MEDALLION METALS

LIMITED







ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

Medallion Metals is a minerals exploration company based in Perth, Western Australia.

The Company is focused on increasing the established resources at its 100% owned Ravensthorpe Gold Project (RGP), situated 550km south-east of Perth.

Located in an historically proven mineral field, the Ravensthorpe Gold Project represents an exciting belt scale advanced exploration opportunity which the Company is confident will grow to one day support a long life, low cost gold mine.

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Corporate directory

Directors

John Fitzgerald	Non-Executive Chair, Independent
Tony James	Non-Executive Director, Independent
Ed Ainscough	Non-Executive Director
Paul Bennett	Managing Director

Management

Ben Larkin	Chief Financial Officer & Company Secretary

Registered Office

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Share Registry

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Email: hello@automicgroup.com.au
Website: www.automicgroup.com.au

Stock Exchange Listing

ASX Ltd
ASX code: MM8

Auditor

BDO Audit (WA) Pty Ltd
Level 1, 38 Station Street
Subiaco, WA 6008
Telephone: +61 8 6382 4600

Letter from the Chair

Dear Fellow Shareholders

Welcome to the inaugural Annual Report of Medallion Metals Limited (ASX:MM8, **Medallion** or the **Company**).

Firstly, I would like to thank our shareholders, both new and existing for their support in the successful completion of our heavily oversubscribed IPO which raised a total of $12.5 million. The IPO has provided a strong funding base to pursue our exploration goals at our flagship Ravensthorpe Gold Project (**RGP**), which is a significantly de-risked, advanced and large-scale gold-copper project located in the established Western Australian mining jurisdiction of Ravensthorpe.

Looking back on a transformative year for our company, this Annual Report marks our first since our ASX listing and also the commencement of the most significant exploration program at RGP in over a decade, which is host to a high-grade 674,000[1] ounce gold Mineral Resource.

Following the completion of our ASX listing, we mobilised for a 32,000m drilling program, which commenced in April 2021. As at the date of this report, our drill program is significantly progressed and on-track to be completed by the end of the calendar year. We have been greatly encouraged by the results received to date, which have bolstered the Board's belief that we are well on our way to achieving our goal of 1 million gold ounces at RGP.

Further to our exploration efforts, Medallion extinguished a gold royalty of 1.5% held over certain RGP tenements, increasing the Company's exposure to potential future cash flows from the project. Additionally, the Company is in the process of completing a divestment of its RAV8 Nickel Project and nickel rights over certain tenure to NickelSearch Limited (**NickelSearch**) in exchange for approximately 15.7 million NickelSearch shares. NickelSearch is in the process of completing an IPO and ASX listing, seeking to raise a minimum of $7 million at $0.20 per share. This values our investment in NickelSearch at $3.14 million. This transaction maximises the value of the prospective nickel tenure within the Medallion portfolio and further sharpens the Company's focus on the high-grade gold and copper opportunity at RGP. We believe both these transactions will generate significant value for our shareholders in the future.

I would like to acknowledge the significant contribution of our Managing Director and his management team who remain focused on delivering strong outcomes for shareholders.

I'm excited to be a part of our company's new Board and management team, as we focus on exploration and the rapid expansion of resources at RGP to beyond 1 million gold ounces.

J Fitzgerald

John Fitzgerald
Non-Executive Chair
22 September 2021

[1] 8.8 Mt @ 2.4 g/t Au (7.0 Mt @ 2.3 g/t Au Indicated and 1.8 Mt @ 2.6 g/t Au Inferred). Refer to the Company's Prospectus announced on the ASX on 18 March 2021 for further details regarding the MRE and Competent Person's Statement.

Directors' Report

1. Directors' Report

The Directors present their report for Medallion Metals Limited (**Medallion** or the **Company**), formerly ACH Minerals Pty Ltd and its subsidiary (the **Group**) for the year ended 30 June 2021.

2. Directors

The names, qualifications and experience of the Company's Directors in office during the year and as at the date of this report are as follows.

Current Directors	Experience and other directorships
John Fitzgerald *CA, Fellow FINSIA, GAICD* Non-Executive Chair Appointed 5 October 2020 *Other current directorships* Northern Star Resources Ltd Danakali Resources Ltd Turaco Gold Ltd *Previous directorships (last 3 years)* Exore Resources Ltd	Mr Fitzgerald is an experienced Company Director and resource financier. He has worked with the resources sector for 30 years providing corporate advisory, project finance and commodity risk management services to a large number of companies in that sector. He has previously held senior positions at NM Rothschild & Sons, Investec Bank Australia, Commonwealth Bank, HSBC Precious Metals and Optimum Capital. Mr Fitzgerald is a Non-Executive Director of Northern Star Resources Ltd (ASX:NST) and Danakali Resources Ltd (ASX:DNK) and is currently the Non-Executive Chair of Turaco Gold Ltd (ASX:TCG). He was previously Chair of Integra Mining Ltd (ASX:IGR), Carbine Resources Ltd (ASX:CRB), Atherton Resources Ltd (ASX:ATE) and Exore Resources Limited (ASX:ERX).
Paul Bennett *BEng (Mining), MBA, MAusIMM, MAICD* Managing Director Appointed 14 November 2016 *Other current directorships* NickelSearch Ltd *Previous directorships (last 3 years)* Horizon Gold Ltd	Mr Bennett is a Mining Engineer with an MBA who has extensive experience in the operation, development and financing of resource companies and projects over a 25-year period. He has worked in technical, management and business development roles for Newcrest, Western Metals and Panoramic Resources and holds a WA First Class Mine Manager's Certificate. For nine years, Mr Bennett was a senior executive at RMB Resources, the resources investment banking business of Rand Merchant Bank, where he specialised in the provision of equity, quasi-equity/mezzanine and debt financing for small to mid-sized resource companies across a range of commodities and jurisdictions. Mr Bennett is currently a Non-Executive Director of NickelSearch Ltd and was a Non-Executive Director of Horizon Gold Ltd (ASX: HRN) until July 2020.
Edmund Ainscough *B.Sc (Hons), FGeolSoc (London), MAusIMM* Non-Executive Director Appointed 10 November 2015 *Other current directorships* Lunnon Metals Ltd	Mr Ainscough is Managing Director of Lunnon Metals Ltd (ASX:LM8), a nickel focussed Australian resources company and led the acquisition of joint venture rights to the Foster/Jan Nickel Project (in 2014) which ultimately resulted in the recent listing of that company. Mr Ainscough also managed Medallion's acquisition of its projects in 2016. Mr Ainscough is a geologist with extensive operational experience (gold, copper and tin) in Australia, Africa, the UK and New Zealand. He was previously with Gold Fields where he held a key business development

