts are typically made for periods of two to five years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide variety of terms and conditions.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for the lease of real estate for which the Group is the lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentive receivable,
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- Amounts expected to be payable by the Group under residual value guarantees,
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rates implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group, where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

12. Leases (continued)

Recognition and measurement (continued)

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of the lease liability,
- Any lease payments made at or before the commencement date, less any lease incentives received,
- Any initial direct costs, and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a term of 12 months or less. Low value assets are small items of office equipment.

Key judgements and estimations

In determining both the right-of-use asset and the lease liability certain estimates and judgements were made. These included the following:

- *Impairment identification*. No impairments were identified at 30 June 2024. Each of the right-of-use assets was allocated to a cash generating unit (**CGU**) and the CGUs were assessed for impairment based on value in use. No impairments to CGUs have been identified

13. Exploration and evaluation assets

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Deferred exploration and evaluation assets	**115,774,199**	100,947,584
Deferred exploration and evaluation assets		
Balance at the beginning of the year	**100,947,584**	90,750,821
Current year expenditure	**14,826,615**	10,196,763
Balance at the end of the year	**115,774,199**	100,947,584

The ultimate recovery of exploration and evaluation assets is dependent upon successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Recognition and measurement

The Group applies AASB 6 *Exploration for and Evaluation of Mineral Resources*. Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full in profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are transferred to mine development and amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Where incidental income and other research and development grants are received that relate to capitalised exploration and evaluation expenditure, these amounts are offset against the amounts capitalised.

13. Exploration and evaluation assets (continued)

Key estimates and judgements

The directors determine when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been capitalised in respect of that area of interest are written off. The directors' decisions are made after considering the likelihood of finding commercially viable outcomes balanced with acceptable political and environmental assessment. No tenements were abandoned in the current financial year.

Work undertaken in the current year has advanced the technical aspects of the Project, however, until the financial investment decision is made by the Board, the vast majority of work undertaken is eligible for capitalisation under AASB6 *Exploration for and Evaluation of Mineral Resources*. Until such time as the financial investment decision has been made, the directors believe that the Jervois Project is still in the exploration and evaluation phase and have capitalised expenses to the Exploration and Evaluation asset in accordance with the prescribed accounting treatment

14. Interests in other entities

Subsidiaries

The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by Group.

NAME	COUNTRY OF INCORPORATION	30 JUN 2024 % HELD	30 JUN 2023 % HELD
Jinka Minerals Limited	Australia	**100**	100
Jervois Holdings Pty Ltd	Australia	**100**	100
Jervois Operations Pty Ltd	Australia	**100**	100
KGL Resources Sales Pty Ltd	Australia	**100**	100

15. Trade and other payables

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Trade payables	**1,055,413**	753,259
Other payables	**1,628,170**	770,000
Employee benefits	**156,064**	139,718
Total trade and other payables	**2,839,647**	1,662,977

Recognition and measurement

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year-end which are unpaid. These amounts are unsecured and have 7 to 45 day payment terms. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. No assets of the Group have been pledged as security for the trade and other payables.

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, superannuation, annual leave and long service leave.

Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements.

Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the obligation is settled.

16. Reserves

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Share-based payments reserve	**163,800**	183,633
Total reserves	**163,800**	183,633

Nature and purpose of reserves

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to directors and other employees as part of their remuneration (Refer to Note 18).

17. Contributed equity

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Ordinary shares – fully paid	**250,645,610**	250,691,208

Movement in shares on issue

DETAILS	30 JUN 2024		30 JUN 2023	
	SHARES ISSUED NO.	ISSUED CAPITAL $	SHARES ISSUED NO.	ISSUED CAPITAL $
Beginning of the financial year	**567,291,863**	**250,691,208**	454,588,974	237,329,681
Entitlement offer – 25 May 2023	-	-	112,702,889	13,524,346
Share issue costs – 28 June 2022 raising	-	-	-	20,520
Share issue costs – 25 May 2023 raising	-	**(12,163)**	-	(183,339)
Share issue costs – 8 July 2024 raising	-	**(33,435)**	-	-
End of the financial year	**567,291,863**	**250,645,610**	567,291,863	250,691,208

Capital raising

After the end of the financial year, the Company announced a 4 for 15 pro-rata non-renounceable entitlement offer for new fully paid ordinary shares in the Company (the **Offer**) at an offer price of $0.10 per new ordinary share to raise up to $15.1 million. The Offer was not underwritten and was subject to a minimum raise of $6.0 million. Refer to Note 26 for further information.

