ORMINEX

ANNUAL REPORT

30 JUNE 2021

Orminex Limited
Contents
30 June 2021

Directors	Mr Dean Hely - Non-Executive Chairman Mr Mel Ashton - Non-Executive Director Mr Michael Foulds - Non-Executive Director
Chief Operating Officer	Mr Matthew Nixon
Company secretary	Ms Kelly Moore
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Registered office	Suite 5, Level 1, 460 Roberts Road, Subiaco WA 6008
Principal place of business	Suite 5, Level 1, 460 Roberts Road, Subiaco WA 6008
Share register	Automic Registry Services Level 2, 267 St Georges Terrace, Perth WA 6000 Ph Within Australia: 1300 288 664 Ph Outside of Australia: +61 8 9324 2099
Auditor	Moore Australia Level 15 Exchange Tower, 2 The Esplanade, Perth WA 6000
Solicitors	Lavan Legal Level 20 1 William Street, Perth WA 6000
Stock exchange listing	Australian Securities Exchange (ASX code: ONX)
Website	www.orminex.com.au

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Orminex Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

Directors

The following persons were Directors of Orminex Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Dean Hely (Non-Executive Chairman - transitioned from Non-Executive Director to Non-Executive Chairman on 9 June 2021)
Mel Ashton (Non-Executive Director - appointed 9 June 2021)
Michael Foulds (Non-Executive Director)
Wayne McGrath (Former Non-Executive Director - resigned 9 June 2021)
Daryl Henthorn (Former Non-Executive Director - resigned as Executive Chairman on 12 June 2020 and as Director on 17 July 2020)
John Correia (Former Non-Executive Director - resigned as Director on 17 July 2020)

Information on Directors

Name:	Dean Hely
Title:	Independent Non-Executive Chairman - appointed 17 October 2019 (length of service 1 year, 10 months). Mr Hely transitioned from his role as Non-Executive Director to Non-Executive Chairman effective 9 June 2021.
Experience and expertise:	Mr Hely is the managing partner of the independent West Australian legal firm Lavan and a partner in the corporate and reconstruction group. Mr Hely has more than 27 years' experience working in corporate reconstruction, insolvency and commercial litigation. Mr Hely was admitted as a partner of Lavan's predecessor firm, Phillips Fox Perth, in 1999, deputy managing partner of that firm and then of Lavan from 2002 to 2013, and became managing partner of Lavan in 2013. In 2016, Mr Hely and others established Quadrant Advisory, a debt advisory practice that assists clients ranging from mid-sized companies though to ASX listed companies with their debt requirements. Mr Hely is a board member of the not for profit organisations Rugby WA, the Australian Institute of Management WA and Youth Focus.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	8,000,000
Interests in options:	None
Name:	Mel Ashton
Title:	Independent Non-Executive Director - appointed 9 June 2021 (length of service 2 months).
Experience and expertise:	Mr Ashton holds a Bachelor of Commerce degree from the University of Western Australia, is a fellow of the Chartered Accountants Australia. Mr Ashton also holds a position on the Board of Directors of Quintis Limited.
Other current directorships:	Aurora Labs Ltd (since January 2018) Venture Minerals Ltd (since May 2006)
Former directorships (last 3 years):	Donaco International Limited (December 2019 to September 2020) Credit Intelligence Limited (May 2018 to February 2020)
Interests in shares:	None
Interests in options:	None

Name:	Michael Foulds
Title:	Non-Executive Director - appointed 9 August 2019 (length of service 2 years). Mr Michael Foulds has appointed Mr Ross Graham as his alternate Director with effect from 9 August 2019.
Experience and expertise:	Mr Foulds holds a Bachelor of Engineering in Mining Engineering, First Class Mine Managers Certificates in both Western Australia and the Republic of Fiji and is a Member of the Australian Institute of Company Directors. Mr Foulds worked as a Mining Engineer and Mine Manager at various operations between 1985 and 1995 following which he became both a major shareholder and Company Director in a number of private enterprises, including Mineral Ventures Pty Ltd.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	107,689,224
Interests in options:	None

Name:	Wayne McGrath
Title:	Former Non-Executive Director - resigned 9 June 2021 (length of service 1 year, 2 months)
Experience and expertise:	Mr McGrath previously served as the Executive Chairman of Perth-based Wyllie Group Pty Ltd ('Wyllie Group'), a privately-owned boutique investment company that has a diverse range of investments across several asset classes. The Wyllie Group is a cornerstone investor in Orminex and has been since the Company's relisting in May 2018 and has a 6% shareholding in the Company. Mr McGrath also served for 4 years as a Non-Executive Director of Viburnum Funds Management; a non-listed private equity firm with $800m of funds under management. The fund invests in listed and non-listed companies and operating businesses predominately in the resource sector. Mr McGrath has over 30 years' experience in the building industry, having served as the Managing Director of highly successful modular homes supplier McGrath Homes for 16 years prior to its sale to listed Nomad Building Solutions in January 2007. Following the sale, Mr McGrath was appointed as an Executive Director of Nomad and continued as CEO of the McGrath Homes division until May 2010. Mr McGrath was appointed Executive Chairman of the Wyllie Group in 2010.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	None
Interests in options:	None

Name:	Daryl Henthorn
Title:	Former Non-Executive Director - resigned as Executive Chairman on 12 June 2020 and Director on 17 July 2020 (length of service 3 years, 3 months)
Experience and expertise:	Mr Henthorn has over 30 years of experience in financial services, advisory and operational management across a number of industry sectors and has broad commercial skills. Mr Henthorn's company, Viridian Equity Group Pty Ltd, holds AFSL 343442 and is authorised to issue and deal in financial products and has acted for a number of public and private companies in mining and property. Mr Henthorn has experience in equity raising, debt, private equity and the structuring of financial instruments for ASX listed and private companies. He has served on the board of public companies previously and acts as trustee for unlisted investment vehicles.
Other current directorships:	Redbank Copper Limited (since August 2019)
Former directorships (last 3 years):	None
Interests in shares:	None
Interests in options:	None

Name:	John Correia
Title:	Former Non-Executive Director - resigned 17 July 2020 (length of service 2 years, 5 months)
Experience and expertise:	Mr John Correia has over 28 years in the banking and corporate finance sector. Mr Correia worked with BankWest for several years in resources finance, including leading the Corporate Banking team before managing the Bank of Scotland's Perth project finance business. In 2007, Mr Correia joined PCF Capital Group, a boutique adviser to the mining sector as Director Corporate Finance, responsible for project finance and also involved in financial modelling, project sales, valuations and strategic advisory. Whilst at PCF he was a co-founder and a director of MinesOnline.com. Mr Correia established licenced finance broker C4 Capital in 2014, which was awarded AFG's Best Commercial Loan Writer award in 2016 and the MFAA's WA Commercial Broker award in 2017.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	None
Interests in options:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Ms Kelly Moore (appointed 13 February 2018)

Ms Moore is a qualified Chartered Accountant and Company Secretary with extensive experience in providing accounting and secretarial advice to public companies. Ms Moore holds a Bachelor of Commerce degree from the University of Western Australia, is a member of the Institute of Chartered Accountants Australia and New Zealand, is a graduate of the Australian institute of company directors and an associate member of the Governance Institute of Australia.

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each Director were:

	Full Board	
	Attended	Held
Dean Hely - appointed 17 Oct 19	15	15
Mel Ashton - appointed 9 June 21	1	1
Michael Foulds - appointed 9 Aug 19*	11	15
Wayne McGrath - resigned 9 June 21	14	14
Daryl Henthorn - resigned 17 Jul 20	-	-
John Correia - resigned 17 Jul 20	-	-

Held: represents the number of meetings held during the time the Director held office.

* Michael Foulds' alternate, Ross Graham, attended 12 Board meetings as his alternate.

Principal activities

The principal activity of the Group is to conduct exploration and mining activities on quality mineral deposits in Tier-1 jurisdictions, focussing on high grade gold assets. The Company has a 51% Joint Venture interest in the Comet Vale Project, a 50% Joint Venture Interest in the Penny's Find Project and 100% ownership of the Golden Lode Project, with a dedicated focus on acquisition of further valuable projects aligned with the strategic direction of the Company.

Review of operations

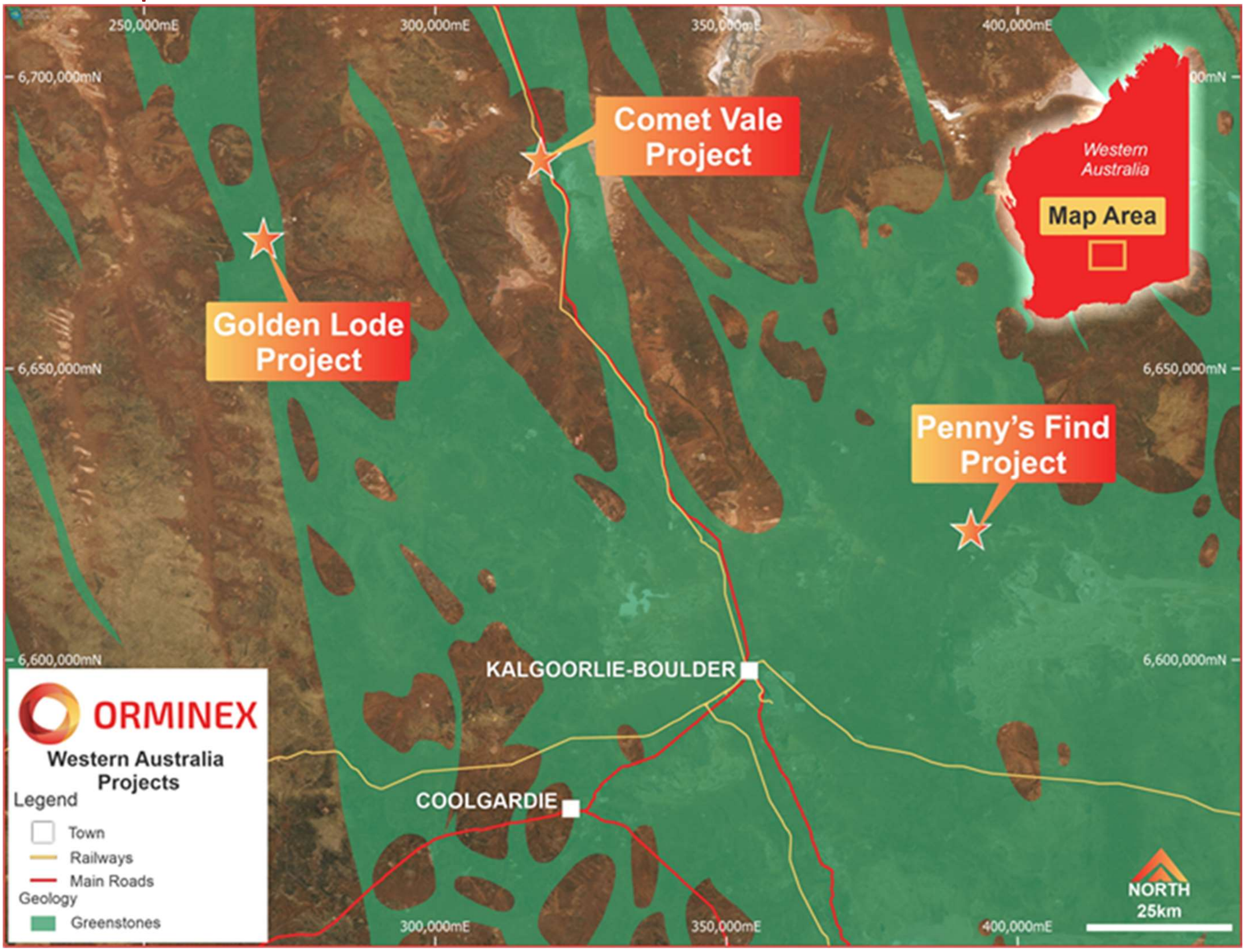

Figure 1 - Orminex Western Australia Projects

Penny's Find Project - 50%

The Penny's Find Project is located 50km northeast of Kalgoorlie in Western Australia and comprises a completed open pit with a high-grade underground mine opportunity on a granted Mining Lease with pre-requisite mining approvals well advanced.