Previous directorships (last 3 years) Nil	role reporting to the Executive Committee and was the last Chief Geologist for WMC at the St Ives Gold Mine, overseeing a $25 million per annum drill budget and the addition of over 2.0 million ounces to reserves during his tenure. Mr Ainscough was also previously at PCF Capital Group where he advised resource sector companies on corporate, merger and acquisition, and valuation assignments..
Anthony (Tony) James *BEng (Mining), AWASM, FAusIMM* Non-Executive Director Appointed 5 October 2020 *Other current directorships* Galena Mining Ltd Apollo Consolidated Ltd *Previous directorships (last 3 years)* Wiluna Mining Corporation Ltd	Mr James has over 30 years' mine operating and project development experience predominantly in Western Australia and experience at Managing Director level of three ASX listed companies (Atherton Resources Limited (ASX:ATE), Mutiny Gold Limited (ASX:MYG) and Carbine Resources Limited (ASX:CRB). He has a background in feasibility studies leading into successful project development and operating results (including the Pillara zinc/lead project, Trident/ Higginsville gold project and Kanowna Belle Gold mine). Mr James is the Managing Director of Galena Mining Ltd (ASX:G1A), and a Non-Executive Director of Apollo Consolidated Ltd (ASX:AOP). Mr James was previously a Non-Executive Director of Wiluna Mining Corporation Ltd (ASX: WMX).
Ian Junk *B.Eng (Hons) (Mining), MAusIMM* Appointed 14 December 2015 Resigned 10 August 2020 *Other directorships (until resignation)* Nil *Previous directorships (last 3 years, until resignation)* Nil	Following a successful operational career with WMC Resources, Mr Junk founded Donegal Resources which, together with Mincor Resources, bought and re-invigorated the nickel mines, Mariners/Miitel, at Kambalda in 2000. Following this success Ian went onto to acquire a 25% interest in another Kambalda nickel mine, Lanfranchi. He has been a non-executive director of TSX listed Brilliant Resources, ASX listed Reed Resources and most recently, Managing Director of Kimberley Metals Group, where he played a key role in the acquisition, study, project development and operational management at the Ridges Iron Ore Project, with first ore shipped within two and half years of acquiring the project. He is currently Managing Director of Transhipment Services Pty Ltd, provider of loading / barging services to Metro Mining at their Skardon River Bauxite Project in Far North Queensland.
Wang JiuYu (John Wang) *B.Eng (Mining), MBA* Appointed 10 November 2015 Resigned 6 August 2020 *Other directorships (until resignation)* Nil *Previous directorships (last 3 years, until resignation)* Nil	Mr Wang is an experienced mining engineer and has worked in both China and at the Ridges Iron Ore Project in the Kimberley region of WA. Prior to its ASX listing, Mr Wang was a General Manager of Business Development for ACH Nickel Pty Ltd (now Lunnon Metals Ltd (ASX:LM8)). Previously Mr Wang was the Chief Design Engineer and General Manager for one of China's mid-tier gold corporations. He has a Bachelor of Mining Engineering degree from China's Northeast University and an MBA from the country's most prestigious MBA college.

3. Company Secretary

Ben Larkin

Appointed 3 May 2021

B.Com, CA

Mr Larkin is a Chartered Accountant with more than 15 years' experience. Mr Larkin commenced his career in public practice before specialising in the natural resources sector in 2007. Mr Larkin is the former Company Secretary of ASX listed Carnaby Resources Limited (ASX:CNB). Prior to his role at Carnaby Resources Limited, Mr Larkin served as the Financial Controller for the formerly ASX listed company, Beadell Resources Limited (ASX:BDR).

Mr Larkin also serves as the Company's Chief Financial Officer, a role he has held since October 2020.

4. Directors' meetings

During the financial year the Board held 3 Board meetings. The number of meetings attended by each director was as follows:

Director	Number of meetings eligible to attend	Number of meetings attended
John Fitzgerald *(appointed 5 October 2020)*	3	3
Paul Bennett	3	3
Edmund Ainscough	3	3
Tony James *(appointed 5 October 2020)*	3	3
Ian Junk (*resigned 10 August 2020)*	-	-
John Wang *(resigned 6 August 2020)*	-	-

5. Director interests

As at the date of this report, the interests of the directors in securities of the Company are as follows:

Director	Ordinary Shares	Options – exercisable at $0.35 each on or before 31 January 2023	Options – exercisable at $0.01 each on or before 15 October 2026
John Fitzgerald	400,000	200,000	450,000
Paul Bennett	3,393,420	200,000	1,800,000
Edmund Ainscough	3,592,110	-	450,000
Tony James	-	-	450,000

6. Principal activities

The principal activities of the Company during the financial year were minerals exploration and undertaking an Initial Public Offering of its shares (**IPO**) and ASX listing.

7. Location of projects

The Company's assets are located within the southern Goldfields-Esperance region of Western Australia, approximately 550km southeast of Perth and 185km west of Esperance, the nearest deep-water port. Medallion's mineral tenure stretches over approximately 650km^2 and is prospective for numerous styles of mineralisation. The flagship Ravensthorpe Gold Project (**RGP**) surrounds the regional centre of Ravensthorpe which benefits from excellent infrastructure and a supportive community with other significant resource projects operating in the local government area.

Directors' Report

Medallion's unique landholding contains the faulted intersections of two globally significant mineralised orogenic belts, the Archaean Yilgarn Craton and the Proterozoic Albany-Fraser Province. The Archaean Ravensthorpe Greenstone Belt which hosts RGP is situated in the southeast of the Youanmi Terrane and is considered an extension of the Southern Cross Province.

The Company refers to the southern portion of the tenement package as the Jerdacuttup Project (**JP**). The delineation of RGP and JP (**Projects**) loosely represents the Archaean geology to the north and the Proterozoic geology to the south with the Archaean plunging beneath the Proterozoic.