17. Contributed equity (continued)

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of, and amounts paid up on, shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

Ordinary shares have no par-value, and the Company does not have a limited amount of authorised capital.

Capital risk management

The capital structure of the Group consists of equity as disclosed in the statement of financial position. Management controls the capital of the Group in order to generate long-term shareholder value, maximising the return to shareholders and ensuring that the Group can fund its operations and continue as a going concern.

There are no externally imposed capital requirements.

The Group's capital is effectively managed by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

Recognition and measurement

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

Transaction costs arising from the issue of equity instruments are recognised directly in equity as a reduction in the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments, and which would not have been incurred had those instruments not been issued.

18. Share-based payments

Share options granted to key management personnel and other employees

Zero-priced share options were offered by the Board in prior financial years to incentivise members of key management personnel and other senior employees and to align their interests with those of shareholders. The zero-prices options were issued in two equal tranches, each with performance related vesting conditions.

Forfeiture of zero-priced share options

A member of key management personnel who resigned from the Company during the financial year was the holder of a total of 224,000 zero-priced options (112,000 Tranche 1 options and 112,000 Tranche 2 options). In accordance with the terms and conditions of the issue, these zero-priced options were forfeited on the resignation of the holder. In the current financial year, a reversal of $89,812 resulting from the forfeiture has been reported in the Statement of Profit or Loss and Other Comprehensive Income.

Terms and conditions of zero-priced share options

The grant of options to each option holder has been split into two equal tranches with each tranche subject to vesting conditions as outlined below:

TRANCHE	CONDITIONS
1	Vest upon achieving successful final investment decision for the Jervois Project, on time and on budget based on the criteria approved by the Board of the Company. In respect of the Tranche 1 options, unless the Board of KGL Resources Limited determines otherwise, 20% of the total Tranche 1 options granted to the holder will lapse for each month that a successful financial investment decision for the Jervois Project is delayed beyond the time approved and set by the Board of KGL Resources Limited.
2	Vest following the construction of the mine for the Jervois Project and achieving first production of at least 1000t of concentrate under the conditions approved by the Board of the Company. In respect of the Tranche 2 options, unless the Board of KGL Resources Limited determines otherwise, 20% of the total Tranche 2 options granted to the holder will lapse for each month that the construction of the mine for the Jervois Project and first production (1000t) is delayed beyond the time approved and set by the Board of KGL Resources Limited.

The estimated vesting date of the tranches is based on management's best estimate as at 30 June 2024, and the probability of achieving the hurdles has been reflected in the fair value of the options granted.

18. Share-based payments (continued)

Terms and conditions of option issue

Unless the Board of the Company determines otherwise, the options will immediately lapse if a holder ceases to be employed by the Group.

If, in the opinion of the Board of the Company, a significant safety, environmental or social incident occurs, the Board of the Company may determine that the options will lapse.

In respect of the Tranche 1 options, unless the Board of the Company determines otherwise, 20% of the total Tranche 1 options granted to the holder will lapse for each month that a successful final investment decision for the Jervois Project is delayed beyond the time approved and set by the Board of the Company.

In respect of the Tranche 2 options, unless the Board of the Company determines otherwise, 20% of the total Tranche 2 options granted to the holder will lapse for each month that the construction of the mine for the Jervois Project and first production (1000t) is delayed beyond the time approved and set by the Board of the Company.