In November 2020, the Company announced the execution of a binding joint venture term sheet for the sale of 50% of the Penny's Find Gold Mine (M27/156) to Black Mountain Gold Limited (Black Mountain), a wholly owned subsidiary of Horizon Minerals Limited, for consideration of $1,500,000 in cash and the funding of the advancement of Penny's Find to the value of $1,000,000 with Orminex free carried for the period until the sum of $1,000,000 has been expended by Black Mountain. The Joint Venture Agreement was completed in March 2021, with Orminex receiving $1,500,000 in cash consideration.

The funding of pre-development advancement by the joint venture partner progressed well in the first half of 2021, with infill RC and diamond drilling, comprising 21 holes, completed safely and on budget. The drilling results demonstrated strong grade continuity and width, with mineralisation open at depth and along strike to the north, and exciting significant intercepts including:

- **5m @ 5.27g/t gold from 180.3m in P1_010**
- **3.7m @ 7.46g/t gold from 215.3m in P1_005**
- **2.7m @ 8.46g/t gold from 171.4m and 1.7m @ 17.91g/t gold from 178.9m in P1_007**
- **1.9m @ 13.95g/t gold from 251m in P1_009**
- **2m @ 8.47g/t gold from 227m in P1_008**
- **2.5m @ 7.45g/t gold from 226m P1_020**
- **0.9m @ 23.56g/t golf from 216.7m in P1_006**

Refer to ASX announcements 14 and 30 April 2021 for detailed results, competent person's statement and JORC tables. There have since been no material changes to the information contained within the announcement.

Post year end, an updated independent Mineral Resource estimate was compiled delivering 250,000t @ 5.22g/t gold for 42,000oz (refer announcement 14 July 2021 for JORC tables, data and competent person's statement. There have since been no material changes to the information contained within the announcement). Crucially, over 83% of the resource is now in the Indicated category (188kt @ 5.71g/t gold) and an updated underground mining study and economic evaluation has commenced with Entech Pty Ltd, leading towards a maiden Ore Reserve and decision to mine expected in the December 2021 quarter.

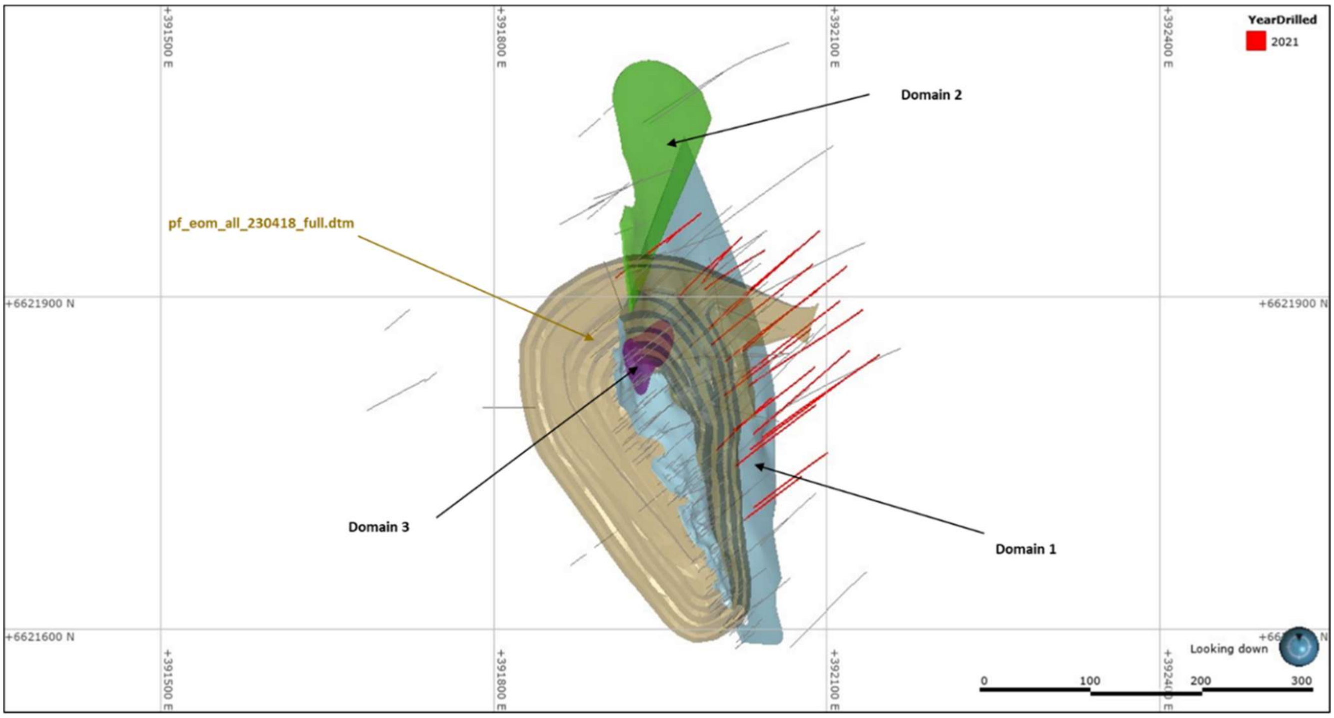

Figure 2 Plan section of Penny's Find deposit showing drill hole traces, mineralisation domains and open pit void

The high-grade gold mineralisation at Penny's Find is hosted in quartz veins at the contact between footwall sediments and siltstone and a hangingwall basalt. The quartz veins dip about 60° to the northeast and collectively average 1m to 5m true width. Open cut mining to 85m (242m RL) was completed by Empire Resources Limited in 2018 with toll treatment processing at Lakewood (Kalgoorlie) and Burbanks (Coolgardie). Production from the open pit totalled 18,300oz at 4.47g/t Au (announced to the ASX by Empire Resources Limited (ASX: ERL) on 25 July 2018). Metallurgical test work and toll milling data from open pit ore processing has shown fresh mineralisation to be free milling with a high gravity.

UON Pty Ltd has been awarded the contract for the installation of powered pumping infrastructure to enable commencement of pit dewatering expected in the September quarter.

Comet Vale Project - 51%
The Comet Vale Project is centred on the old mining town of Comet Vale, 100 km north-northwest of Kalgoorlie, Western Australia and is a joint venture with Sand Queen Gold Mines Pty Ltd of which the Group owns 51%.

The deposits within the Comet Vale project are typical Archaean narrow, high-grade gold quartz lode deposit within a shear hosted system. Numerous economic deposits of this mineralisation style exist in Western Australia and include the best known and giant Golden Mile deposit at Kalgoorlie in the Norseman – Wiluna Belt of the Yilgarn Craton. Other deposits include Norseman, Kanowna Bell, Mt Charlotte, Jundee, and Bronzewing.

The Comet Vale deposit is hosted in the Ora Banda Sequence of mafic-ultramafic volcanic and metasedimentary rocks. Economic gold mineralisation is predominantly within quartz boudins from 0.1 to 4.5m in width with free gold spatially associated with pyrite/marcasite, pyrrhotite and elevated base metal values (sphalerite, galena, chalcopyrite).

The Sand George (including Sand Queen, Sand King and Sand George) deposit comprises fifteen mineralised lodes striking approximately north-south (local grid) and dipping around 700 towards the west. Domain 1 is the main lode and has been the focus of previous and current underground mining activities. The Sand Prince West deposit consists of six mineralised domains and Princess Grace a single domain. Both are located approximately 150 to 250m to the west of the Sand George deposit and are associated with flat west-north-west dipping, weakly sulphidic, milky quartz veins surrounded by an alteration halo.

In July 2020, the 9th processing campaign (Toll 9) from the Comet Vale underground operation was completed and produced reconciled results of 5,254oz recovered from 33,553t of ore at a grade of 5.09g/t and 96% recovery (refer ASX announcement 5 August 2020). The Company then proceeded with 6 diamond drill holes intending to confirm and define the continuity of mineralisation at depth below the 5.3 level, which were completed in August 2020 and visual observations of the core indicated quartz veining in 4 of the drill holes, albeit at narrow intercept widths not necessarily amenable to underground stoping. Two of the drill holes also encountered significant ground water inflows and subsequently were required to be abandoned (for table of significant intercepts, competent persons' statement and JORC Table 1, refer to ASX announcement 'Comet Vale Exploration Update' released on 11 September 2020. There have been no material changes to the information or results included in the announcement).

Operations were suspended in September 2020 at Comet Vale to allow a full geological and mining review to be completed. Chief Operating Officer, Mr Matthew Nixon is leading the internal review, engaging assistance from an independent geologist with significant experience and expertise in similar gold mineralisation deposits, with the intent to realise maximum value for shareholders from the highly prospective existing JORC 2012 Mineral Resource of 750kt @ 8.5g/t for 203koz (refer to ASX announcement 15 May 2018, no material changes to the resource since this announcement. Since preparation of this Mineral Resource, 167kt of material has been mined yielding 17,858oz hence current estimate for the Comet Vale Mineral Resource is 185.2koz). The review progressed well during the year, with the Company expected to finalise the review and subsequent decision pathway with the joint venture partners in the second half of 2021 (calendar year).

As part of the review, the Company obtained an independent mineral valuation which indicated that the carrying amount of the capitalised exploration asset was in excess of its current recoverable value. The Company has adopted a recoverable value of $3,310,00 for the Comet Vale Project as at 30 June 2021.

Golden Lode Project - 100%

The Golden Lode Project comprises 7 tenements located 110km NW of Kalgoorlie and the deposit forms part of the broader Davyhurst area, which produced approximately 523.8koz of gold between 1986 and 1999. A well-defined vertical to steeply west dipping lithological contact extends north through the Golden Lode Project area, to the west is a sequence of metasediments and to the east mafic to ultramafic schists.

During the year, a soil program comprising 226 sites was designed and commenced for the Golden Lode project. The sites are situated on licenses P30/1102, P30/1104 and P30/1131 and the sampling grid is 100m x 100m in a staggered diamond configuration. Samples will be collected from 10-30cm below surface using standard practices and analysis will be low level detection Fire Assay (Au).

The portions selected for sampling represent areas of greatest prospectivity (P30/1102 and P30/1103) and the sites within P30/1131 will assist with definition of the anomalism footprint at the southern extent of Golden Lode, they are also located in an area where there has been limited historical soil sampling.

Indonesian Gold Asset

On 19 August 2020, the Company announced that it had executed a binding framework letter with PT Amman Mineral Internasional (‘AMI’), in respect of progressing a transaction for the acquisition of economic interests in all or a substantial part of a significant epithermal gold project asset in Indonesia (‘Asset’) from AMI (or a related entity) (‘Transaction’). AMI paid to the Company a deposit of $1 million which will be refundable if the Transaction does not proceed in certain circumstances.

AMI is a major Indonesian mining entity which owns the second largest copper and gold mine in Indonesia as well as significant other investments in the resources sector.

During the year, both parties progressed with due diligence and negotiations but encountered significant disruptions introduced by the COVID-19 pandemic. Two exclusivity period extensions to 30 May 2021 and 30 July 2021 were agreed between the parties in this regard. Post year end, Orminex and AMI agreed to allow the conditions of the binding framework letter lapse with the expiry of the 30 July 2021 exclusivity period.

Pursuant to the terms of the binding framework letter, the $1 million deposit paid by AMI to Orminex is to be returned to AMI within 30 days of expiry. Orminex and AMI have established a valuable commercial relationship during the period of due diligence and negotiations, and remain actively committed to identifying mutually-beneficial commercial arrangements between them, including possible participation by AMI in potential future capital funding events.

COVID-19

On 30 January 2020, the World Health Organisation declared the coronavirus outbreak ('COVID-19') a "Public Health Emergency of International Concern" and on March 10, 2020, declared COVID-19 a pandemic. The operations of the Company could be negatively impacted by the regional and global outbreak of COVID-19 and may impact the Company's results and its ability to source funding for the next reporting year.

As at the date of this report, the Company has not encountered any significant adverse or impeding outcomes at any of its Projects and no positive cases of Covid-19 were reported from direct employees or contractors.

Corporate Update

Financial results and condition

The loss for the Group after providing for income tax amounted to $4,071,442 (2020: $617,418).

The Group has a working capital surplus of $3,488,001 (2020: surplus $2,453,173) and net cash inflows of $3,157,313 (2020: outflows $92,671).

Since the start of 2021, the outstanding amount of the Working Capital Facility ('Facility') was reduced by $1,074,000 following repayments to Orminex by Mineral Ventures Pty Ltd. In the 11 months following the 28 July 2020 ASX announcement detailing the variation to the Facility, a total of $2,224,000 has been repaid to Orminex.