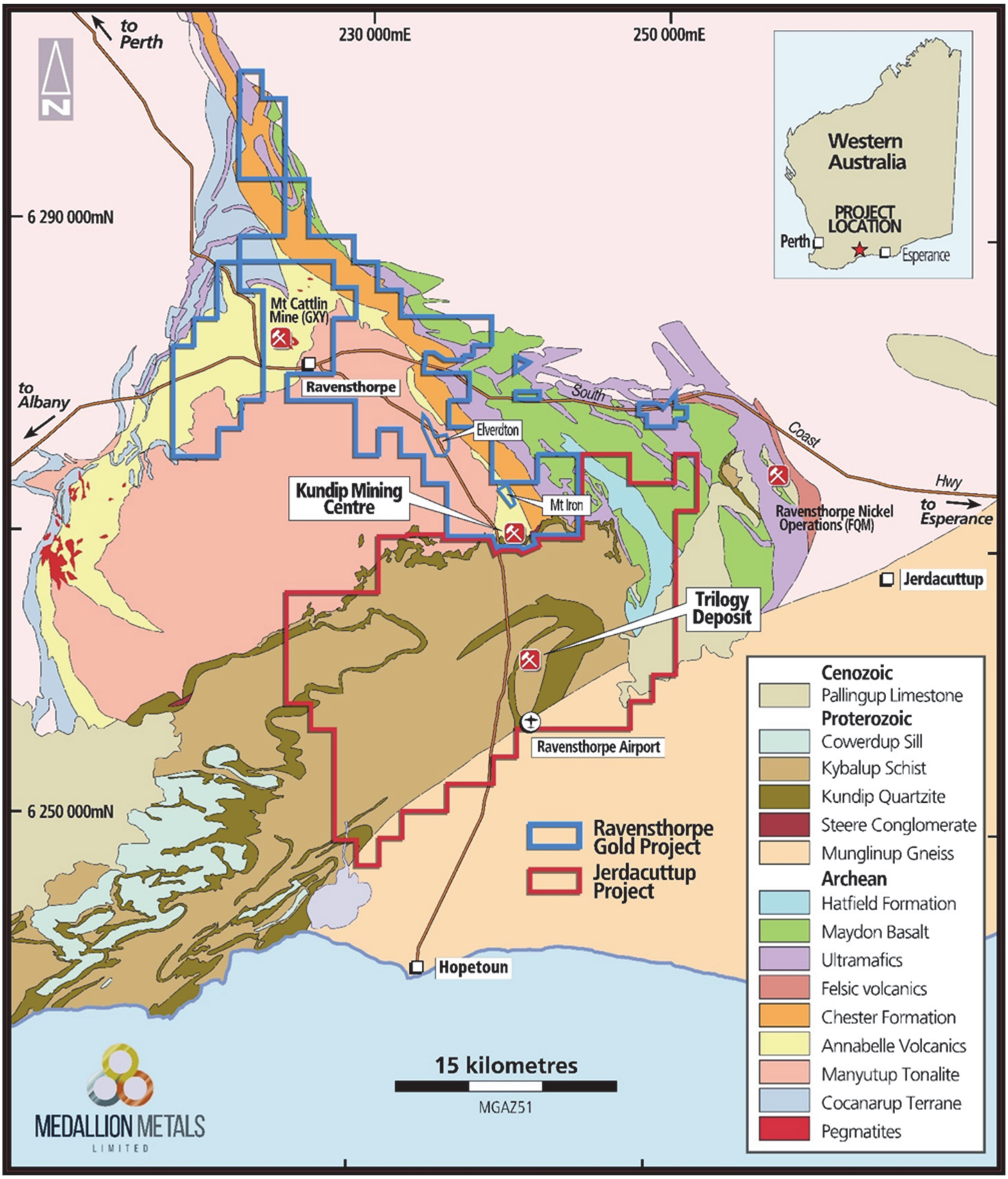

Figure 1: Location and regional geology of the Projects (Elverdton and Mt Iron not held by Medallion)

8. Review of operations

8.1 Ravensthorpe Gold Project

RGP (Figure 1) comprises approximately 300km[2] of mineral tenure straddling the Annabelle Volcanics which have hosted the majority of historical gold and copper production from the region. The Company's activities are focussed on the Kundip Mining Centre (**KMC**) at the southern end of RGP. KMC is host to a high-grade JORC 2012 Mineral Resource Estimate (**MRE**) of approximately 674,000 oz[2] of gold. KMC is located approximately 17km to the southeast of Ravensthorpe.

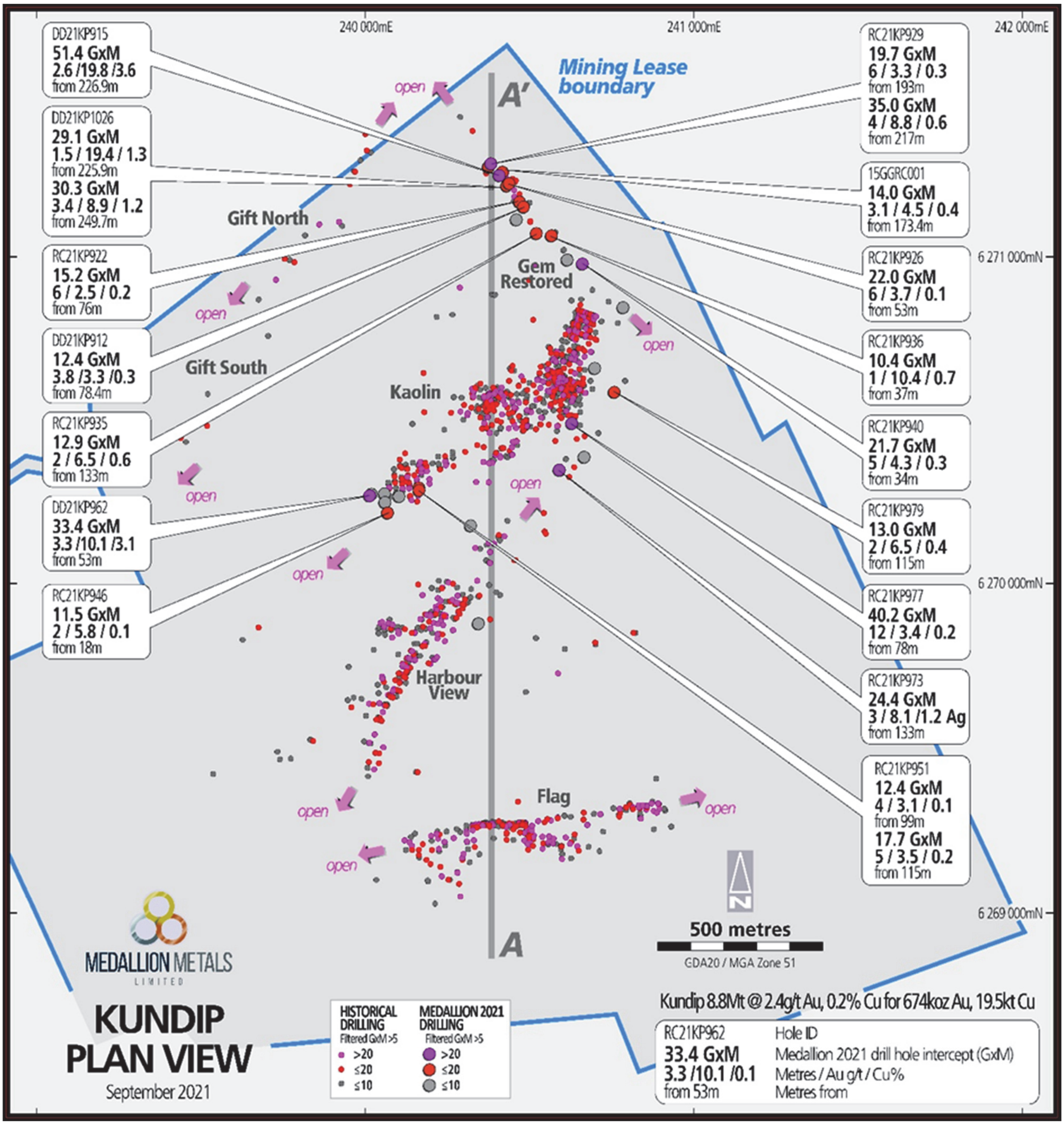

Figure 2: Plan view of the Kundip Mining Centre[2] with historical and 2021 drilling reported to date (GxM > 5)[3]

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[2] Refer to the Company's Prospectus announced on the ASX on 18 March 2021 for further details regarding the MRE and Competent Person's Statement.

[3] Refer to the Company's ASX announcements on 16 June 2021, 14 July 2021 and 9 September 2021.

Drill programme overview

Medallion commenced a combined reverse circulation (**RC**) and diamond (**DDH**) drill programme totalling 32,000m during the year. Dedicated RC and DDH drill rigs were deployed to site and commenced drilling in April 2021. A total of approximately 11,300m of drilling was completed during the year with the programme on target to be completed by the end of calendar year 2021. Of the planned 32,000m of drilling, approximately 26,000m will be undertaken at KMC.

The drilling is targeting depth and strike extensions of the known high-grade deposits at Kaolin, Harbour View and Flag, in addition to near mine prospects at Gem Restored and Gift (Figure 2). Bedrock drilling of the known deposits currently extends to an average depth of 85m and a maximum depth of only 300m below surface, which is relatively shallow for Archaean gold lode systems.

Figure 3 is a section through KMC looking west. Drill traces with one-meter composites above 5 g/t Au are highlighted, demonstrating the open nature of the mineralised structures at depth, down plunge and to where they are projected to intersect.