The options do not confer a right to participate in new issues of shares unless the options have vested and have been exercised on or before the record date for determining entitlements to the issue. Similarly, while they remain unexercised, the options will not give the holder any entitlement to receive any dividends declared and paid by the Company.

The options do not confer a right to participate in new issues of shares unless the options have vested and have been exercised on or before the record date for determining entitlements to the issue. Similarly, while they remain unexercised, the options will not give the holder any entitlement to receive any dividends declared and paid by the Company.

Each option entitles the holder to one ordinary fully paid share in the Company. Any shares issued on exercising an option will be issued on the same terms as, and rank in all respects on equal terms with, existing ordinary fully paid shares in the Company.

Option summary

A summary of the movements of all options issued for the year ended 30 June 2024 is as follows:

GRANT DATE	EXPIRY DATE	BALANCE AT START OF YEAR NO.	GRANTED NO.	EXERCISED NO.	LAPSED / FORFEITED NO.	BALANCE AT END OF YEAR NO.	TOTAL VALUE $
Tranche 1							
31 May 21	22 Jun 26	229,000	-	-	(112,000)	117,000	-
Tranche 2							
31 May 21	22 Jun 26	229,000	-	-	(112,000)	117,000	-
Total		**458,000**	**-**	**-**	**(224,000)**	**234,000**	**-**

Included under employee benefits expense in the Statement of Profit or Loss and Other Comprehensive Income is $89,812 reversal of equity-settled share-based payment expenditure relating to the forfeited options of an employee who resigned during the year. A further $69,979 of equity-settled share-based payment expenditure has been capitalised as part of the Exploration and Evaluation asset.

18. Share-based payments (continued)

Recognition and measurement

Equity-settled share-based payments with directors and employees are measured at the fair value of the equity instrument at the grant date. Fair value is measured by the use of a Black Scholes-Merton valuation model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. The fair value determined at the grant date of the share-based payments is expensed on a straight-line basis over the vesting period with a corresponding increase in equity.

No expense is recognised for awards that do not ultimately vest because internal conditions were not met. An expense is still recognised for options that do not ultimately vest because a market condition was not met. Where options are cancelled, they are treated as if they had vested on the date of cancellation and any unrecognised expenses are taken immediately to profit or loss. However, if new options are substituted for the cancelled options and designated as a replacement on the grant date, the combined impact of the cancellation and replacement is treated as if it were a modification.

Where share-based payments are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such share-based payments are reversed to the profit or loss effective from the date of forfeiture.

Equity-settled share-based payment transactions with other parties are measured at fair value of the goods and services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date goods or services were obtained.

19. Financial assets and liabilities

Fair value estimation of financial assets and financial liabilities

The fair values of financial assets and financial liabilities are presented in the following table. For all categories of financial assets and financial liabilities, the carrying amount is considered a reasonable approximation of fair value.

		CONSOLIDATED	
		30 JUN 2024	30 JUN 2023
	NOTE	$	$
Financial assets measured at amortised cost			
Cash and cash equivalents	7	**6,329,796**	22,513,602
Financial assets	9	**452,077**	452,077
Trade and other receivables	8	**183,656**	201,443
Total financial assets		**6,965,529**	23,167,122
Financial liabilities measured at amortised cost			
Trade and other payables	15	**(2,683,583)**	(1,523,259)
Lease liabilities	12	**(159,608)**	(162,000)
Total financial liabilities		**(2,843,191)**	(1,685,259)

19. Financial assets and liabilities (continued)

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. The subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or it expires.

Classification and subsequent measurement of financial assets

a) Investments and other financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income (**OCI**), or through profit or loss); and
- Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (**FVOCI**).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (**FVPL**), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

b) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- *Amortised cost*: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss and other comprehensive income.
- *FVOCI*: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss.
- When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as a separate line item in the statement of profit or loss and other comprehensive income.
- *FVPL*: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

19. Financial assets and liabilities (continued)

Classification and subsequent measurement of financial assets (continued)

c) Impairment

The Group assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and subsequent measurement of financial liabilities

The Group's financial liabilities include trade and other payables and lease liabilities.