Board and Executive Changes

On 17 July 2020, Mr Daryl Henthorn and Mr John Correia resigned from their positions as Non-Executive Directors of the Company.

On 8 February 2021, Mr Matthew Nixon was appointed as Chief Operating Officer of the Company.

On 9 June 2021, Mr Mel Ashton was appointed as Non-Executive Director. On this day, Mr Wayne McGrath resigned from his position as Non-Executive Director and Mr Dean Hely transitioned from his position as Non-Executive Director to Non-Executive Chairman.

Summary of results

	2021 $	2020 $
Revenue from ordinary activities	-	542,934
Other income	511,063	323,542
	511,063	866,476
Loss before income tax	(3,808,434)	(552,927)
Income tax expense	(263,008)	(64,491)
Loss attributable to owners	(4,071,442)	(617,418)
Other comprehensive loss	-	-

	2021 $	2020 $
Underlying loss per share (cents)	(0.75)	(0.11)
Shares on issue at reporting date	547,894,524	539,102,168
Weighted average number of shares	541,285,236	538,666,814

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Likely developments and expected results of operations

Likely developments in the operations of the Group are set out in the above review of operations in this annual report. Any future prospects are dependent upon the results of future exploration and evaluation.

Matters subsequent to the end of the financial year

On 29 July 2021, the Company announced it will refund the $1 million deposit paid by AMI in respect of progressing a transaction for the acquisition of economic interests in all or a substantial part of a significant epithermal gold project asset in Indonesia.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Environmental regulation

The Group is subject to environmental regulation in relation to its exploration activities. It aims to ensure that the highest standard of environmental care is achieved, and that it complies with all relevant environmental legislation. The Directors are not aware of any breaches during the period covered by this report.

Shares under option

There were no unissued ordinary shares of Orminex Limited under option outstanding at the date of this report.

Indemnity and insurance of officers

The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid an insurance premium to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

The Group has agreed to indemnify each of the Directors and the Company Secretary of the Company and its controlled entity, against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors and Company Secretary of the company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses. No agreements have been entered into to indemnify the Group's auditors against any claims by third parties arising from their report on the Annual Financial Statements.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 23 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 23 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

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.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service contracts
- Share-based compensation
- Consequences of performance on shareholder wealth
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

Remuneration levels for key management personnel of the Group are set to attract, retain and motivate appropriately qualified and experienced Directors and Executives. As the Group’s principal activities during the year were new ventures and exploration / evaluation, measurement of remuneration policies against financial performance is not considered relevant. The measurement of remuneration policies considered a range of factors including budget performance, delivery of results and timely completion of development programmes.

The objective of the Group's reward framework is to ensure that remuneration policies and structures are fair and competitive. The Board of directors ("the Board") ensures that remuneration satisfies the following criteria for reward:

- competitiveness and reasonableness
- transparency
- attracts and retains high calibre executives
- rewards capability and experience.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 24 November 2011, where the shareholders approved a maximum annual aggregate remuneration of $500,000.

Director remuneration

The combination of these comprises the director's total remuneration.

Fixed remuneration
Fixed remuneration consists of base remuneration plus employer contributions to superannuation funds (unless otherwise stated). Remuneration levels are reviewed annually by the Board through a process that considers individual and overall performance of the Group and compares remuneration to ensure it is comparable and competitive within the market in which the Group operates.

Fixed remuneration is not “at risk” but is appropriately benchmarked and set with reference to role, responsibilities, skills and experience.

Performance-linked remuneration
Performance-linked remuneration can consist of both short-term and longer-term remuneration. Performance-linked remuneration is not based on specific financial indicators such as earnings or dividends as the Group is at the exploration and development stage. Vesting of long term incentives is based on the share price performance of the Group, which is considered an appropriate measure of the outcome of overall performance. There is no separate profit-share plan.

Long-term incentive
Long-term incentives (‘LTI’) can comprise share options and/or performance rights (‘PR’), which are granted from time to time to encourage sustained performance in the realisation of strategic outcomes and growth in shareholder value. Options and rights are granted for no consideration and do not carry voting rights or dividend entitlements.

2018 Employee Incentive Option Plan
The Company adopted an Employee Incentive Option Plan (‘EIOP’) effective 16 March 2018. Under the EIOP, the Company may grant options to Company eligible employees to motivate and reward their performance in their respective roles up to a maximum of 5% of the Company’s total issued ordinary shares at the date of the grant. The fair value of share options granted is estimated using the Black-Scholes Simulation model. The Company has not awarded options to Directors and consultants under the EIOP to date.

Performance Rights granted as remuneration
Performance rights have been granted to eligible executives and external consultants and are subject to vesting conditions related to achieving a matrix of performance targets measured over a three-year period. In June 2021, 11,600,000 Performance rights were issued to Mr Nixon under the Company's Employee Incentive Scheme with a fair value at grant date of $410,640. The fair value is allocated as a share-based payment expense to each reporting period evenly over the performance measurement period.

On vesting, each right automatically converts to one ordinary share. Prior to to their conversion into ordinary shares, rights do not entitle the holder to any dividends.

The terms and conditions of the Performance Rights affecting remuneration for the reporting period are set out below:

Details	**Performance Rights 2021**
Performance measurement period	1 July 2020 to 30 June 2023
Expiry date	2 years after vesting of performance conditions

Vesting Conditions:	**Details**	**Value at Performance Right Grant Date**
Performance Vesting Hurdle: CAGR Shareholder Return (60% weighting)	Requires an assessment of the Company's compound annual growth rate in the Company's total shareholder return (CAGR TSR).	$0.036
Performance Vesting Hurdle: Relative Total Shareholder Return (TSR) (20% weighting)	Requires an assessment of how the Company's TSR compares to the TSR of selected peers during the Performance Period. TSR includes dividends paid to shareholders.	$0.042
Performance Vesting Hurdle: Market Capitalisation (20% weighting)	Requires the achievement of a target ASX market capitalisation.	$0.027

The fair value at grant date stated in the table above is determined using a hybrid multiple barrier model, a hybrid employee share option pricing model and a trinomial model, depending on the relevant performance conditions attached to the award, and takes into consideration the following inputs:

Metric	Performance Rights 2021
Exercise price	Nil
Grant date	18 June 2021
Share price at grant date	$0.046
Expected volatility of the Company's shares	100%
Expected dividend yield	Nil
Risk-free interest rate	0.06%

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the Group are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long term benefits	Share-based payments		
	Director and consulting fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Performance Rights	Options	Total
2021	$	$	$	$	$	$	$	$
Non-Executive Directors:								
Dean Hely	60,000	-	-	5,700	-	-	-	65,700
Mel Ashton	5,000	-	-	-	-	-	-	5,000
Michael Foulds	60,000	-	-	-	-	-	-	60,000
Wayne McGrath	-	-	-	-	-	-	-	-
John Correia	-	-	-	-	-	-	-	-
Senior Executives:								
Matthew Nixon	124,171	62,500	-	10,962	-	136,880	-	334,513
	249,171	62,500	-	16,662	-	136,880	-	465,213

The Non-Executive Directors have not been paid for their fees since 1 June 2020 and they have been accrued within Trade and Other Payables in the Statement of Financial Position as at 30 June 2021.

	Short-term benefits			Post-employment benefits	Long term benefits	Share-based payments		
	Director and consulting fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Shares	Options	Total
2020	$	$	$	$	$	$	$	$
Non-Executive Directors:								
Dean Hely	42,500	-	-	4,038	-	-	-	46,538
Michael Foulds	55,000	-	-	-	-	-	-	55,000
Wayne McGrath	-	-	-	-	-	-	-	-
John Correia	75,000	-	-	-	-	-	-	75,000
Emmanuel Correia	30,000	-	-	-	-	-	-	30,000
Executive Directors:								
Daryl Henthorn	245,000	-	-	-	-	-	-	245,000
	447,500	-	-	4,038	-	-	-	451,538

Analysis of bonuses included in remuneration
No short-term incentive cash bonuses have been awarded as remuneration to Directors of the Company.

Consequences of performance on shareholder wealth

	2021	2020	2019	2018
	$	$	$	$
Loss after income tax, excluding asset write-offs*	(1,065,661)	(549,122)	(736,481)	(1,770,838)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2021	2020	2019	2018
Share price at financial year end ($)	0.04	0.04	0.16	0.11
Basic earnings per share, excluding asset write-offs* (cents per share)	(0.20)	(0.10)	(0.14)	(1.58)

*Excludes exploration and evaluation asset write-offs of $3,005,781 for the year ended 30 June 2021 (2020: $68,296).

Given the Company's recapitalisation during 2018, only from 2018 has been included above as the financial performance in previous financial years is not comparable.

During the financial years noted above, there were no dividends paid or other returns of capital made by the Company to shareholders. The Group's financial performance is impacted by a number of factors.

As the Group is still in the exploration and development phase of its operations, the share price and thus the Company's market capitalisation is the only indicator of the Group's overall performance.

Service contracts
On appointment to the Board, all Directors enter into a letter of appointment with the Company specifying their functions and duties as a Director.

Remuneration and other terms of employment for key management personnel are formalised in service agreements. The service agreements outline the components of remuneration paid to the Executives and key management personnel ('KMPs') but do not prescribe how remuneration levels are modified year by year. Remuneration levels are reviewed each year to take into account cost of living changes, any change in the scope of the role performance by KMPs and any changes required to meet the principles of the remuneration policy. Details of these agreements are as follows:

Name:	Matthew Nixon
Title:	Chief Operating Officer
Term of agreement:	Mr Nixon is entitled to participate in the Performance Incentive Plan. Any participation in a Performance Incentive Plan is subject to the necessary approvals. The remuneration package will be reviewed annually. Employment may be terminated by either himself or the Company by providing 12 weeks' notice in writing.
Details:	Base fee: $300,000 p.a. plus superannuation

Share-based compensation

Issue of shares
There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Options
There were no options over ordinary shares issued to Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2021.

There were no options over ordinary shares granted to or vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Performance rights
As detailed above, 11,600,000 performance rights were issued to Mr Nixon, the Company's Chief Operating Officer, during the year ended 30 June 2021 under the Company's Employee Incentive Scheme.

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions*	Disposals/ other**	Balance at the end of the year
Ordinary shares					
Dean Hely	-	-	8,000,000	-	8,000,000
Michael Foulds	115,226,758	-	462,466	(8,000,000)	107,689,224
Wayne McGrath	6,666,667	-	-	(6,666,667)	-
Mel Ashton	-	-	-	-	-
Senior Executives:					
Matthew Nixon	-	-	3,509,743	-	3,509,743
	121,893,425	-	11,972,209	(14,666,667)	119,198,967

* Includes shares held at respective Director's or KMP's appointment date
** Shares held at respective Director's or KMP's resignation date

Option holding
The number of options over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other*	Balance at the end of the year
Options over ordinary shares					
Michael Foulds	342,466	-	(342,466)	-	-
	342,466	-	(342,466)	-	-

* Options held at respective Director's appointment date or resignation date

Performance rights holding
The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted as part of remuneration	Vested	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
Matthew Nixon	-	11,600,000	-	-	11,600,000
	-	11,600,000	-	-	11,600,000

Other transactions with key management personnel and their related parties
Details of other transactions with key management personnel are disclosed in note 24.

Loans to Directors and executives
There were no loans from Directors during the current financial year.

Shares issued on the exercise of options
The following ordinary shares of Orminex Limited were issued during the year ended 30 June 2021 and up to the date of this report on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
16 March 2018	$0.03	8,770,617

Shares under performance rights
Unissued ordinary shares of Orminex Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under rights
18 June 2021	30 June 2025	$0.00	12,800,000

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of performance rights

There were no ordinary shares of Orminex Limited issued on the exercise of performance rights during the year ended 30 June 2021 and up to the date of this report.

Voting and comments at the Company's 2020/21 Annual General Meeting

The Company received 96.62% of "yes" votes on its remuneration report for the 30 June 2020 financial year. The Company did not receive any specific feedback at the annual general meeting or throughout the year on its remuneration practices.