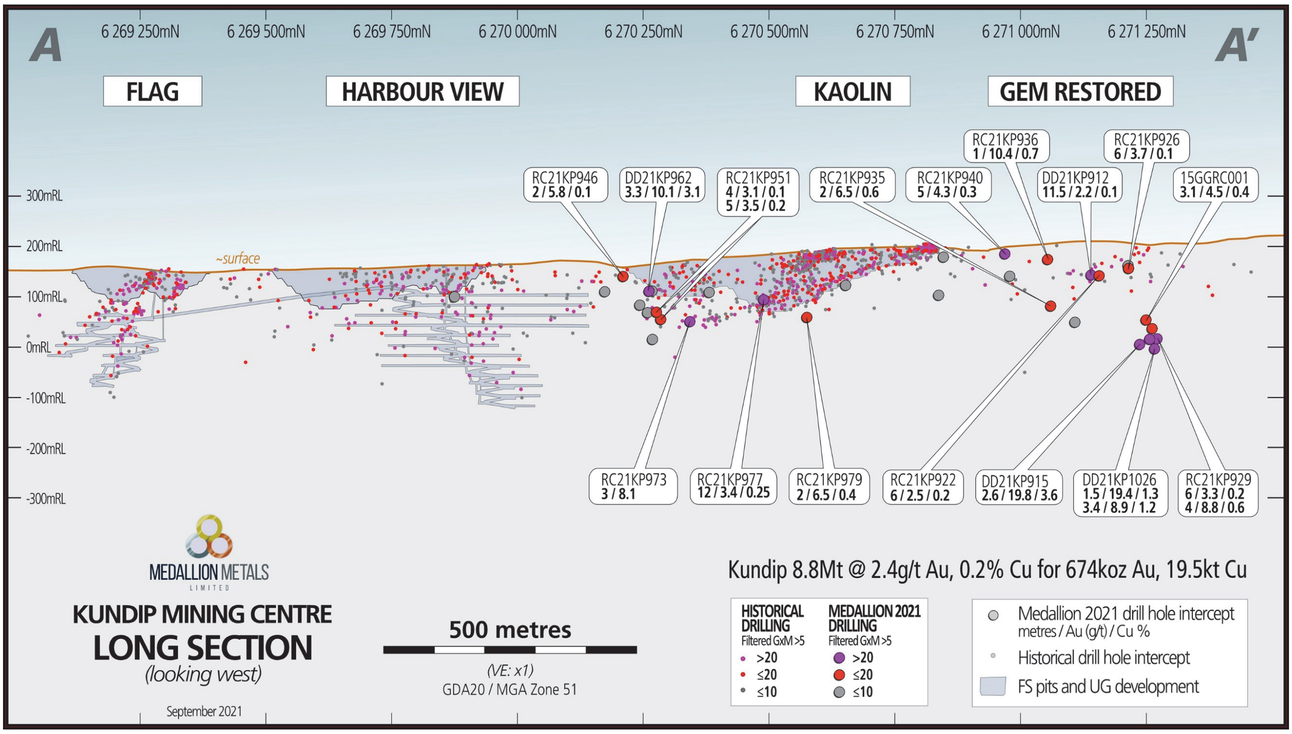


Figure 3: Long section through KMC (looking west) with historical and 2021 drilling reported to date (GxM > 5)[4]

Gem Restored Prospect

The Company's drill programme at RGP commenced at the northern end of KMC at the Gem Restored prospect, which is an advanced exploration target located immediately north of the deposits (Figures 2 & 3) which host the current high-grade 674,000 oz gold MRE.

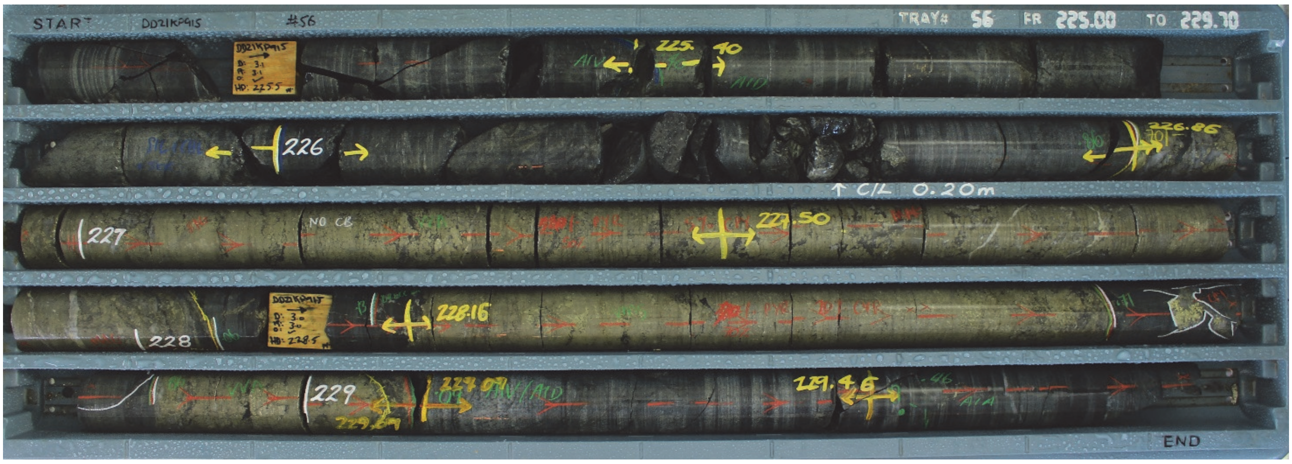
Phase 1 drilling successfully tested strike, dip and plunge extensions of the Gem Restored Main Lode and has so far identified a continuous zone of mineralisation up to 12m wide, approximately 500m along strike and to a current depth of 150m below surface, with mineralisation remaining open at depth and along strike. Drilling has also intersected what is interpreted to be a new parallel lode situated approximately 30m in the footwall of the Main Lode that extends

[4] Refer to the Company's ASX announcements dated 16 June 2021, 14 July 2021 and 9 September 2021.

from the historical workings, northwest for approximately 250m and is also open at depth and along strike. This new structure is referred to as the Northern Lode.

Both RC and DDH drilling has been undertaken on an approximate 40m x 40m pattern, extending to an 80m x 40m pattern in the south and north. During and subsequent to the end of the year, Medallion has reported the significant results from the Phase 1 drilling at Gem Restored as shown at Figure 3.

All drilling reported from Gem Restored is outside the current MRE. The Gem Restored MRE is expected to be a significant contributor to reaching the Company's targeted 1 million gold ounces at RGP.



Gem Restored DDH drill core: 2.6m @ 19.8 g/t Au, 3.6% Cu, 35.8 g/t Ag, 0.15% Co from 226.9m (DD21KP915)[5]

Kaolin Deposit

Subsequent to the end of the year, the Company reported first drill results from the Kaolin Deposit. Kaolin is centrally located within KMC (Figures 2 & 3) which contains 50% (336,000 oz) of the current JORC 2012 gold MRE of 674,000 oz.

Phase 1 drilling successfully tested down-dip and down-plunge extensions of the Kaolin lodes with mineralisation remaining open at depth and along strike. Mineralisation has been demonstrated by drilling to be open to at least 200m below surface along the entire 900m strike of the Kaolin lodes. These results also improved confidence within the known resources by increasing data density at the periphery of the current Kaolin 336,000 oz gold MRE.

Subsequent to the end of the year, Medallion has reported the significant results from the Phase 1 drilling at Kaolin as shown at Figure 3.

Remaining Drill Programme

Subsequent to the end of the year, Medallion commenced drilling at the Harbour View Deposit and the regional targets of Old Gregg, Meridian and Ariel. Medallion is targeting resource extensions down dip and along strike to the northeast of the Harbour View Deposit, which currently contains a high-grade 179,000 oz JORC 2012 gold MRE. A significant number of assays are pending from Harbour View and the regional targets as at the date of this report.

The Company will return to Kaolin and Gem Restored later in calendar year 2021 to commence Phase 2 drilling targeting resource extensions and exploration.

[5] Refer to the Company's ASX announcement dated 14 July 2021.