Financial liabilities are measured subsequently at amortised cost using the effective interest method.

20. Financial risk management

Financial risk management objectives and policies

Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks. These risks include market risk (including interest rate risk, foreign currency risk and commodity price risk), credit risk, and liquidity risk.

The primary responsibility for identification and control of financial risks rests with the Board. The Group's financial and commodity risk management program supports the achievement of the Group's objectives by enabling the identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks and implementing policies and procedures to manage and monitor the risks.

These written policies establish the financial and commodity risk management framework and define the procedures and controls for the effective management of the Group's risks that arise through the Group's current exploration and development activities and those risks which may arise through other mining activities in the future.

The policy ensures all financial and commodity risks are fully recognised and treated in a manner consistent with:

- The Board's management philosophy,
- Commonly accepted industry practice and corporate governance, and
- Shareholders' expectations of becoming a copper and gold producer.

The policies are reviewed by the Board annually, at a minimum, as the Group's financial and commodity risks are likely to change over time. There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from the previous period.

The Group's principal financial instruments comprise cash at bank, security deposits, trade and other receivables, trade and other payables and lease liabilities.

Exposure limits are reviewed by management on a continuous basis. The Group does not enter into, or trade, financial instruments for speculative purposes.

Credit risk exposures

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises principally from cash on deposit and trade and other receivables. The objective of the Group is to minimise the risk of loss from credit risk exposure.

The maximum exposure to credit risk, excluding the value of any collateral or other security at reporting date, is the carrying amount of those assets, net of any impairment, as disclosed in the statement of financial position and notes to the financial statements.

In both the year ended 30 June 2024 and the year ended 30 June 2023, there has been no concentration of credit risk in trade and other receivables as the Group did not have customers at either year end.

At year end, the Group has one material exposure of $6,478,561 to ANZ (30 Jun 2023: $22,662,367) relating to funds on deposit and cash at bank. The Group manages its credit risk associated with funds on deposit and cash at bank by only dealing with reputable financial institutions.

20. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The objective of managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due.

Working capital is primarily comprised of cash. The Group has established policies and processes for managing liquidity risk including:

- Monitoring actual cashflows against budgeted cashflows,
- Regularly forecasting long term cashflows and stress testing, and
- Regularly monitoring the availability of equity capital and current market conditions.

Maturity Analysis

The following table shows the periods in which financial liabilities mature. Contractual cash flows shown in the table are at undiscounted values (including future interest expected to be paid). Accordingly, these values may not agree to the carrying amount.

CONSOLIDATED	<1 YEAR	1 – 5 YEARS	TOTAL CASHFLOWS	CARRYING AMOUNT
	$	$	$	$
30 June 2024				
Financial liabilities				
Trade and other payables	**2,683,583**	-	**2,683,583**	**2,683,583**
Lease liabilities	**140,814**	**24,675**	**165,489**	**159,608**
Total financial liabilities	**2,824,397**	**24,675**	**2,849,072**	**2,843,191**
30 June 2023				
Financial liabilities				
Trade and other payables	1,523,259	-	1,523,259	1,523,259
Lease liabilities	114,097	55,853	169,950	162,000
Total financial liabilities	1,637,356	55,853	1,693,209	1,685,259

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in commodity prices (commodity price risk); foreign exchange rates (foreign currency risk) or interest rates (interest rate risk).

The objective of market risk management is to manage and control risk exposure within acceptable parameters whilst optimising returns.

It is the policy of the Group to manage the foreign currency risk on highly probable forecast capital expenditure by utilising foreign currency hedging where appropriate.

There was no foreign currency that was being held as a hedging instrument at either 30 June 2024 or 30 June 2023.

The Group has no exposure to foreign currency risk at the reporting date.