This concludes the remuneration report, which has been audited.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

____

Dean Hely
Non-Executive Chairman

17 August 2021
Perth

Moore Australia Audit (WA)

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF ORMINEX LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been:

a) no contraventions of the auditor independence requirements as set out in *the Corporations Act 2001* in relation to the audit, and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

Moore Australia

SUAN-LEE TAN	MOORE AUSTRALIA AUDIT (WA)
PARTNER	CHARTERED ACCOUNTANTS

Signed at Perth this 17th day of August 2021.

Orminex Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

	Note	2021 $	2020 $
Revenue			
Revenue from gold sales		-	542,934
Milling and treatment costs		-	(173,290)
		-	369,644
Other income	6	511,063	323,542
Expenses			
Professional fees	7	(458,035)	(748,907)
Employee benefits expense		(404,234)	(69,996)
Amortisation - right of use asset	13	(7,300)	(32,494)
Loss on disposal of assets		(26,598)	-
Write off of assets - exploration and evaluation	14	(3,005,781)	(68,296)
Listed entity expenses		(62,573)	(78,246)
Travel expenses		(2,016)	(5,235)
Stamp duty		(16)	(83,610)
Royalties		(200,000)	(27,213)
Exploration expenditure		(2,153)	-
Other expenses		(145,314)	(127,946)
Finance costs		(5,477)	(4,170)
Loss before income tax expense		(3,808,434)	(552,927)
Income tax expense	8	(263,008)	(64,491)
Loss after income tax expense for the year attributable to the owners of Orminex Limited		(4,071,442)	(617,418)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Orminex Limited		(4,071,442)	(617,418)

	Note	Cents	Cents
Basic loss per share	9	(0.75)	(0.11)
Diluted loss per share	9	(0.75)	(0.11)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Orminex Limited
Statement of financial position
As at 30 June 2021

	Note	2021 $	2020 $
Assets			
Current assets			
Cash and cash equivalents	10	4,594,342	1,437,029
Trade and other receivables	12	926,171	2,291,839
Income tax refund due		3,153	-
Other		86,187	85,177
Total current assets		5,609,853	3,814,045
Non-current assets			
Trade and other receivables	12	-	701,123
Property, plant and equipment		-	26,597
Right-of-use assets	13	-	62,280
Exploration and evaluation	14	4,257,307	8,158,418
Total non-current assets		4,257,307	8,948,418
Total assets		9,867,160	12,762,463
Liabilities			
Current liabilities			
Trade and other payables	15	858,844	1,147,839
Borrowings	16	-	85,177
Lease liabilities	17	-	67,565
Income tax	8	263,008	60,291
Other liabilities	18	1,000,000	-
Total current liabilities		2,121,852	1,360,872
Total liabilities		2,121,852	1,360,872
Net assets		7,745,308	11,401,591
Equity			
Issued capital	19	295,925,673	295,661,554
Reserves	21	151,040	-
Accumulated losses		(288,331,405)	(284,259,963)
Total equity		7,745,308	11,401,591

The above statement of financial position should be read in conjunction with the accompanying notes

Orminex Limited
Statement of changes in equity
For the year ended 30 June 2021

	Issued capital $	Accumulated losses $	Share-based payments reserve $	Total equity $
Balance at 1 July 2019	295,661,554	(283,642,545)	-	12,019,009
Loss after income tax expense for the year	-	(617,418)	-	(617,418)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	(617,418)	-	(617,418)
Balance at 30 June 2020	295,661,554	(284,259,963)	-	11,401,591

	Issued capital $	Accumulated losses $	Share-based payments reserve $	Total equity $
Balance at 1 July 2020	295,661,554	(284,259,963)	-	11,401,591
Loss after income tax expense for the year	-	(4,071,442)	-	(4,071,442)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	(4,071,442)	-	(4,071,442)
Share-based payments (note 32)	1,000	-	151,040	152,040
Issue of shares (note 19)	263,119	-	-	263,119
Balance at 30 June 2021	295,925,673	(288,331,405)	151,040	7,745,308

Orminex Limited
Statement of cash flows
For the year ended 30 June 2021

	Note	2021 $	2020 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		-	542,934
Payments to suppliers and employees (inclusive of GST)		(1,209,679)	(1,250,578)
		(1,209,679)	(707,644)
Interest received		4,181	11,091
Other revenue		40,448	27,831
GST on proceeds from sale of tenements		150,000	-
Income taxes refunded for prior periods		11,944	62,818
Income taxes paid		(58,329)	(4,200)
Net cash used in operating activities	11	(1,061,435)	(610,104)
Cash flows from investing activities			
Payments for property, plant and equipment		-	(1,064)
Payments for exploration and evaluation		(590,603)	(47,242)
Payments for mine development		-	(52,882)
AMI Deposit	18	1,000,000	-
Asset due diligence deposit		(160,953)	-
Proceeds on sale of Penny's Find	14	1,500,000	-
Repayment of Working capital facility		2,223,789	650,000
Net cash from investing activities		3,972,233	548,812
Cash flows from financing activities			
Proceeds from issue of shares	19	263,118	-
Repayment of lease liabilities	17	(16,603)	(31,379)
Net cash from/(used in) financing activities		246,515	(31,379)
Net increase/(decrease) in cash and cash equivalents		3,157,313	(92,671)
Cash and cash equivalents at the beginning of the financial year		1,437,029	1,529,700
Cash and cash equivalents at the end of the financial year	10	4,594,342	1,437,029

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Orminex Limited as a Group consisting of Orminex Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Orminex Limited's functional and presentation currency.

Orminex Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 5, Level 1, 460 Roberts Road, Subiaco WA 6008

The Group is an Australian gold development and exploration company, with a focus on sourcing, developing and managing stranded, high grade gold assets into production.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 17 August 2021.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment, share based payments and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 27.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Orminex Limited ('Company' or 'parent entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. Orminex Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Note 2. Significant accounting policies (continued)

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has 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.

Revenue recognition

The Group recognises revenue as follows:

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. Revenue is recognised at the amount to which the Group expects to be entitled. If the consideration promised includes a variable amount the Group estimates the amount of consideration to which it will be entitled.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Group has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Impairment of financial assets
The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Impairment of non-financial assets

Non-financial assets, other than deferred tax assets ("DTAs") are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Note 2. Significant accounting policies (continued)

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset exceeds it recoverable amount. Impairment losses are recognised in profit or loss.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2021. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Exploration and evaluation costs
Exploration and evaluation costs have been capitalised on the basis that the Group will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Note 4. Operating segments

Identification of reportable operating segments
The Group is organised into one operating segment being gold exploration and evaluation. The operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

Reportable segments disclosed are based on aggregating leases where the evaluation and exploration interests are considered to form a single project. This is indicated by:
- having the same ownership structure;
- exploration being focused on gold; and
- exploration programs targeting the leases as a group, indicated by the use of the same exploration team, shared geological data and knowledge across the leases.

There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss during the year ended 30 June 2021.

Accounting policy for operating segments
Unless otherwise stated, all amounts reported to the Board of Directors as the CODM with respect to operating segments, are determined in accordance with AASB 8 Operating Segments.

Note 5. Revenue

Revenue from gold sales in prior year relates to residual ore from previous open cut mining conducted at Penny's Find that was stockpiled on site. The 3,578t of residual ore was processed resulting in the recovery of 251 gold ounces.

	2021 $	2020 $
Revenue from sales		
Revenue from gold sales	-	542,934

Accounting policy for sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery. Revenue is recognised at the amount to which the Group expects to be entitled. If the consideration promised includes a variable amount the Group estimates the amount of consideration to which it will be entitled.

Note 6. Other income

	2021 $	2020 $
Net gain on disposal of Penny's Find (note 14)	392,574	-
Other income	5,475	-
Interest income - working capital facility*	73,860	283,451
Interest income - other	4,181	11,091
Rental income	5,127	16,500
Reimbursements	15,250	-
Government stimulus package	14,596	12,500
Other income	511,063	323,542

* The Company has earned interest on the working capital facility with Mineral Venture Pty Ltd ("Mineral Venture") to partially meet initial working capital costs for mining at Comet Vale. The facility currently incurs interest at 5% per annum.

Accounting policy for other income
Other income is recognised when the amount can be reliably measured and control of the right to receive the income be passed to the Group.

Interest is recognised using the effective interest method.

Note 7. Professional fees

	2021 $	2020 $
Accountancy and audit cost	108,070	129,445
Consultant fees	122,986	75,966
Directors remuneration	130,700	402,500
Legal fees	96,279	100,646
Recruitment expenses	-	40,350
	458,035	748,907

Note 8. Income tax

	2021 $	2020 $
Income tax expense		
Current tax	263,008	21,658
Adjustment recognised for prior periods	(21,658)	42,833
Non-recognition of temporary differences	21,658	-
Aggregate income tax expense	263,008	64,491
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(3,808,434)	(552,927)
Tax at the statutory tax rate of 26% (2020: 27.5%)	(990,193)	(152,055)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Impairment of assets	781,503	-
Share-based payments	39,530	-
Non-recognition of temporary differences	453,826	-
	284,666	(152,055)
Adjustment recognised for prior periods	(21,658)	42,833
Other permanent adjustments	-	173,713
Income tax expense	263,008	64,491

	2021 $	2020 $
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	3,790,389	3,071,847
Potential tax benefit @ 26%	985,501	798,680

These tax losses can only be utilised in the future if future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised, the conditions for deductibility imposed by tax legalisation continue to be complied with, no changes in tax legislation adversely affect the Group in realising the benefit and, the continuity of ownership test is passed, or failing that, the same business test is passed.

The Group is not a tax consolidated group hence tax losses in one entity were not able to be offset with taxable income in another entity.

	2021 $	2020 $
Income tax refund due	3,153	-

	2021 $	2020 $
Provision for income tax	263,008	60,291

Note 8. Income tax (continued)

Accounting policy for income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Note 9. Earnings per share

	2021 $	2020 $
Loss after income tax attributable to the owners of Orminex Limited	(4,071,442)	(617,418)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	541,285,236	539,102,168
Weighted average number of ordinary shares used in calculating diluted earnings per share	541,285,236	539,102,168
	Cents	**Cents**
Basic loss per share	(0.75)	(0.11)
Diluted loss per share	(0.75)	(0.11)

At 30 June 2021, 12,800,000 Performance Rights (30 June 2020: 9,452,055 options) were excluded from diluted weighted average number of ordinary shares calculation as their effect would have been anti-dilutive.

Note 9. Earnings per share (continued)

Accounting policy for earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Orminex Limited, 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 per share adjusts the figures used in the determination of basic earnings per share to take into account the after income 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.

Note 10. Cash and cash equivalents

	2021 $	2020 $
Current assets		
Cash in hand	24	427
Cash at bank	4,594,318	1,436,602
	4,594,342	1,437,029

Accounting policy for cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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.

Note 11. Cash flow information

Reconciliation of loss after income tax to net cash used in operating activities

	2021 $	2020 $
Loss after income tax expense for the year	(4,071,442)	(617,418)
Adjustments for:		
Depreciation and amortisation	7,300	35,826
Impairment of non-current assets	3,005,781	68,296
Share-based payments	152,040	-
Gain on sale of Penny's Find	(392,574)	-
Accrued interest receivable	(73,860)	-
GST on proceeds from sale of tenements	150,000	-
Other	4,574	7,235
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	75,387	(297,937)
Increase in other current assets	(1,008)	(30,177)
Increase/(decrease) in trade and other payables	(122,312)	224,071
Increase in provision for income tax	204,679	-
Net cash used in operating activities	(1,061,435)	(610,104)

Note 12. Trade and other receivables

	2021 $	2020 $
Current assets		
Trade receivables	-	8,250
Asset due diligence deposit	160,953	-
Loan to Mineral Ventures Pty Ltd	751,194	2,200,000
Other receivables	14,024	83,589
	926,171	2,291,839
Non-current assets		
Loan to Mineral Ventures Pty Ltd	-	701,123

The Company maintains a $3 million working capital facility with Mineral Ventures Pty Ltd ('Mineral Ventures') (formerly GBF Mining Pty Ltd) to partially meet initial working capital costs for mining at Comet Vale. The facility was initially unsecured until the Company announced a variation to the facility on 28 July 2020 whereby the facility was secured up to $1,500,000. The facility currently incurs interest at 5% per annum (previously 10% on the unsecured amount). Pursuant to the mine management agreement ('MMA') with Mineral Ventures, net proceeds from the Comet Vale gold sales are used to repay the $3 million loan, in a pro rata arrangement with any return on working capital to Mineral Ventures, less amounts reserved by Mineral Ventures to meet future working capital needs.