Directors' Report

MRE Update

In addition to on-going drilling, the Company has commenced work on a maiden resource estimate for the Gem Restored deposit which it expects to report in October 2021. Medallion anticipates reporting a project wide MRE update for RGP during the March quarter 2022.

8.2 Nickel Tenure Divestment

In May 2021, Medallion entered into an agreement to divest some interests in nickel prospective ground within its tenement portfolio to NickelSearch Limited (**NickelSearch**), formerly Australasian Mining limited (**AML**). The transaction comprises the outright sale of some mineral tenements and the grant of nickel, cobalt and PGM rights over tenure co-incident with the Bandalup Ultramafics which have been the subject of extensive historical exploration for nickel sulphides (Figure 4). Medallion will receive 15,713,662 NickelSearch shares as consideration for the sale of tenure and mineral rights.

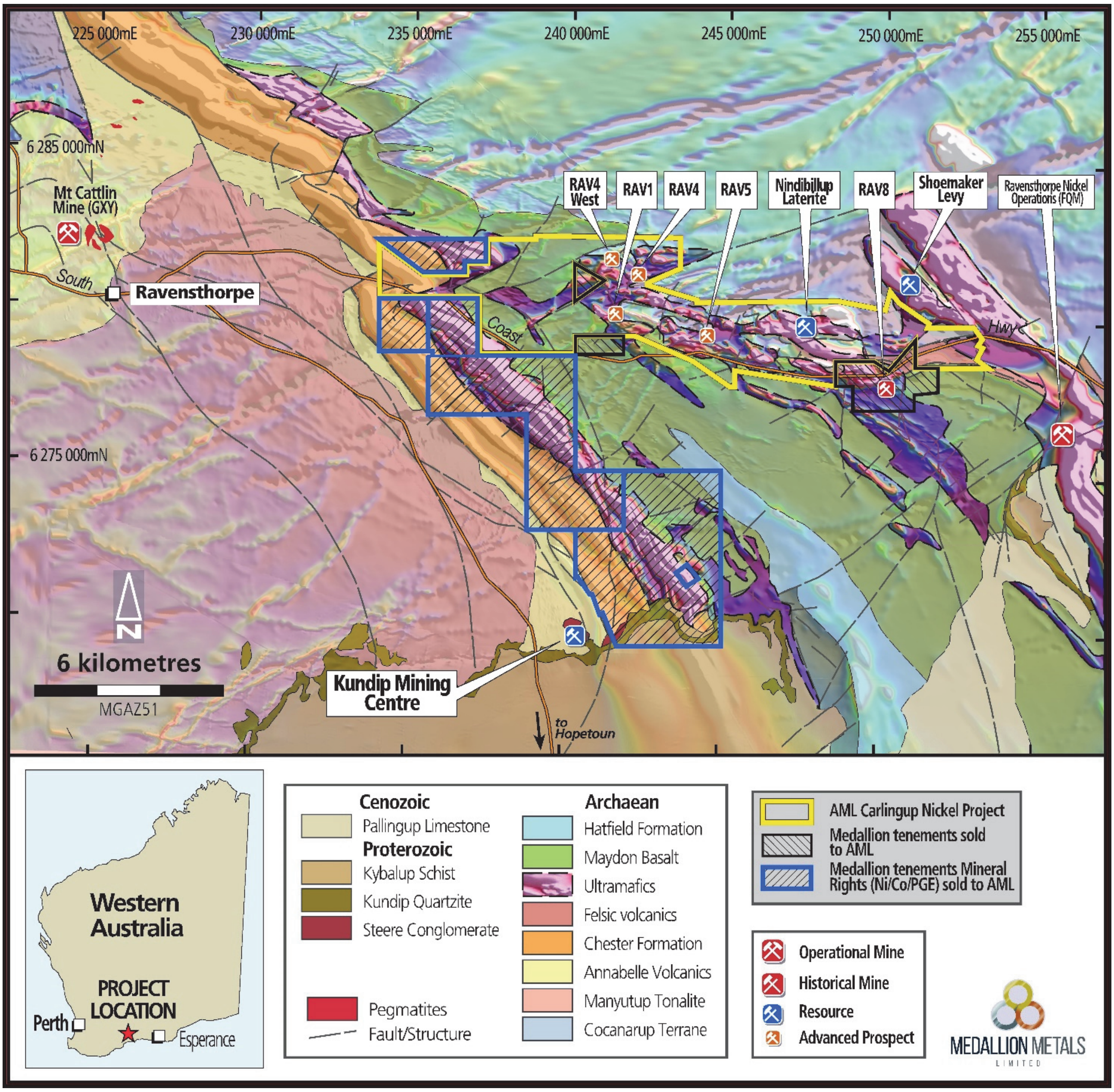


Figure 4: Plan of Carlingup Nickel Project transaction tenure

NickelSearch will seek to list on the ASX before the end of calendar year 2021, creating a new Western Australian based nickel exploration company. The IPO shares are to be issued at $0.20 per share which would value Medallion's shareholding at $3.14 million on a pro-forma basis. Medallion will consider allocating NickelSearch shares to its shareholders via an in-specie distribution at the completion of any ASX imposed escrow period and subject to any regulatory approvals.

The transaction with NickelSearch maximises the value of the prospective nickel tenure within the Medallion portfolio and further sharpens the Company's focus on the high-grade gold opportunity at RGP.

8.3 ESS Royalty Termination

During the year, Medallion extinguished a royalty held by Essential Metals Limited (**ESS**, ASX:ESS) over the RGP (**ESS Royalty**). In consideration for the termination of the ESS Royalty, Medallion issued ESS 785,695 Medallion shares at a deemed value of approximately $189,000 on 23 June 2021.

The termination of the ESS Royalty strengthens Medallion's interest in the highly prospective Annabelle Volcanics ground holding at RGP, which includes several advanced prospects to be targeted in the 32,000m drill program which is presently underway at RGP.

8.4 Jerdacuttup Project

The Jerdacuttup Project is located approximately 9km to the south of KMC (Figure 1) and is host to the Trilogy Deposit which contains a JORC 2012 MRE of 162koz gold, 9.7Moz silver, 66kt copper,133kt lead and 77kt Zinc[6].

336m of RC drilling was completed during the year at the Tripod/Theo prospect immediately north of the Trilogy deposit (Figure 1). Drilling was completed on a single drill traverse with collars spaced ~300m apart. The objective of the drilling was to identify the favourable Trilogy host package of graphitic shales while at the same time investigating Electro Magnetic (**EM**) and ground gravity anomalies.

All drill holes intersected the graphitic shales with no sulphide mineralisation identified.

During the year, Medallion mandated Argonaut Capital Limited to act as financial advisor to a potential transaction that would enable a more aggressive advancement of the Jerdacuttup Project. A review of the optimal pathway to maximising the value of the Jerdacuttup Project for Medallion shareholders is ongoing.

8.5 Ravensthorpe Camp

Medallion's 89-person Worker Accommodation Village (**Camp**) is located in the regional centre of Ravensthorpe approximately 17km from KMC. The Camp was re-activated in March 2021 to house Medallion employees and contractors during the Company's 2021 exploration programme. The Camp is being administered by a camp management services company. In addition to housing Medallion's employees and contractors, the Camp is also providing accommodation services to third party businesses operating in the Ravensthorpe region.

Since its opening in March 2021, the Camp has generated revenue of approximately $0.5 million for accommodation services provided during the year. The Company expects strong demand to continue for accommodation services at the Camp for the foreseeable future.

9. Financial performance

The Company's net loss after tax attributable to the shareholders for the year to 30 June 2021 was $3,773,072 (2020 Loss: $2,627,276). The Group's net assets increased $8,646,083 (2020 decreased: $2,626,685). The Group's cash and restricted cash position as at 30 June 2021 was $8,895,428 (2020: $2,255,138).