20. Financial risk management (continued)

Market risk (continued)

Interest rate risk

The Group has established policies and processes for managing interest rate risk. These include monitoring risk exposure continuously and utilising fixed rate facilities where required. The Group's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and liabilities is set out in the following table:

CONSOLIDATED 30 JUNE 2024	WEIGHTED AVERAGE INTEREST RATE	FLOATING INTEREST RATE	FIXED INTEREST RATE MATURING IN		NON-INTEREST BEARING	TOTAL
			< 1 YEAR	1 TO 5 YEARS		
	%	$	$	$	$	$
Financial assets						
Cash and cash equivalents	**3.63**	**1,177,057**	**4,001,178**	**-**	**1,151,561**	**6,329,796**
Security deposits	**4.83**	**-**	**148,765**	**-**	**303,312**	**452,077**
Trade and other receivables	**N/A**	**-**	**-**	**-**	**183,656**	**183,656**
Total financial assets		**1,177,057**	**4,149,943**	**-**	**1,638,529**	**6,965,529**
Financial liabilities						
Trade and other payables	**N/A**	**-**	**-**	**-**	**(2,683,583)**	**(2,683,583)**
Lease liabilities	**6.45**	**-**	**(135,179)**	**(24,429)**	**-**	**(159,608)**
Total financial liabilities		**-**	**(135,179)**	**(24,429)**	**(2,683,583)**	**(2,843,191)**
30 June 2023						
Financial assets						
Cash and cash equivalents	4.03	14,800,866	7,000,000	-	712,736	22,513,602
Security deposits	2.98	-	148,765	-	303,312	452,077
Trade and other receivables	N/A	-	-	-	201,443	201,443
Total financial assets		14,800,866	7,148,765	-	1,217,491	23,167,122
Financial liabilities						
Trade and other payables	N/A	-	-	-	(1,523,259)	(1,523,259)
Lease liabilities	5.34	-	(108,202)	(53,798)	-	(162,000)
Total financial liabilities		-	(108,202)	(53,798)	(1,523,259)	(1,685,259)

20. Financial risk management (continued)

Market risk (continued)

Interest rate risk (continued)

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. At 30 June 2024, if interest rates had moved, as illustrated in the table below, with all other variables held constant, net loss and other comprehensive income would have been affected as follows:

CONSOLIDATED	NET LOSS HIGHER / (LOWER)		OTHER COMPREHENSIVE INCOME HIGHER / (LOWER)	
	30 JUN 2024	30 JUN 2023	30 JUN 2024	30 JUN 2023
	$	$	$	$
+0.5% (50 basis points)	**86,942**	51,712	-	-
-0.5% (50 basis points)	**(86,942)**	(51,712)	-	-

21. Fair value measurement

Due to their short-term nature, the net fair values of financial assets and liabilities approximate their carrying value as disclosed in the statement of financial position. No financial assets or liabilities are readily traded on organised markets in standardised form.

Recognition and measurement

Fair values may be used for asset and liability measurement as well as for sundry disclosures.

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. It is based on the presumption that the transaction takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market. The principal or most advantageous market must be accessible to, or by, the Group.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interests.

The fair value measurement of a non-financial asset takes into account the market participant's ability to generate economic benefits by using the asset at its highest and best use or by selling it to another market participant who would use the asset at its highest and best use.

In measuring fair value, the Group uses valuation techniques that maximise the use of observable inputs and minimise the use of unobservable inputs.

22. Commitments

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Capital expenditure commitments – exploration and evaluation assets		
No longer than 1 year	**192,570**	1,644,758
Between 1 and 5 years	**8,890**	79,644
Total capital expenditure commitments – exploration and evaluation assets	**201,460**	1,724,402

Capital expenditure commitments of less than one year are Group lease commitments and outstanding purchase order commitments relating to the Jervois Project. There are Group lease commitments ranging from $4,912 to $17,781 per annum with expiry terms of between 1 and 3 years.