Note 12. Trade and other receivables (continued)

During FY20, the Company commissioned separate independent technical and engineering reports into the Comet Vale project. As announced by the Company on 13 March 2020, these reports concluded, amongst other matters, that there remains a risk that the mining operations will not generate sufficient revenue to recover working capital costs that may be incurred to complete the current mine plan, in the absence of cost reductions and improvements in grade. In light of the above conclusions and the Company's current working capital position, there is an increased risk of potentially not fully recovering the loan, as it remains subject to the future performance of the project and whose cashflows are currently difficult to forecast.

On 28 July 2020, the Company announced a variation to the working capital facility held with Mineral Ventures. Key terms included the repayment of a minimum of $200,000 each month to the Company, the facility being secured up to $1,500,000 (relating to two commercial properties in Subiaco WA) with interest accruing at 5% pa. Since July 2020, the Company has received a total of $2,224,000 in accordance with the variation deed.

Under the general approach to impairment, the Group has assessed there was no impairment to the working capital facility for the year.

Accounting policy for trade and other receivables
Trade and other receivables are recognised initially at the value of the invoice sent to the counter-party and are subsequently measured using a forward looking "expected credit loss" (ECL) model.

The Group uses the general approach to impairment, as applicable under AASB 9: Financial Instruments. Under the general approach, at each reporting period, the Group assesses whether the financial instruments are credit-impaired, and if:
- the credit risk of the financial instrument has increased significantly since initial recognition, the Group measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
- there is no significant increase in credit risk since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 13. Right-of-use assets

	2021 $	2020 $
Non-current assets		
Land and buildings - right-of-use	-	94,774
Less: Accumulated amortisation	-	(32,494)
	-	62,280

During the year, the group relinquished the lease held for an office space.

Note 13. Right-of-use assets (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land & Building $	Total $
Balance at 1 July 2019	-	-
Adoption of AASB 16 on 1 July 2019	94,774	94,774
Amortisation expense	(32,494)	(32,494)
Balance at 30 June 2020	62,280	62,280
Disposals	(54,980)	(54,980)
Amortisation expense	(7,300)	(7,300)
Balance at 30 June 2021	-	-

Accounting policy for right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are amortised on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the amortisation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities. The subsequent measurement of the right-of-use assets is at cost less accumulated amortisation and impairment losses.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 14. Exploration and evaluation

	2021 $	2020 $
Exploration assets		
Opening balance	8,158,418	7,717,164
Exploration expenditure capitalised	212,096	509,550
Write off of capitalised exploration	(3,005,781)	(68,296)
Disposal - Penny's Find	(1,107,426)	-
Closing balance	4,257,307	8,158,418

Accounting policy for exploration and evaluation assets
Exploration and evaluation expenditure incurred by or on behalf of the Company is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure but does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest.

Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation.

Note 14. Exploration and evaluation (continued)

Exploration and evaluation expenditure for each area of interest is carried forward as an asset provided that one of the following conditions is met:

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

Expenditure which fails to meet the conditions outlined above is written off, furthermore, the directors regularly review the carrying value of exploration and evaluation expenditure and make write downs if the values are not expected to be recoverable.

Identifiable exploration assets acquired are recognised as assets at their cost of acquisition. Exploration assets acquired are reassessed on a regular basis and these costs are carried forward provided that at least one of the conditions referred to above is met.

Exploration and evaluation expenditure incurred subsequent to acquisition in respect of an exploration asset acquired, is accounted for in accordance with the policy outlined above for exploration expenditure incurred by or on behalf of the entity.

When an area of interest is abandoned, any expenditure carried forward in respect of that area is written off. Expenditure is not carried forward in respect of any area of interest unless the Group’s right of tenure to that area of interest is current.

The ultimate recovery of the carrying values of the exploration and evaluation expenditure is dependent upon the successful development and commercial exploitation or, alternatively, sale of the interest in the tenements.

Write-off of capitalised exploration

Comet Vale Project
Since the Company's strategic alliance partner, Minerals Ventures Pty Ltd, made the decision to suspend operations at the Comet Vale Project (as announced 3 September 2020), the Company has undertaken a thorough review process to ascertain the optimal approach to advance the project and realise its value. As part of the review the Company obtained an independent mineral valuation which indicated that the carrying amount of the capitalised exploration asset was in excess of its recoverable value.

The Company has adopted a recoverable value of $3,310,00 for the Comet Vale Project as at 30 June 2021, being the market value of the project. The revised recoverable value was taken as the mid-point valuation obtained from the independent expert engaged by Orminex. This resulted in a pre-tax capitalised exploration asset write-down of $2,964,453 being recognised for the year ended 30 June 2021. The valuation is classified as Level 2 on the fair value hierarchy as market information for similar projects is available.

Relinquished tenements
In July 2021 the Company relinquished two Golden Lode tenements, P30/1101 and P30/1104, resulting in a total write-down for the Golden Lode project of $41,328. Both tenements had reached their 8th year - meaning they can no longer be renewed as exploration tenements and need to be converted into Mining Leases in order to be retained. The Company still considers the remaining core tenements to be prospective and there are no indicators that the carrying value is not recoverable.

During prior year, the Happy Jack project tenement P29/2589 reached its 9th year - meaning it could no longer be renewed and would need to be converted into a Mining Lease in order to be retained. The tenement was not converted into a Mining Lease and expired on 18 July 2020.

Note 14. Exploration and evaluation (continued)

Sale of Penny's Find

On 30 November 2020, the Company announced the execution of a binding joint venture term sheet ('JVTS') for the sale of 50% of the Penny's Find Gold Mine (M27/156) ('Penny's Find') to Black Mountain Gold Limited ('Black Mountain'), a wholly owned subsidiary of Horizon Minerals Limited (ASX: HRZ) ('Horizon').

In order to fast track the further development of Penny's Find, the Company has agreed to enter into a binding JVTS with Black Mountain, with the key acquisition terms being as follows:
- The Company agrees to sell 50% of its right, title and interest in M27/156 and associated miscellaneous and general purpose leases including all related mining information;
- Black Mountain has agreed to pay acquisition consideration of A$1.5 million in cash and to fund the advancement of Penny's Find to the value of A$1 million, with Orminex free carried for the period until the sum of A$1 million has been spent by Black Mountain;
- At the end of the free carry period, all further approved expenditure will be funded on a 50:50 basis; and
- Black Mountain to assume 50% of Orminex's obligations in respect of royalties under its original acquisition agreement for Penny's Find.
- An exclusive right for Horizon to acquire the remaining 50% of the Penny's Find Project at a price and on terms to be agreed towards the end of 2022, following completion of 230,000 tonnes of contracted toll milling.

On 22 March 2021, all conditions precedent had been met and the transaction completed. A pre-tax gain on disposal of $392,574 has been recognised for the period.

Note 15. Trade and other payables

	2021 $	2020 $
Current liabilities		
Trade payables	50,099	627,515
Accruals	719,593	518,000
Provision for annual leave	13,567	-
Other payables	75,585	2,324
	858,844	1,147,839

Refer to note 22 for further information on financial risk management.

Accounting policy for trade and other payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method. The amounts are unsecured and are usually paid at the end of the month following date of recognition.

Note 16. Borrowings

	2021 $	2020 $
Current liabilities		
Loan for insurance funding	-	85,177

Refer to note 22 for further information on financial risk management.

Accounting policy for borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 17. Lease liabilities

	2021 $	2020 $
Current liabilities		
Lease liability	-	67,565

	2021 $	2020 $
Reconciliation of lease liability		
Operating lease commitments disclosed as at 30 June 2019	-	28,463
Changes to extension option assumptions and discounted using incremental borrowing rate at the date of initial application	-	66,311
Balance at 1 July	-	94,774
Movements during the year		
Balance at 1 July	67,565	94,774
Payment	(16,603)	(31,379)
Interest charged during the period	668	4,170
Disposal of lease	(51,630)	-
	-	67,565

	2021 $	2020 $
Amounts recognised in profit or loss		
Leases under AASB 16		
Interest on lease liabilities	668	4,170
Amortisation	7,600	32,494
	8,268	36,664

Note 17. Lease liabilities (continued)

Accounting policy for lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Initial Application of AASB 16: Leases
The Group has adopted the modified retrospective approach under AASB 16: Leases at 1 July 2019. In accordance with AASB 16 the comparatives for the 2018/19 reporting period have not been restated. Lease liabilities are measured at the present value of the remaining lease payments. The Group's incremental borrowing rate as at 1 July 2019 was used to discount the lease payments.

Note 18. Other liabilities

	2021 $	2020 $
Current liabilities		
AMI Transaction Deposit	1,000,000	-

AMI has paid the Company a deposit of $1 million in respect of progressing a transaction for the acquisition of economic interests in all or a substantial part of a significant epithermal gold project asset in Indonesia. Following the Company's announcement on 29 July 2021, the deposit shall be refunded to AMI before 31 August 2021.

Note 19. Issued capital

	2021 Shares	2020 Shares	2021 $	2020 $
Share capital	547,894,524	539,102,168	295,925,673	295,661,554

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$**
Balance	1 July 2019	539,102,168		295,661,554
Balance	30 June 2020	539,102,168		295,661,554
Issue of shares on option conversion		8,770,617	$0.03	263,119
Issue of shares as employee remuneration		21,739	$0.04	1,000
Balance	30 June 2021	547,894,524		295,925,673

Note 19. Issued capital (continued)

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment.

The Group is not subject to any financing arrangements or covenants.

The capital risk management policy remains unchanged from the 30 June 2020 Annual Report.

Accounting policy for issued capital
Ordinary shares are classified as equity.

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

Note 20. Options

	2021	2020
Options on issue		
Exercisable at $0.03 on or before 15 April 2021	-	9,452,055
On issue at 30 June	-	9,452,055

	2021	2020
Movements in options on issue		
On issue at 1 July	9,452,055	9,452,055
Exercise of options	(8,770,617)	-
Expiry of options	(681,438)	-
On issue at 30 June	-	9,452,055

Note 21. Reserves

	2021 $	2020 $
Share-based payments reserve	151,040	-

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

Note 22. Financial risk management

Financial risk management objectives
The Group's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

The Board oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Market risk

Price risk
The Group is not exposed to any significant price risk.

Interest rate risk
The Group only has interest rate risk relating to its funds on deposit with banking institutions. Accordingly, the Group does not hedge its interest rate risk exposure.

At the reporting date the Group hold variable rate financial assets and did not hold any variable rate financial liabilities.

Exposure to interest rate risk
As at the reporting date, the Group had the following variable rate financial assets as reported to management for the Group as follows

	2021 Balance $	2020 Balance $
Cash and cash equivalents	4,594,342	1,437,029
Net exposure to cash flow interest rate risk	4,594,342	1,437,029

Fair value sensitivity analysis for fixed rate instruments
The Group has a working capital facility with Mineral Ventures to partially meet initial working capital costs for mining at Comet Vale which incurs interest at 5% per annum. Refer to note 12 for further details.

The Group does not account for any other fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Note 22. Financial risk management (continued)

Cash flow sensitivity analysis for variable rate instruments
A change of basis points in interest rates at the reporting date would have increased / (decreased) profit and loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis as for twelve months ended 30 June 2021.

2021	Basis points increase: Basis points change	Basis points increase: Effect on profit before tax	Basis points increase: Effect on equity	Basis points decrease: Basis points change	Basis points decrease: Effect on profit before tax	Basis points decrease: Effect on equity
Variable rate instruments	100	10,405	10,405	(100)	(10,405)	(10,405)

2020	Basis points increase: Basis points change	Basis points increase: Effect on profit before tax	Basis points increase: Effect on equity	Basis points decrease: Basis points change	Basis points decrease: Effect on profit before tax	Basis points decrease: Effect on equity
Variable rate instruments	100	14,370	14,370	(100)	(14,370)	(14,370)

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and arises principally from the Group's receivables from customers and investments in debt securities. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

As detailed in note 12, the Company is exposed to significant credit risk arising from the working capital facility loan from Mineral Ventures Pty Ltd. Credit risk has been reduced following the variation deed agreed with Mineral Ventures Pty Ltd whereby $200,000 per month will be repaid and security has been granted to the Group to the value of up to between $1 million and $1.5 million.