[6] Refer to the Company's Prospectus announced on the ASX on 18 March 2021 for further details.

10. Dividends

No dividend was paid or declared by the Company during the year and up to the date of this report.

11. Subdivision of shares

A subdivision of shares on a 10 for 1 basis into 119,736,850 ordinary shares was approved by shareholders of the Company in August 2020.

12. Initial Public Offering and ASX Listing

During the financial year the Company changed its name from ACH Minerals Pty Ltd to Medallion Metals Limited. The Company converted from a proprietary limited company to a public company limited by shares and completed a fully underwritten IPO, raising $12.5 million. The Company was admitted to the Official List of the ASX and commenced quotation on 22 March 2021. The IPO comprised of the issue of:

- 50 million new shares at an issue price of $0.25 per share, together with one free attaching option for every two shares subscribed for a total of 25 million options (**IPO Options**), exercisable at $0.35 per option on or before 31 January 2023; and
- 4 million options to the Lead Manager at a subscription price of $0.001 per option, exercisable at $0.35 per option on or before 31 January 2023 (**Lead Manager Options**).

13. Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Group during the financial year, other than as set out in this report.

14. Events subsequent to the reporting date

There have been no significant events subsequent to the end of the financial year to the date of this report.

15. Likely developments

The Board will continue to advance exploration and development opportunities in relation to its projects.

16. Environmental performance

The operations of the Company are presently subject to environmental regulation under the laws of the Commonwealth of Australia and the State of Western Australia. The Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Group.

17. Share options

As at the date of this report there were 33,220,000 unissued ordinary shares under options. The details of the options are as follows.

Number	Exercise Price $	Expiry Date
29,000,000	$0.35	31 January 2023
4,220,000	$0.01	15 October 2025
33,220,000		

These options do not entitle the holder to participate in any share issue of the Company.

Shares issued upon exercise of options

358,553 options were exercised at $0.01 per option during the year resulting in the issue of 358,553 ordinary shares. No other options were exercised during or since the year ended 30 June 2021.

18. Indemnification and insurance of directors and officers

The Company has entered into agreements to indemnify all directors and officers of the Company against any liability arising from a claim brought by a third party against the Company. The Company has paid premiums to insure each Director and Officer against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in their capacity as a Director or Officer. Disclosure of the amount of the premium is subject to a confidentiality clause under the insurance policy.

19. Indemnification of the auditor

The Group has not provided any insurance or indemnity for the auditor of the Company.

20. Proceedings on behalf of the Company

No person has applied for leave of the Court to bring proceedings on behalf of the Company or 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 any part of those proceedings. The Company was not a party to any such proceedings during the year.

21. Non-audit services

During the period BDO Audit (WA) Pty Ltd (the Company's auditor) and its related entities (**BDO**) has performed certain other services in addition to the audit and review of the financial statements.

The Board has considered the non-audit services provided during the year by the auditor. In accordance with a resolution of the directors of the Company, the Board is satisfied that the provision of the non-audit services during the year by the auditor is compatible with and did not compromise the auditor independence requirements of the Corporations Act 2001. The Board is satisfied that the non-audit services do not undermine the Auditor's independence as they do not involve reviewing or auditing their own work, acting in a management or decision-making capacity or advocate for the Group or jointly sharing risks and rewards.

During the year, the Company paid BDO $30,637 for assurance services in relation to the Company's IPO. In the prior year, the Company paid BDO $4,120 for taxation services and $2,550 for other assurance services.

22. Lead auditors independence declaration

The Lead auditor's independence declaration is set out on page 59 and forms part of the Directors' Report for the period ended 30 June 2021.

23. Audited remuneration report

This report, which forms part of the Directors' report, outlines the remuneration arrangements in place for the Key Management Personnel (**KMP**) of Medallion Metals Limited for the financial year ended 30 June 2021. KMP are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

Directors' Report

KMP include directors and other executives of the Company, whom during the period have been identified as:

Name	Position	Period in position during the year
Non-Executive Directors		
Mr John Fitzgerald	Non-Executive Director, Chair	Appointed 5 October 2020
Mr Edmund Ainscough	Non-Executive Director	Full Year
Mr Tony James	Non-Executive Director	Appointed 5 October 2020
Executive Directors		
Mr Paul Bennett	Managing Director	Full Year
Executives		
Mr Ben Larkin	CFO & Company Secretary	Appointed 7 October 2020
Former KMP		
Mr Ian Junk	Non-Executive Director	Resigned 10 August 2020
Mr John Wang	Non-Executive Director	Resigned 6 October 2020

23.1 Principles of remuneration

The Board is responsible for determining and reviewing compensation arrangements for directors and other KMP. Remuneration levels for directors and other KMP are competitively set to attract and retain appropriately qualified and experienced directors and executives, reward the achievement of strategic objectives and achieve the broader outcome of creation of value for shareholders. The Board determines remuneration packages using trends in comparative companies with consideration of the role, capability and experience of each individual director or other executive.

Based on the size of the organisation, the Board has elected not to establish a remuneration committee and has not engaged the services of an independent remuneration consultant. The Board has instead agreed to meet as necessary and to allocate the appropriate time to issues regarding remuneration at Board meetings.

The Company's current remuneration structures consist of fixed remuneration and offers to participate in the Company's Incentive Option Plan (**IOP**). The Company has not offered performance-based cash bonuses to executives but may do so in the future. Non-executive directors are not eligible to be offered any performance-based cash bonuses.

Fixed remuneration

Fixed remuneration consists of base remuneration and employer contributions to superannuation funds. As at the date of this report, fixed remuneration is set in accordance with the following table:

Key management person	Position	Fixed remuneration
John Fitzgerald	Non-Executive Chair	$88,000
Edmund Ainscough	Non-Executive Director	$55,000
Tony James	Non-Executive Director	$55,000
Paul Bennett	Managing Director	$319,000
Ben Larkin	Chief Financial Officer	$236,500

Executive Service Agreements

The Managing Director and Chief Financial Officer (**Executives**) have been appointed under an Executive Services Agreements (**ESA's**) effective 6 and 7 October 2020 respectively. Each ESA specifies the duties and obligations of the Executive and each component of remuneration. Each executive is entitled to receive a fixed annual salary, plus superannuation (at the prevailing rate payable on 'ordinary time earnings') and statutory leave entitlements. Each ESA specifies that the Executive is entitled to participate in the Company's IOP.

Each ESA's are unlimited in term but may be terminated by providing 6 months' notice in the case of the Company giving notice and 3 months' notice in the case of the Executive giving notice. Following a Change of

Control event which has resulted in a material diminution of the Executive's role, status or authority with the Company, the Executive may elect to for the ESA to be terminated and be eligible for a payment of six months' salary with all payments made in lieu of any notice periods. Other termination clauses are of a standard nature are included in each ESA.

Non-Executive Notices of Appointment

Each Non-Executive Director (**NED**) has been appointed under a Notice of Appointment (**NOA**) effective 5 October 2020. Each NOA specifies the duties and obligations of the NED and each component of remuneration. Each NED is entitled to receive a fixed annual salary, plus superannuation (at the prevailing rate payable on 'ordinary time earnings'). NED's are not entitled to any leave entitlements. Each NOA specifies that the NED is entitled to participate in the Company's IOP.

The term of the appointment is subject to the provisions of the Company's Constitution, which includes requirements for retirement by rotation and re-election of directors. Each appointment will cease at the end of any meeting in which the NED is not re-elected as a director by the shareholders of the Company. Alternatively, each NED may resign at any time by giving notice or as otherwise required or allowed by the Company's Constitution. There are no minimum notice periods.