Non-cancellable rental commitments – tenements *Commitments for rental payments in relation to tenements are payable:*		
No longer than 1 year	**59,113**	75,980
Between 1 and 5 years	**233,373**	267,029
Greater than 5 years	**236,334**	193,816
Total commitments for rental payments in relation to tenements	**528,820**	536,825

Rental commitments comprise the tenement rentals at Jervois, Unca Creek and Yambah. The annual rental commitments on these leases range from $1,132 to $47,041 per annum with expiry terms of between 1 and 10 years. AASB 16 Leases does not apply to mining tenements.

Capital expenditure commitments – other lease commitments		
No longer than 1 year	**93,852**	12,110
Between 1 and 5 years	**15,784**	-
Total capital expenditure commitments – other lease commitments	**109,636**	12,110

Other lease commitments are commitments relating to occupation of the Brisbane corporate office.

23. Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Parent entity

The parent entity is KGL Resources Limited, which is incorporated in Australia.

Subsidiaries

Interests in subsidiaries are disclosed in Note 14.

Key management personnel compensation

Information regarding the identity of key management personnel and their compensation can be found in the audited Remuneration Report contained in the Directors' Report. The Directors, the Chief Executive Officer, the Chief Financial Officer and former staff holding these positions are the only key management personnel.

23. Related party transactions (continued)

Key management personnel compensation (continued)

The total remuneration paid to key management personnel of the Company and the Group during the year is as follows:

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Key management personnel compensation		
Short-term employee benefits	**1,036,446**	1,189,190
Post-employment benefits	**87,924**	85,996
Other long-term benefits	**10,064**	5,723
Share-based payments	**(89,812)**	(3,319)
Total key management personnel compensation	**1,044,622**	1,277,590

Short-term employee benefits

These amounts include fees and benefits paid to the Board as well as salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other key management personnel.

Post-employment benefits

These amounts are superannuation contributions made during the year.

Share-based payments

These amounts represent the expense related to the participation of key management personnel in equity-settled benefit schemes as measured by the fair value of share options granted on the grant date. Refer to Note 18 for further information.

Detailed remuneration disclosures are provided in the Remuneration Report on pages 41 to 49.

Amounts payable to key management personnel

At 30 June 2024, the following amounts due to members of key management personnel were outstanding:

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Payable to key management personnel		
Director's fees and superannuation	**4,587**	4,786

Other related party transactions

Other than as noted above, there were no other transactions with other related parties during the year.

24. Auditor's remuneration

	CONSOLIDATED	
	30 JUN 2024	30 JUN 2023
	$	$
Amounts paid or payable to BDO Audit Pty Ltd for audit or review of the financial statements of the Company and any other entity in the Group	**77,000**	71,250
Other assurance services	-	24,500
Total services provided by BDO Audit Pty Ltd	**77,000**	95,750

25. Contingent liabilities and contingent assets

Contingent assets

There were no contingent assets at 30 June 2024 or at 30 June 2023.

Contingent liabilities

There were no contingent liabilities at 30 June 2024.

26. Events after reporting date

Capital raising

On 8 July 2024, the Company announced a 4 for 15 pro-rata non-renounceable entitlement offer for new fully paid ordinary shares in the Company (the Offer) at an Offer price of $0.10 per new ordinary share to raise up to $15.1 million. The Offer was not underwritten and was subject to a minimum raise of $6.0 million.

The Offer closed on 31 July 2024 with the Company having received valid applications for 80,821,185 new ordinary shares. This represented approximately 54% of the total number of new ordinary shares offered to shareholders.

In total, the Offer raised $8,082,118 before costs. 80,821,185 new ordinary shares were issued and allotted on 7 August 2024 and commenced trading on the ASX on 8 August 2024.

The proceeds of the Offer will be used to fund the Company's strategic objectives, these being:

- positioning the Company to commence production in 2027 to coincide with the expected shortfall in copper availability,
- continuing a drilling program at Jervois to extend the life of the Project, and
- undertaking exploration at depth at Jervois.

Appointment of chief executive officer

On 5 July 2024, the Company announced that Mr Philip Condon has been appointed as chief executive officer of the Group with the appointment to take effect from 29 July 2024. Ms Anderson, who has been chief executive officer since the resignation of Mr Wood in March 2024, stepped down on the appointment of Mr Condon but continues in her role as company secretary for the Group.