The Company notes the announcement to the market on 3 September 2020 that it had received notice from Mineral Ventures Pty Ltd that it intends to suspend mining operations at Comet Vale but will continue to meet its working capital loan repayments post the suspension of mining operations.

Cash and cash equivalents
The Group held cash and cash equivalents of $4,594,342 at 30 June 2021 (2020: $1,437,029). The cash and cash equivalents are held with authorised banking institutions and only with counterparties that have an acceptable credit rating.

Other receivables
As the Group operates primarily in exploration activities, it does not have material trade receivables and therefore is not exposed to credit risk in relation to trade receivables.

Currently, the Group undertakes exploration and evaluation activities exclusively in Australia. There are no financial assets past due and there is no management of credit risk through performing an aging analysis; therefore, an aging analysis has not been disclosed.

By geographic regions, the maximum exposure to credit risk for other receivables in Australia as at 30 June 2021 was $751,194 (2020: $2,901,123).

Allowance for expected credit losses
The Group has not recognised a loss in profit or loss in respect of the expected credit losses for the year ended 30 June 2021. Refer to note 12 for further details. No allowances have been made for further expected credit losses.

Note 22. Financial risk management (continued)

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

	Carrying Amount $	Contractual Cash Flows $	12 Months or Less $
30 June 2021			
Non-derivative financial liabilities			
Trade and other payables	(858,844)	(858,844)	(858,844)
Financial assets - cash flow receivables			
Cash and cash equivalents	4,594,342	4,594,342	4,594,342
Trade and other receivables	926,171	926,171	926,171
	4,661,669	4,661,669	4,661,669
30 June 2020			
Non-derivative financial liabilities			
Trade and other payables	(1,275,695)	(1,275,695)	(1,275,695)
Financial assets - cash flow receivables			
Cash and cash equivalents	1,437,029	1,437,029	1,437,029
Trade and other receivables	2,992,962	2,992,962	2,291,839
	3,154,296	3,154,296	2,453,173

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

2021	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	858,844	-	-	-	858,844
Total non-derivatives		858,844	-	-	-	858,844

Note 22. Financial risk management (continued)

2020	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	1,208,130	-	-	-	1,208,130
Lease liabilities	-	67,565	-	-	-	67,565
Total non-derivatives		1,275,695	-	-	-	1,275,695

Fair value of financial instruments

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurable date. Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 2 or value in use in AASB 136.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurable date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Cash and cash equivalents, trade and other receivables, trade creditors, other creditors, accruals and employee entitlements have been excluded from the above analysis as their fair values are equal to the carrying values.

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Moore Australia Audit (WA), the auditor of the Company:

	2021 $	2020 $
Audit services - Moore Australia Audit (WA)		
Audit or review of the financial statements	33,245	36,270
Other services - Moore Australia Audit (WA)		
Preparation of the tax return	8,250	8,000
	41,495	44,270

Note 24. Related party transactions

Parent entity
Orminex Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 26.

Joint operations
Interests in joint operations are set out in note 30.

Key management personnel
Disclosures relating to key management personnel are set out in note 25 and the remuneration report included in the Directors' report.

Transactions with related parties
Other than the transactions disclosed in Note 25, there were no other transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties
Mineral Ventures Pty Ltd, an entity associated with Mr Michael Foulds and Mr Ross Graham, is due $33,072 as at 30 June 2021 (2020: $450,369) for works performed in relation to Penny's Find Gold Mine.

Other than the balances disclosed in Note 25, there were no other trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	2021 $	2020 $
Total receivables:		
Working capital facility to Mineral Ventures Pty Ltd	751,194	2,901,123

* Mineral Ventures Pty Ltd (formerly GBF Mining Pty Ltd) is company of which Mr Ross Graham and Mr Michael Foulds are shareholders and directors. Refer to note 12 for further details. During the year, Mineral Ventures Pty Ltd repaid the Group $2,224,000 (2020: $650,000) under the Working Capital Facility Agreement. Interest income of $73,860 (2020: $283,451) has been recognised during the year in relation to the facility.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 25. Key management personnel disclosures

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	2021 $	2020 $
Short-term employee benefits	311,671	447,500
Post-employment benefits	16,662	4,038
Share-based payments	136,880	-
	465,213	451,538

Other key management personnel transactions

A number of these companies transacted with the Group during the year. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions to non-key management personnel related companies on an arm's length basis.

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

- Viridian Capital Pty Ltd, a company of which Mr Daryl Henthorn is a director, charged the Company for Director fees of $nil (2020: $225,000) and consulting fees of $nil (2020: $20,000) and administrative, bookkeeping and analyst services totalling $540 (2020: $21,187). No balance (2020: $49,860) was outstanding at year end.
- Cardrona Energy Pty Ltd, a company of which Mr Emmanuel Correia is a director, charged the Company for Director fees of $nil (2020: $20,000) and consulting fees of $nil (2020: $10,000). No balance (2020: $nil) was outstanding at year end.
- C4 Capital Pty Ltd, a company of which Mr John Correia is a director, charged the Company for Director fees of $nil (2020: $60,000) and consulting fees of $nil (2020: $15,000). No balance (2020: $nil) was outstanding at year end.
- Lavan Legal, of which Dean Hely is the Managing Partner, charged the Company legal fees of $87,852 (2020: nil). A balance of $31,675 (2020: $nil) was outstanding at year end.
- Michael Foulds, is a director, charged the Company for director fees totalling $60,000 (2020: $55,000) and this balance is outstanding (2020: $55,000) at year end.
- Dean Hely, is a director, charged the Company for director fees totalling $60,000 (2020: $42,500). A balance of $40,000 (2020: $5,000) was outstanding at year end.
- Mel Ashton, is a director, charged the Company for director fees totalling $5,000 (2020: $nil) and this balance is outstanding (2020: $nil) at year end.
- Mineral Ventures Pty Ltd (formerly GBF Mining Pty Ltd), a company of which Mr Ross Graham and Mr Michael Foulds are shareholders and directors, repaid the Company $2,224,000 (2020: $650,000) during the year under the Working Capital Facility Agreement.
- The Company paid rent of $9,450 (2020: $nil) to Carlowen Pty Ltd, a company of which Mr Ross Graham and Mr Michael Foulds are shareholders and directors. No balance (2020: $nil) was outstanding at year end.

Note 26. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2021 %	Ownership interest 2020 %
Orminex West Pty Ltd	Australia	100%	100%
Golden Lode Pty Ltd	Australia	100%	100%
Orminex Happy Jack Pty Ltd	Australia	100%	100%
Orminex Penny's Find Pty Ltd	Australia	100%	100%
Orminex Canada Ltd	Canada	100%	-

Note 27. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2021 $	Parent 2020 $
Loss after income tax	(1,013,524)	(894,132)
Total comprehensive income	(1,013,524)	(894,132)

Statement of financial position

	Parent 2021 $	Parent 2020 $
Total current assets	1,385,889	740,184
Total non-current assets	10,278,794	10,432,240
Total assets	11,664,683	11,172,424
Total current liabilities	1,431,847	334,237
Total non-current liabilities	-	-
Total liabilities	1,431,847	334,237
Equity		
Issued capital	295,925,672	295,661,553
Share-based payments reserve	151,040	-
Accumulated losses	(285,843,876)	(284,823,366)
Total equity	10,232,836	10,838,187

Note 28. Commitments

The Group has the following commitments principally relating to the minimum expenditure requirements for Golden Lode Project and Comet Vale Project tenements.

	2021 $	2020 $
Exploration expenditure		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	439,656	429,322
One to five years	1,307,631	1,638,705
	1,747,287	2,068,027

Note 29. Contingent liabilities

The Group has consideration payables, such as net smelter royalty, on Penny's Find Gold Mine being contingent on the commencement of mining activities. There are no other contingent liabilities as at 30 June 2021 (30 June 2020: nil).

Note 30. Interests in joint operations

The Group has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications. Information relating to joint operations that are material to the Group are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest 2021 %	Ownership interest 2020 %
Penny's Find	Australia	50.00%	-

Significant judgement: classification of joint arrangements
Unanimous consent for all relevant activities is required from both Orminex and Black Mountain in relation to the Penny's Find Joint Venture. The two partners have direct rights to the assets of the partnership and are jointly and severally liable for the liabilities incurred by the partnership. This entity is therefore classified as a joint operation and the group recognises its direct right to the jointly held assets, liabilities, revenues and expenses.

Note 31. Events after the reporting period

On 29 July 2021, the Company announced it will refund the $1 million deposit paid by AMI in respect of progressing a transaction for the acquisition of economic interests in all or a substantial part of a significant epithermal gold project asset in Indonesia.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 32. Share-based payments

2021 Grant date	Expiry date	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
18/06/2021	30/06/2025	-	12,800,000	-	-	12,800,000

The weighted average contractual life of Performance Rights outstanding at the end of the period was 2.03 years. The weighted average fair value at the end of the period was $0.0354 per right. The Performance Rights over ordinary shares are granted under the Employee Incentive Scheme for nil cash consideration. Further details of the Employee Incentive Scheme including terms of grants and performance hurdles are provided in the remuneration report.

Share-based payments recognised during the financial year within the consolidated statement of profit or loss and other comprehensive income were as follows:

	2021	2020
Shares issued as employee remuneration	1,000	-
Performance rights	151,040	-
	152,040	-

Accounting policy for share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using an option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

____
Dean Hely
Non-Executive Chairman

17 August 2021
Perth

Moore Australia Audit (WA)

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ORMINEX LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Orminex Limited (the Company) and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2021, 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 statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

a) 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 2021 and of its financial performance for the year then ended; 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ORMINEX LIMITED (CONTINUED)

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 year. 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.

<table>
<tr><th colspan="2">Carrying value of Capitalised Exploration & Evaluation Assets & associated Fair Value movements</th></tr>
<tr><td colspan="2">Refer to Notes 6 Other Income & 14 Exploration & Evaluation Assets</td></tr>
<tr><td>At 30 June 2021, the Group's statement of financial position includes capitalised exploration and evaluation assets of approximately $4.26 million which is significant to the Group.

The ability to recognise and to continue to defer exploration and evaluation assets under AASB 6: Exploration for and Evaluation of Mineral Resource is impacted by the Group's ability, and intention, to continue with the operating activities or its ability to realise this value through development or sale. We considered it necessary to assess whether facts and circumstances existed to suggest that the carrying value of these assets may exceed its recoverable amount.

Due to the significance of these assets and the subjectivity involved in assessing the ability to continue to defer these assets, this is considered a key audit matter.

In addition, we considered the appropriateness of accounting adjustments raised for the partial divestment of specific exploration assets.</td><td>Our procedures included, amongst others:
• We addressed the Group's assessment of the ability to continue to defer the exploration and evaluation assets under AASB 6
• Ensuring that the Group has the ongoing right to explore in the relevant exploration areas of interests by performing a sample of tenement searches on the Department of Mines WA website and discussions with management.
• Assessing the carrying value of these assets for any indicators of impairment with specific reference to the $3 million adjustment to the Comet Vale asset following a valuation by an independent expert engaged by management.
• Assessed the credentials and experience of the independent expert and their underlying valuation methodologies and associated assumptions for reasonableness
• Where assets were sold during the year (50% interest in Penny's Find), we verified the computation of the net gain on disposal against signed agreements and consulted with our National Head of Technical Accounting on the appropriateness of the accounting disposal adjustments.
• We substantiated a sample of exploration expenditures incurred during the year against supplier invoices or agreements
• Ensuring the Group is committed to continue exploration and evaluation activity in the relevant areas of interest including assessing their expenditures that have been planned or budgeted for
• Discussions with management, review of ASX announcements to-date on the Group's current activities and review of other documents

We also assessed the appropriateness of the disclosures contained in the financial report.</td></tr>
</table>

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Key Audit Matters (continued)

Valuation of Loan Receivable from Mineral Ventures Pty Ltd ("Mineral Ventures")	
Refer to Note 12	
Valuation of the loan receivable from Mineral Venture is a key audit matter. It is due to the size of the account balance and the judgement required in determining the recoverability of the loan's carrying value that is a key area of audit focus. The loan is a working capital facility to Mineral Ventures as set out in Note 12, amounting to approximately $0.75 million at balance date. This loan receivable is material to the Group.	Our procedures included, amongst others: • Obtained direct confirmation from Mineral Ventures Pty Ltd of the year-end loan balance and agreeing repayments made during the financial year to bank statements and the accrued interest to internal workings • Reviewing the underlying working capital agreement and the subsequent Deed of Variation to ensure the loan has been accounted for and presented in accordance with the revised terms and conditions under the Deed of Variation. • Verifying that the mortgage security for the two commercial properties located in Subiaco, Western Australia, is properly registered in favour of the Company by Mineral Ventures under the Deed of Variation by way of title searches obtained. We also assessed the appropriateness of the disclosures contained in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORMINEX LIMITED (CONTINUED)

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material 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 audit report.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report as included in the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Orminex Limited, for the year ended 30 June 2021 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.