The aggregate remuneration for NED's has been set at an amount not to exceed $300,000 per annum. This amount may only be increased with the approval of Shareholders at a general meeting.

Additional fees

Should a director perform special duties or services outside the scope of the ordinary duties of that director, that director may be paid additional fees as the Board determines. Directors may be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

23.2 Directors' and executives remuneration

Details of the nature and amount of each element of remuneration for each KMP of the Company are as follows:

	Salary & fees (short term) $	Super (post employment) $	Share based payments (options)[1] $	Total $	Value of options as a proportion of remuneration[2]
12 months ended 30 June 2021					
Directors					
John Fitzgerald (appointed 5 Oct 2020)	52,184	4,957	63,398	120,539	53%
Paul Bennett	279,425	26,545	253,591	559,561	45%
Edmund Ainscough[3]	32,615	3,098	63,398	99,111	64%
Tony James (appointed 5 Oct 2020)	32,615	3,098	63,398	99,111	64%
Executives					
Ben Larkin (appointed 7 Oct 2020)	142,691	13,556	101,436	257,683	39%
Total compensation[4]	**539,530**	**51,254**	**545,221**	**1,136,005**	

[1] In accordance with AASB 2 Share Based Payments, the fair value of share based payments (**SBP**) is determined at the date of grant using the Black-Scholes option pricing model. SBP expense is allocated to each period evenly over the period from grant date to vesting date. The value disclosed is the portion of SBP expense recognised as an expense in each reporting period.

[2] Options are considered performance related remuneration, accordingly percentages shown represent percentage of performance based remuneration.

[3] Mr Ainscough held office for the entire year, however payment of fixed remuneration did not commence until October 2020, coinciding with the appointment of Mr Fitzgerald and Mr James.
[4] Mr Wang and Mr Junk did not receive any remuneration in the 2021 financial year.

	Salary & fees (short term) $	Super (post employment) $	Share based payments (options) $	Total $	Value of options as a proportion of remuneration
12 months ended 30 June 2020					
Directors					
Paul Bennett	250,000	23,750	-	273,750	-
Total compensation[1]	**250,000**	**23,750**	**-**	**273,750**	

[1] Mr Bennett was the only KMP that received remuneration in the 2020 financial year.

23.3 Equity instruments

Incentive Option Plan

The Group has an established share option plan that entitles eligible employees, including directors, to purchase shares in the Company. Under the plan, the Board may issue options to acquire shares in the future at an exercise price fixed by the Board on grant of options.

The vesting of all options is subject to service conditions being met whereby the recipient must meet the eligible employee criteria as defined in the plan, unless determined otherwise by the Board. The vesting of options may be subject to achievement of performance hurdles, as determined by the Board.

Incentive options granted as remuneration

Options over ordinary shares that were granted to each KMP during the period and details of options that vested are as follows:

	Grant date	Number granted	Expiry date	Exercise price per option	Fair value per option at grant date	Value of options at grant date
Directors						
John Fitzgerald	16/10/2020	450,000	15/10/2025	$0.01	$0.24	$108,788
Paul Bennett	16/10/2020	1,800,000	15/10/2025	$0.01	$0.24	$435,150
Edmund Ainscough	16/10/2020	450,000	15/10/2025	$0.01	$0.24	$108,788
Tony James	16/10/2020	450,000	15/10/2025	$0.01	$0.24	$108,788
Executives						
Ben Larkin	16/10/2020	720,000	15/10/2025	$0.01	$0.24	$174,060
Total		**3,870,000**				**$935,573**

Vesting criteria

In January 2021, the Company varied the vesting criteria of the 3,8700,000 incentive options granted to KMPs in October 2020. The original vesting criteria was:

- 50% vesting upon declaring JORC Reserves of not less than 450,000 ounces of contained gold at the Ravensthorpe Gold Project (**RGP**); and

- 50% vesting upon the Board being satisfied that the necessary approvals are in place and has secured adequate funding to construct and commission RGP.

The vesting criteria was varied as follows:

- 50% vesting upon declaring JORC Resources of not less than 1 million ounces of contained gold at RGP;
- 25% vesting upon achieving a 20 trading day Volume Weighted Average Price (**VWAP**) of $0.40 per share; and
- 25% vesting upon achieving a 20 trading day VWAP of $0.50 per share.

The grant date fair value of the incentive options was assessed at $0.24 per option. The weighted average fair value of the incentive options following the subsequent variation has been determined as $0.23 per option. As the fair value of the incentive options has fallen by $0.01 per option, no accounting adjustment is made and the original $0.24 per option fair value will be expensed over the estimated vesting period of the options.

While the timing of the satisfaction of the vesting criteria is not known, it is estimated for the purposes of determining the period over which the option values will be expensed. As required by accounting standards, the vesting date has been estimated as at the date of the variation of vesting criteria (being January 2021), at which point it was assessed as most probable that the vesting criteria would be satisfied prior to the completion of the 2022 financial year.

Vested options

No options granted as remuneration vested during the period.

Exercise of options

During the period, the following shares were issued by KMPs upon the exercise of options previously granted as remuneration:

	Number of shares	Amount paid per share
Directors		
Paul Bennett	239,474	$0.01
John Wang	99,342	$0.01

There are no amounts unpaid on shares issued as a result of the exercise of options during the period.

23.4 Other KMP transactions

A number of KMPs, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial and/or operating policies of those entities. Transactions between the Company and KMPs and their related parties during the period are within a normal employment, customer or supplier relationships on terms and conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing at arms-length with an unrelated person.

23.5 Payments to persons before taking office

There were no payments made to any person prior to taking office as part of the consideration for the person agreeing to hold office.

This report is made with a resolution of the directors:

Directors' Report

Paul Bennett
Managing Director
Dated at Perth, this 22nd day of September 2021

Resources and Reserves Statement

The Company's JORC 2012 Mineral Resources and Ore Reserves as at 30 June 2021 are as follows:

Mineral Resource Estimate for the Kundip Mining Centre, Ravensthorpe Gold Project

Deposit		Cut-off (g/t)	Indicated			Inferred			TOTAL		
			Tonnes (kt)	Grade Au (g/t)	Ounces (koz)	Tonnes (kt)	Grade Au (g/t)	Ounces (koz)	Tonnes (kt)	Grade Au (g/t)	Ounces (koz)
Flag	Open pit	0.5	525	5.0	84	69	2.8	6	594	4.7	90
	Underground	2.0	129	8.3	35	244	4.4	34	373	5.7	69
	Total		654	5.6	118	313	4.0	41	967	5.1	159
Harbour View	Open pit	0.5	716	3.6	83	171	1.8	10	888	3.2	92
	Underground	2.0	341	4.9	54	273	3.7	33	614	4.4	87
	Total		1,057	4.0	137	445	3.0	42	1,502	3.7	179
Kaolin	Open pit	0.5	5,309	1.6	266	969	1.7	53	6,278	1.6	319
	Underground	2.0	34	5.0	5	43	8.3	12	77	6.9	17
	Total		5,342	1.6	271	1,012	2.0	65	6,354	1.6	336
Subtotals	Open pit	0.5	6,550	2.1	432	1,210	1.8	69	7,759	2.0	502
	Underground	2.0	504	5.8	94	560	4.4	78	1,063	5.0	172
Grand Total			7,053	2.3	526	1,769	2.6	148	8,823	2.4	674

Probable Ore Reserve Estimate for the Kundip Mining Centre, Ravensthorpe Gold Project