Other than the matters noted above, no matters or circumstances have arisen since the end of the financial year which 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.

27. Parent entity information

The consolidated financial statements incorporate the assets, liabilities and results of the parent entity in accordance with the Group accounting policies.

The financial information for the parent entity, KGL Resources Limited, has been prepared on the same basis as the consolidated financial statements, except as set out below:

i) Investment in Subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of KGL Resources Limited.

	30 JUN 2024	30 JUN 2023
	$	$
Parent entity		
Current assets	**5,897,534**	22,419,066
Non-current assets	**116,375,551**	102,457,634
Total assets	**122,273,085**	124,876,700
Current liabilities	**(1,063,816)**	(932,930)
Non-current liabilities	**(15,741)**	-
Total liabilities	**(1,079,557)**	(932,930)
Net assets	**121,193,528**	123,943,770
Contributed equity	**250,645,610**	250,691,208
Share-based payment reserve	**163,800**	183,633
Accumulated losses	**(129,615,882)**	(126,931,071)
Total shareholders' equity	**121,193,528**	123,943,770

	30 JUN 2024	30 JUN 2023
	$	$
Total comprehensive loss for the year	**(2,684,811)**	(3,062,850)

Guarantees

No guarantees have been entered into by the parent entity in relation to debts of its subsidiaries.

Contractual commitments

Other than a lease commitment in respect of the Brisbane corporate office (refer to Note 22), the parent entity has no capital commitments.

Contingent liabilities

The parent entity has no known contingent liabilities.

28. Other accounting policies

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and
- Receivables and payables are stated with the amount of GST included.

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

Cash flows are included in the statement of cashflows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, is classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Consolidated Entity Disclosure Statement

AS AT 30 JUNE 2024					
Name of Entity	KGL Resources Limited	Jinka Minerals Limited	Jervois Holdings Pty Ltd	Jervois Operations Pty Ltd	KGL Resources Sales Pty Ltd
Type of Entity	Body Corporate	Body Corporate	Body Corporate	Body Corporate	Body Corporate
Trustee, Partner or Participant in JV	-	-	-	-	-
% of Share Capital	N/A	100	100	100	100
Place of Incorporation	Australia	Australia	Australia	Australia	Australia
Australian Resident or Foreign Resident	Australian	Australian	Australian	Australian	Australian
Foreign Jurisdiction of Foreign Residents	N/A	N/A	N/A	N/A	N/A

Basis of preparation

This consolidated entity disclosure statement has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of tax residency

Section 295 (3A)(vi) of the *Corporation Act 2001* defines tax residency as having the meaning in the Income Tax Assessment Act 1997. In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency

  The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Directors' Declaration

1. In the opinion of the directors of KGL Resources Limited:
   (a) The financial statements and notes set out on pages 53 to 82 are in accordance with the *Corporations Act 2001*, including:
      (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
      (ii) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date, and
   (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and
   (c) The consolidated entity disclosure statement on page 83 is true and correct.
2. Note 1 confirms that the financial statements also comply with International Financial reporting Standards as issued by the International Accounting Standards Board.
3. The directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the chief executive officer and chief financial officer for the year ended 30 June 2024.

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

On behalf of the Board

Jeff Gerard
Chairman
Brisbane

Dated: 24 September 2024

Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

To the members of KGL Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of KGL Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, 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 year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Material uncertainty related to going concern

We draw attention to Note 1 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 opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Recoverability of exploration and evaluation assets