SL TAN
PARTNER

MOORE AUSTRALIA

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth on the 17th day of August 2021

ORMINEX LIMITED
ACN 008 740 672
(COMPANY)

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is current as of 17 August 2021 and has been approved by the Board of the Company on that date.

This Corporate Governance Statement discloses the extent to which the Company follows the recommendations set by the ASX Corporate Governance Council in its publication "Corporate Governance Principles and Recommendations" 4th edition (**Recommendations**). The Recommendations are not mandatory, however, the Recommendations that will not be followed have been identified and reasons provided for not following them along with what (if any) alternative governance practices the Company intends to adopt in lieu of the recommendation.

The Company has adopted a Corporate Governance Plan that provides the written terms of reference for the Company's corporate governance duties that is available on the Company's website at www.orminex.com.au.

Due to the current size and nature of the existing Board, the Board has not established individual Board committees. Under the Board's Charter, the duties that would ordinarily be assigned to individual committees are currently carried out by the full Board under the written terms of reference for those committees.

RECOMMENDATIONS (4TH EDITION)	COMPLY	EXPLANATION
Principle 1: Lay solid foundations for management and oversight		
Recommendation 1.1 A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	YES	The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair and management and includes a description of those matters expressly reserved to the Board and those delegated to management. The Board Charter sets out the specific responsibility of the Board, requirements as to the Board's composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors' access to Company records and information, details of the Board's relationship

		with management, details of the Board's performance review and details of the Board's disclosure policy. A copy of the Company's Board Charter, which is part of the Company's Corporate Governance Plan, is available on the Company's website.
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	YES	(a) The Company has guidelines for the appointment and selection of the Board in its Corporate Governance Plan. The Company's Nomination Committee Charter (in the Company's Corporate Governance Plan) requires. the Nomination Committee (or, in its absence, the Board) to ensure appropriate checks (including checks in respect of character, experience, education, criminal record and bankruptcy history (as appropriate)) are undertaken before appointing a person or putting forward to security holders a candidate for election, as a Director. (b) Under the Nomination Committee Charter, all material information relevant to a decision on whether or not to elect or re-elect a Director must be provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	YES	The Company's Nomination Committee Charter requires the Nomination Committee (or, in its absence, the Board) to ensure that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment. The Company has written agreements with each of its Directors and senior executives.
Recommendation 1.4	YES	The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to

The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.		the Board, through the Chair, on all matters to do with the proper functioning of the Board.
Recommendation 1.5 A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: 1) the measurable objectives set for that period to achieve gender diversity; 2) the entity's progress towards achieving those objectives; and 3) either: i. the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or ii. if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	PARTIALLY	(a) The Company has adopted a Diversity Policy which provides a framework for the Company to establish and achieve measurable diversity objectives, including in respect of gender diversity. The Diversity Policy allows the Board to set measurable gender diversity objectives if considered appropriate and to assess annually both the objectives and the Company's progress in achieving them. (b) The Diversity Policy is available, as part of the Corporate Governance Plan, on the Company's website. (i) The Board does not presently intend to set measurable gender diversity objectives because, if it becomes necessary to appoint any new Directors or senior executives. the Board considered the application of a measurable gender diversity objective requiring a specified proportion of women on the Board and in senior executive roles will, given the small size of the Company and the Board, unduly limit the Company from applying the Diversity Policy as a whole and the Company's policy of appointing based on skills and merit; and (ii) the respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes) for each financial year will be disclosed on the Company's website

Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	YES	(a) The Company's Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Board, its committees, and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this is set out in the Company's Corporate Governance Plan, which is available on the Company's website. (b) The Company's Corporate Governance Plan requires the Company to disclose whether performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the Board, its committees (if any) and individual Directors for each financial year in accordance with the above process. Performance evaluations were not undertaken for FY2021 but will be completed in future periods.
Recommendation 1.7 A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	YES	(a) The Company's Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Company's senior executives on an annual basis. The Company's Remuneration Committee (or, in its absence, the Board) is responsible for evaluating the remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a non-executive Director. The applicable processes for these evaluations can be found in the Company's Corporate Governance Plan, which is available on the Company's website. (b) The Company's Corporate Governance Plan requires the Company to disclose whether performance evaluations were conducted during the relevant reporting period. The Company intends to complete

		performance evaluations in respect of the senior executives (if any) for each financial year in accordance with the applicable processes. Performance evaluations were not undertaken for FY2021 but will be completed in future periods.
Principle 2: Structure the Board to add value		
Recommendation 2.1 The Board of a listed entity should: (a) have a nomination committee which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	PARTIALLY	(a) The Company does not have a Nomination Committee. The Company's Nomination Committee Charter provides for the creation of a Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director. (b) The Company does not have a Nomination Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Nomination Committee under the Nomination Committee Charter, including the following processes to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence, and knowledge of the entity to enable it to discharge its duties and responsibilities effectively: (i) devoting time at least annually to discuss Board succession issues and updating the Company's Board skills matrix; and (ii) all Board members being involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.

Recommendation 2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	NO	Under the Nomination Committee Charter (in the Company's Corporate Governance Plan), the Nomination Committee (or, in its absence, the Board) is required to prepare a Board skill matrix setting out the mix of skills and diversity that the Board current has (or is looking to achieve) and to review this at least annually against the Company's Board skills matrix to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction. The Company intends to develop a Board skill matrix setting out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership. A copy will be made available on the Company's website. The Board Charter requires the disclosure of each Board member's qualifications and expertise. Full details as to each Director and senior executive's relevant skills and experience are available.
Recommendation 2.3 A listed entity should disclose: (a) the names of the Directors considered by the Board to be independent Directors; (b) if a director has an interest, position or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each Director	YES	(a) The Board Charter requires the disclosure of the names of Directors considered by the Board to be independent. The Company will disclose those Directors it considers to be independent in its Annual Report and on its ASX website. The Board considers that none of the current Directors are independent. (b) There are no independent Directors who fall into this category. The Company will disclose in its Annual Report and ASX website any instances where this applies and an explanation of the Board's opinion why the relevant Director is still considered to be independent. (c) The Company's Annual Report will disclose the length of service of each Director, as at the end of each financial year.

Recommendation 2.4 A majority of the Board of a listed entity should be independent Directors.	YES	The Board Charter requires that, where practical, the majority of the Board must be independent. The Board currently comprises three directors, of which two are independent.
Recommendation 2.5 The chair of the Board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	PARTIALLY	The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director. The Chair of the Board is an independent Director of the Company. The Company does not have a CEO. The Board has taken the following steps to structure the Board to add value despite not having a CEO: (a) Board meetings are held with a flat structure allowing contribution from all Directors and senior management that allows for a diversity of views to be considered; (b) The Board has appointed a Chief Operating Officer (COO) and may as necessary consider appointing a CEO.
Recommendation 2.6 A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	YES	In accordance with the Company's Board Charter, the Nominations Committee (or, in its absence, the Board) is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Chair is responsible for facilitating inductions and professional development.
Principle 3: Act ethically and responsibly		
Recommendation 3.1 A listed entity should articulate and disclose its values.	YES	(a) The Company and its subsidiary companies (if any) are committed to conducting all business activities fairly, honestly with a high level of integrity, and in compliance

		with all applicable laws, rules and regulations. The Board, management and employees are dedicated to high ethical standards and recognise and support the Company's commitment to compliance with these standards. (b) The Company's values are set out in its Code of Conduct (which forms part of the Corporate Governance Plan) and are available on the Company's website. All employees and consultants are given appropriate training on the Company's values and senior executives will continually reference such values.
Recommendation 3.2 A listed entity should: (a) have a code of conduct for its Directors, senior executives and employees; and (b) disclose that code or a summary of it.	YES	(c) The Company's Corporate Code of Conduct applies to the Company's Directors, senior executives and employees. (d) The Company's Corporate Code of Conduct (which forms part of the Company's Corporate Governance Plan) is available on the Company's website.
Recommendation 3.3 A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	YES	(a) The Company's Whistleblower policy is available on the Company's website. (b) All matters reported to the Whistleblower Protection and Investigation Officer (WPIO) will be reported to the board or the relevant sub-committee, as appropriate. Should a matter be reported directly to a board member, the matter will be communicated to the other board members at the next board meeting.
Recommendation 3.4 A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or a committee of the board is informed of any material breaches of that policy.	YES	The Company's Anti-Bribery and Anti-Corruption Policy (which forms part of the Corporate Governance Plan) is available on the Company's website. Any material breaches of the Anti-Bribery and Anti-Corruption Policy are to be reported to the Board or a committee of the Board.

<table>
<tr><th colspan="3">Principle 4: Safeguard integrity in financial reporting</th></tr>
<tr><td>Recommendation 4.1
The Board of a listed entity should:
(a) have an audit committee which:
(i) has at least three members, all of whom are nonexecutive directors and a majority of whom are independent directors; and
(ii) is chaired by an independent director, who is not the chair of the board,
and disclose:
(iii) the charter of the committee;
(iv) the relevant qualifications and experience of the members of the committee; and
(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</td><td>PARTIALLY</td><td>(a) The Company currently does not have an Audit and Risk Committee. The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee (if it is considered it will benefit the Company), with at least three members, all of whom must be independent Directors, and which must be chaired by an independent Director who is not the Chair.
(b) The Company does not have an Audit and Risk Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:
(i) the Board devotes time at annual Board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors; and
(ii) all members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.</td></tr>
<tr><td>Recommendation 4.2</td><td>YES</td><td>These obligations of a Company’s CFO or CEO (if any) are set out in the Company’s Corporate Governance Plan.</td></tr>
</table>

The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, 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 and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.		The Company's Audit and Risk Committee Charter requires the CEO and CFO (or, if none. the person(s) fulfilling those functions) to provide a sign off on these terms. The Company intends to obtain a sign off on these terms for each of its financial statements in each financial year.
Recommendation 4.3 A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	YES	The Company will include in each of its (to the extent that the information contained in the following is not audited or reviewed by an external auditor): (a) annual reports or on its website, a description of the process it undertakes to verify the integrity of the information in its annual Directors' report; (b) quarterly reports, or in its annual report or on its website, a description of the process it undertakes to verify the integrity of the information in its quarterly reports; (c) integrated reports, or in its annual report (if that is a separate document to its integrated report) or on its website, a description of the process it undertakes to verify the integrity of the information in its integrated reports; and (d) periodic corporate reports (such as a sustainability or CSR report), or in its annual report or on its website, a description of the process it undertakes to verify the integrity of the information in these reports.
Principle 5: Make timely and balanced disclosure		
Recommendation 5.1	YES	The Board Charter provides details of the Company's disclosure policy. In addition, Corporate Governance Plan

A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.		details the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation. The Board Charter and Schedule 7 of the Corporate Governance Plan are available on the Company website.
Recommendation 5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	YES	The Board Charter provides details of the Company's protocol in relation to the review and release of ASX announcements and media releases. The Board Charter and Schedule 7 of the Corporate Governance Plan are available on the Company website.
Recommendation 5.3 A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	YES	All substantive investor or analyst presentations will be released on the ASX Markets Announcement Platform ahead of such presentations.
Principle 6: ***Respect the rights of security holders***		
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	YES	Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website.
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	YES	The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website as part of the Company's Corporate Governance Plan.
Recommendation 6.3 A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	YES	Shareholders are encouraged to participate at all EGMs and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material in that notice of meeting stating that

		all Shareholders are encouraged to participate at the meeting.
Recommendation 6.4 A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	YES	All substantive resolutions passed by the Company are decided by a poll, rather than a show of hands. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material in that notice of meeting stating that resolutions will be decided by a poll.
Recommendation 6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	YES	The Shareholder Communication Strategy states that, securityholders can register with the Company to receive email notifications of when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted. Shareholders queries should be referred to the Company Secretary at first instance.
Principle 7: Recognise and manage risk		
Recommendation 7.1 The Board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the	PARTIALLY	(e) The Company does not have an Audit and Risk Committee. The Company's Corporate Governance Plan contains an Audit and Risk Committee Charter that provides for the creation of an Audit and Risk Committee (if it is considered it will benefit the Company). with at least three members, all of whom must be independent Directors, and which must be chaired by an independent Director. (f) The Company does not have an Audit and Risk Committee as the Board consider the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by

individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.		the Audit and Risk Committee under the Audit and Risk Committee Charter including the following processes to oversee the entity's risk management framework: (i) the Board devotes time at quarterly Board meetings to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.
Recommendation 7.2 The Board or a committee of the Board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose in relation to each reporting period, whether such a review has taken place.	YES	(a) The Audit and Risk Committee Charter requires that the Audit and Risk Committee (or. in its absence, the Board) should, at least annually, satisfy itself that the Company's risk management framework continues to be sound. (b) The Company's Corporate Governance Plan requires the Company to disclose at least annually whether such a review of the company's risk management framework has taken place.
Recommendation 7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	YES	(a) The Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor the need for an internal audit function. (b) The Company does not have an internal audit function. The Company is committed to understanding and managing risk and to establishing an organisational culture that ensures risk management is included in all activities, decision making and business processes. The Company does not have a formal internal audit function due to its size.

Recommendation 7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	YES	The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management determine whether the Company has any material exposure to economic, environmental, and social sustainability risks and, if it does, how it manages or intends to manage those risks. The Company's Corporate Governance Plan requires the Company to disclose whether it has any material exposure to economic, environmental, and social sustainability risks and, if it does, how it manages or intends to manage those risks. The Company will disclose this information in its Annual Report and on its website as part of its continuous disclosure obligations.
Principle 8: Remunerate fairly and responsibly		
Recommendation 8.1 The Board of a listed entity should: (a) have a remuneration committee which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives	PARTIALLY	(a) The Company does not have a Remuneration Committee. The Company's Corporate Governance Plan contains a Remuneration Committee Charter that provides for the creation of a Remuneration Committee (if it is considered it will benefit the Company). with at least three members, all of whom must be independent Directors, and which must be chaired by an independent Director. (b) The Company does not have a Remuneration Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration Committee Charter including the following processes to set the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive:

and ensuring that such remuneration is appropriate and not excessive.		(i) the Board devotes time at the annual Board meeting to assess the level and composition of remuneration for Directors and senior executives
Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	YES	The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of non-executive, executive and other senior Directors which is disclosed on the Company's website.
Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	YES	The Company has an equity based incentive remuneration scheme. The scheme includes a requirement that the holder does not enter into any transaction that will limit their economic exposure, whether by derivatives, swap, hedge or otherwise. A copy of the Company's incentive scheme is available on the Company's website.
Additional recommendations that apply only in certain cases		
Recommendation 9.1 A listed entity with a Director who does not speak the language in which Board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the Director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.		Not applicable.
Recommendation 9.2 A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.		Not applicable.
Recommendation 9.3		Not applicable.

A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.		

The shareholder information set out below was applicable as at 12 August 2021:

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares		Performance rights	
	Number of holders	% of total shares issued	Number of holders	% of total shares issued
1 to 1,000	81	-	-	-
1,001 to 5,000	72	0.05	-	-
5,001 to 10,000	95	0.13	-	-
10,001 to 100,000	591	4.72	-	-
100,001 and over	365	95.10	2	100.00
	1,204	100.00	2	100.00
Holding less than a marketable parcel	226	0.15	-	-

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
MERRYSOUL PTY LTD ATF FOULDS FAMILY A/C	92,000,000	16.79
ROLEN PTY LTD	81,509,958	14.88
NETWEALTH INVESTMENTS LIMITED ATF WRAP SERVICES A/C	33,333,334	6.08
ROLEN PTY LTD ATF LR A/C	19,174,974	3.50
STEVSAND INVESTMENTS PTY LTD ATF STEVEN FORMICA FAMILY A/C	18,054,794	3.30
CARLOWEN PTY LTD ATF CARLOWEN UNIT A/C	13,333,333	2.43
FCAT INVESTMENTS PTY LTD ATF FCAT SUPER A/C	10,050,000	1.83
DEAN PROSPER HELY & SANDRA MARIA HELY ATF THE HELY SUPERANNUATION FUND	8,000,000	1.46
SPASEVSKI HOLDINGS PTY LTD ATF SPASEVSKI HOLDINGS NO 2 A/C	7,950,000	1.45
COCO HOLDINGS LIMITED	6,666,667	1.22
MR WAYNE MCGRATH	6,666,667	1.22
MR GREGORY JOHN SHARPLESS & MRS JENNIFER LEE SHARPLESS ATF SHARPLESS INVESTMENT A/C	6,006,055	1.10
ALISON BICKELL	5,882,353	1.07
SANDANA PTY LTD ATF ANASAND SUPER FUND A/C	5,000,000	0.91
MR DONALD SHANE HOLMES & MRS SARINA HOLMES ATF THE DON HOLMES FAMILY A/C	4,968,827	0.91
MRS DIONNE CHERIE RYLE ATF BJM FAMILY A/C	4,425,699	0.81
MR ARIEL EDWARD KING	3,500,000	0.64
MR MATTHEW JOHN NIXON ATF NIXON FAMILY A/C	3,490,042	0.64
WHIMPLECREEK PTY LTD ATF STAWELL FAMILY A/C	3,450,000	0.63
MR ANTHONY VAN LIESHOUT & MRS MEGAN VAN LIESHOUT ATF M&J VAN LIESHOUT FAMILY A/C	3,398,334	0.62
	336,861,037	61.49

Unquoted equity securities

	Number on issue	Number of holders
Performance rights	12,800,000	2

Substantial holders

Substantial holders in the Company are set out below:

	Number held	Ordinary shares % of total shares issued
Michael Foulds and Ross Graham	221,161,766	40.37

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll, every member present or by proxy shall have one vote for every share held.

Performance rights
No voting rights.

On-Market Buy Back
There is no current on-market buy back.

Restricted securities
The Company has no restricted securities on issue.

ANNUAL MINERAL RESOURCE STATEMENT

In accordance with ASX Listing Rule 5.21, the Company reviews and reports its Mineral Resources at least annually. The date of reporting is 30 June each year, to coincide with the Company's end of financial year balance date. If there are any material changes to its Mineral Resources over the course of the year, the Company is required to promptly report these changes.

PENNY'S FIND PROJECT

As announced by the Company on 26 July 2021, during the June 2021 quarter, all results were received from the resource and extension drilling program facilitated by joint venture partner Horizon Minerals Ltd (Horizon Minerals) which comprised a total of 21 drill holes, with 2,103m of RC and 2,785m of diamond to a maximum depth of 282m. Post year end, an updated independent Mineral Resource estimate was compiled delivering 250,000t @ 5.22g/t gold for 42,000oz. As set out in the table below, over 83% of the resource is now in the Indicated category (188,000t @ 5.71g/t gold).

THE MINERAL RESOURCE STATEMENT

The current Mineral Resource Statement for Penny's Find Underground Project is shown in the table below;

	Cut off Grade (g/t)	INDICATED		INFERRED		TOTAL		
		Tonnes	Gold (g/t)	Tonnes	Gold (g/t)	Tonnes	Gold (g/t)	Gold Ounces (oz)
Penny's Find	1.5	188,000	5.71	62,000	3.74	250,000	5.22	42,000

Note: Figures have been rounded to the nearest 1,000t, 0.1g/t Au grade and 100oz. Differences may occur due to rounding

MATERIAL CHANGES AND RESOURCE STATEMENT COMPARISON

The Company is not aware of any new information or data that materially affects the information as previously released by Horizon Minerals on 14 July 2021 and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

COMPETENT PERSON'S STATEMENT

The information in the report to which this statement is attached that relates to the Estimation and Reporting of Underground Gold Mineral Resources at the Penny's Find deposit is based on information compiled by Ms Jill Irvin BSc, a Competent Person who is a current Member of the Australian Institute of Geoscientists. Ms Irvin, Principal Geologist at Entech Pty Ltd, is an independent consultant to Horizon Minerals with sufficient experience relevant to the style of mineralisation and deposit type under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012). Ms Irvin consents to the inclusion in this report of matters based on her information in the form and context in which they appear.

COMET VALE PROJECT

The Comet Vale Project is recorded as hosting a combined JORC 2012 compliant Indicated and Inferred Mineral Resource of approximately 0.75 million tonnes at 8.4g/t for 203,100 ounces of gold. The Sand George deposit is predominantly an underground resource. The Mineral Resource was first reported under the JORC 2012 Code in January 2018 and subsequently in the Company's Prospectus dated 13 February 2018. Refer to announcements 'Prospectus' dated 16 February 2018 and 'Mining Commences at Comet Vale' dated 15 May 2018 for full JORC Code detail.

THE MINERAL RESOURCE STATEMENT

The current Mineral Resource Statement for the Comet Vale Project is shown in the table below;

	Cut off Grade (g/t)	INDICATED		INFERRED		TOTAL		
		Tonnes	Gold (g/t)	Tonnes	Gold (g/t)	Tonnes	Gold (g/t)	Gold Ounces (oz)
Sand George	5	238,000	10.8	296,000	10.9	534,000	10.9	186,000
Sand Prince	1	90,000	2.4	19,000	1.5	109,000	2.2	7,900
Prince Grace	1	92,000	2.9	13,000	1.6	105,000	2.7	9,200
Total Comet Vale		**420,000**	**7.3**	**328,000**	**10.0**	**748,000**	**8.5**	**203,100**

Note: Figures have been rounded to the nearest 1,000t, 0.1g/t Au grade and 100oz. Differences may occur due to rounding

MATERIAL CHANGES AND RESOURCE STATEMENT COMPARISON

A parcel of 61,158 tonnes of material was mined from the Sand Prince West and Princess Grace open pit since the estimate was prepared. This yielded 3,949 ounces of gold (2.17 g/t reconciled head grade). The Mineral Resource statement above has not been recalculated to allow for this reduction as there is insufficient evidence available to estimate the amount of material in tonnes and grade that were subsequently mined and to ascribe the quantities to either the Sand Queen or Princess Grace Deposit or whether it came from Indicated or Inferred category (or possibly elsewhere).

A parcel of 105,870 tonnes of material was mined by Orminex during the past two years. The average head grade was 4.1 g/t for 13,909 oz of contained gold.

After taking into consideration the above, the estimate mineral resource at Comet Vale is estimated at 185,200 oz.

The Company is not aware of any new information or data that materially affects the information as previously released and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results and Mineral Resources at the Comet Vale Project is based on, and fairly represents, information and supporting documentation reviewed by Malcolm Castle, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Castle has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as an Expert and Competent Person as defined under the VALMIN Code and in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012). Mr Castle consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

Governance Arrangements and Internal Controls

Orminex has ensured that the Mineral Resources quoted are subject to good governance arrangements and internal controls. The Mineral Resources reported have been generated by an independent external consultant who is experienced in best practices in modelling and estimation methods. The consultant has also undertaken reviews of the quality and suitability of the underlying information used to determine the resource estimate. In addition, Orminex management carry out regular reviews and audits of internal processes and external contractors that have been engaged by the Company or it's joint venture partners.

INTERESTS IN MINING TENEMENTS HELD

Project	Tenement	Location	Ownership at the beginning of the year	Ownership at the end of the year	Acquired during the year	Disposed of during the year
Comet Vale Project	E29/927 L29/67 M29/35 M29/52 M29/85 M29/185 M29/186 M29/197 M29/198 M29/199 M29/200 M29/201 M29/232 M29/233 M29/235 M29/270 M29/321	Western Australia	51%	51%	-	-
Golden Lode Project	P30/1100 P30/1101* P30/1102 P30/1103 P30/1104* P30/1105 P30/1131	Western Australia	100%	100%	-	-
Penny's Find Project	M27/156 G27/01 L27/90 L27/91 L27/92 L27/93	Western Australia	100%	50%	-	50%

*Relinquished post year-end.