Key audit matter	How the matter was addressed in our audit
Refer to note 13 in the financial report. There is a significant balance of exploration and evaluation assets as at 30 June 2024. The recoverability of exploration and evaluation assets is key matter due to: • The significance of the total balance; and • The level of procedures undertaken to evaluate management's application of AASB 6 *Exploration for and Evaluation of Mineral Resources ('AASB 6')* in light of any indicators of impairment that may be present.	Our procedures included, but are not limited to the following: • Obtaining evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditure by obtaining supporting documentation such as license agreements and also considering whether the Group maintains the tenements in good standing; • Making enquiries with management in respect to the status of ongoing exploration programs in the respective areas of interest and assessing the Group's cash-flow forecast for the level of budgeted spend on exploration projects; and • Enquiring with management, reviewing ASX announcements and reviewing directors' minutes to ensure that the Group had not decided to discontinue activities in any applicable areas of interest and to assess whether there are any other facts or circumstances that existed to indicate impairment testing was required.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 41 to 49 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of KGL Resources Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

A J Whyte
Director

Brisbane, 24 September 2024

Additional Information

AS AT 27 AUGUST 2024

1. Names of substantial holders

NAME OF HOLDER	NO. OF SECURITIES	ISSUED CAPITAL %
KMP INVESTMENTS PTE LTD	227,761,586	35.14
MR DENIS LESLIE WOOD & MRS ANNE WOOD	57,582,192	8.80
MARSHALL PLENTY INVESTMENTS	45,295,022	6.99
PARADICE INVESTMENT MANAGEMENT	40,002,080	6.17

2. Number of holders in each class of equities

	NO. OF HOLDERS	NO. OF UNITS
Ordinary Shares	2,738	648,113,048

3. Voting rights attached to each class of security

Each fully paid ordinary share is entitled to one vote.

4. Distribution schedule

RANGE	NO. OF SECURITIES	NO. OF HOLDERS
100,001 and over	610,268,259	296
10,001 to 100,000	32,438,527	909
5,001 to 10,000	2,938,227	378
1,001 to 5,000	2,355,258	842
1 to 1,000	112,777	313
TOTAL	**648,113,048**	**2,738**

5. Unmarketable parcels

The number of holders with a holding of less than a marketable parcel is 1,103 (2,208,035 securities, at a price of $0.10 on 27 August 2024).

6. 20 largest holders in each class of quoted security

RANK	NAME	8 SEPTEMBER 2023	ISSUED CAPITAL %
1	KMP INVESTMENTS PTE LTD [i]	227,761,586	35.14
2	MR DENIS LESLIE WOOD & MRS ANNE WOOD [ii]	50,116,684	7.73
3	MARSHALL PLENTY INVESTMENTS	45,295,022	6.99
4	BNP PARIBAS NOMS PTY LTD	43,378,662	6.69
5	CITICORP NOMINEES PTY LIMITED	36,177,241	5.58
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	28,139,923	4.34
7	BNP PARIBAS NOMINEES PTY LTD	25,725,438	3.97
8	ROBRIAN PTY LTD	13,000,000	2.01
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	9,365,100	1.44
10	COAL INDUSTRY SERVICES PTY LTD	7,465,508	1.15
11	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	6,240,413	0.96
12	IMMEUBLE PTY LTD	5,300,000	0.82
13	HAY INVESTMENT CORPORATION PTY LTD	4,431,093	0.68
14	MRS MELINDA GAYE TURNER	4,000,000	0.62
15	SCML INVESTMENTS PTY LTD	3,906,618	0.60
16	INVIA CUSTODIAN PTY LIMITED	3,800,000	0.59
17	INVIA CUSTODIAN PTY LIMITED	3,124,445	0.48
18	MR JOHN JOSEPH BYRNE & MRS MARITZA IVONNE BYRNE	2,500,000	0.39
19	R J TURNER PROPERTIES PTY LTD	2,400,000	0.37
20	INVIA CUSTODIAN PTY LIMITED	2,214,075	0.34
		524,341,808	**80.90**

i KMP Investments Pte Ltd holds 17,018,755 additional ordinary shares in KGL Resources Limited via a nominee.

ii Mr Denis Leslie Wood & Mrs Anne Wood hold 7,465,508 additional ordinary shares in KGL Resources Limited as Coal Industry Services Pty Ltd.

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