Deposit	Open Pit			Underground			Total Ore Reserves		
	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)	Tonnes (kt)	Grade (g/t)	Ounces (koz)
Flag	183	4.1	24.0	133	3.9	17	316	4.0	41
Harbour View	253	2.4	19.0	308	4.5	45	561	3.6	64
Kaolin	3,208	1.6	165.0	-	-	-	3,208	1.6	165
Total	3,643	1.8	208.0	441	4.4	62	4,085	2.1	270

Mineral Resource Estimate for the Trilogy Deposit, Jerdacuttup Project

Trilogy Deposit			kt	Au	Ag	Cu	Pb	Zn	Au	Ag	Cu	Pb	Zn
				g/t	g/t	%	%	%	koz	koz	kt	kt	kt
Open pit (CuEq > 0.5%)	Ox	Ind	129	2.4	85.3	0.5	-	-	10	354	0.6	-	-
		Inf	336	1.9	71.7	0.1	-	-	21	774	0.3	-	-
	Tr/Fr	Ind	4,476	0.8	52.5	1.4	2.8	1.6	121	7,556	62.0	126.0	72.1
		Inf	614	0.7	54.9	0.6	1.3	0.9	14	1,084	3.8	8.2	5.3
UG (CuEq > 2.5%)	Tr/Fr	Ind	28	2.8	21.0	1.3	0.6	0.4	3	19	0.4	0.2	0.1
		Inf	18	1.5	19.7	1.4	0.3	1.1	1	11	0.3	0.1	0.2
Sub-total		Ind	4,633	0.9	53.2	1.4	2.7	1.6	133	7,929	63.0	126.2	72.2
		Inf	968	1.1	60.1	0.5	0.9	0.6	35	1,869	4.4	8.3	5.5
Total			5,601	0.9	54.4	1.2	2.4	1.4	169	9,798	67.3	134.4	77.7

Competent Persons Statements

The information that relates to the Estimation and Reporting of Mineral Resources at the Flag Deposit has been compiled by Mr. David Coventry BSc (Geology). Mr. Coventry is a full-time employee of Mining Plus Pty Ltd and has acted as an independent consultant on the Flag Deposit Mineral Resource estimation. Mr. Coventry is a Member of the Australasian Institute of Geologists (5288) and has sufficient experience with the style of mineralisation, the deposit type under consideration and to the activities 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 (The JORC Code). Mr. Coventry consents to the inclusion in this report of the contained technical information relating the Mineral Resource estimation in the form and context in which it appears.

The information that relates to the Estimation and Reporting of Mineral Resources at the Kaolin, Harbour View and Trilogy Deposits has been compiled by Mr. Richard Buerger BSc (Geology). Mr. Buerger is a full-time employee of Mining Plus Pty Ltd and has acted as an independent consultant on the Kaolin, Harbour View and Trilogy Deposits Mineral Resource estimations. Mr. Buerger is a Member of the Australasian Institute of Geologists (6031) and has sufficient experience with the style of mineralisation, the deposit type under consideration and to the activities 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 (The JORC Code). Mr. Buerger consents to the inclusion in this report of the contained technical information relating the Mineral Resource estimation in the form and context in which it appears.

The information that relates to the data review and validation, drilling, sampling and the geological interpretation has been compiled by Mr David Groombridge MSc (Economic Geology). Mr Groombridge is a full-time employee of Medallion Metals Limited and was responsible for the generation and presentation of the data that informed the subsequent work of Mining Plus Pty Ltd on the Flag, Harbour View, Kaolin and Trilogy Deposits Mineral Resource estimations. Mr Groombridge is a Member of the Australasian Institute of Mining and Metallurgy (326714) and has sufficient experience with the style of mineralisation, the deposit type under consideration and to the activities for which he was responsible, 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 (the JORC Code). Mr Groombridge consents to the inclusion in this report of the technical information relating to data review and validation, drilling, sampling and the geological interpretation in the form and context in which it appears.

The information in this report that relates to Ore Reserves is based on information compiled by Mr Craig Mann, who is a full-time employee of Entech Pty Ltd and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Mann consents to the inclusion in this report of the matters based on his information in the form and context in which it appears and is a Member of the AusIMM.

Annual Review and material changes since 30 June 2020

There were no changes in the Company's Mineral Resource or Ore Reserve Estimates during the year ended 30 June 2021.

The Company commenced a 32,000m drilling programme at its projects during the year which is scheduled to be completed prior to the end of calendar year 2021. At the completion of this drill campaign, the Company believes sufficient new data will exist to allow re-estimation of the Company's Mineral Resources, and potentially Ore Reserves, at its Ravensthorpe Gold Project. As at 30 June 2021, there has been insufficient new data and analysis performed to quantify any change in Mineral Resources or Ore Reserves. Accordingly, the Company has concluded that the Mineral Resources and Ore Reserves have not changed materially at the Ravensthorpe Gold Project.

The annual review of the Company's Jerdacuttup Project has concluded that no new exploration data gathered during the financial year will result in a material change to the Mineral Resources at the Jerdacuttup Project.

Governance controls

All Mineral Resource and Ore Reserve Estimates are prepared by Competent Persons using data that they have reviewed and consider to have been collected using industry standard practices and which, to the most practical degree possible are representative, unbiased, and collected with appropriate QA/QC practices in place. All Mineral Resource and Ore Reserve Estimates quoted above have been estimated by independent consultants in accordance with the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code) (2012 edition). In addition, the existing composition of the Company's Board of Directors includes a Non-Executive Director who is a qualified and experienced geologist with mineral resource expertise and a Non-Executive Director who is a qualified and experienced mining engineer with mine development and mine operating experience.

Corporate Governance Statement

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Medallion support and adhere to the principles of sound corporate governance. Accordingly, the Board has adopted a Corporate Governance Plan which can be found on the Company's website: www.medallionmetals.com.au. The Board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council and considers that Medallion is in compliance to the extent possible with those guidelines, which are of particular importance and add value to the commercial operations of ASX 300 listed companies.

Medallion reviews its corporate governance policies and practices on an annual basis to ensure they are appropriate for the Company's stage of development. These reviews are made in consideration of the ASX Corporate Governance Council's Principles and Recommendations which are applicable at the time of the review. The Company's Corporate Governance Statement for the year ended 30 June 2021 was approved by the Board on 22 September 2021 and is available on the Company's website: www.medallionmetals.com.au

Forward looking statements

This report may contain certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "propose", "goals", "targets", "aims", "outlook", "forecasts", "should", "could", "would", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Any indications of, and guidance on, future operating performance, earnings and financial position and performance are also forward-looking statements. Forward-looking statements in this report may include statements regarding the Company's future growth options, strategies and new products. Forward-looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements, including projections, guidance on future operations, earnings and estimates (if any), are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. No representation is given that the assumptions upon which forward looking statements may be based are reasonable. This report may contain statements that are subject to risk factors associated with the Company's industry. These forward-looking statements may be affected by a range of variables which could cause actual results or trends to differ materially, including but not limited to earnings, capital expenditure, cash flow and capital structure risks and general business risks. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including the Company). In particular, but without limitation, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward looking statements in this report will actually occur. Actual operations, results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Any forward-looking statements in this report speak only as of the date of this report.

Subject to any continuing obligations under applicable law, the Company disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this report to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any such statement is based.

Disclaimer

References in this report may have been made to certain ASX announcements, including exploration results, Mineral Resources and Ore Reserves. For full details, refer said announcement on said date. The Company is not aware of any new information or data that materially affects this information. Other than as specified in this report and mentioned announcements, the Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement(s), and in the case of estimates of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcement.

Consolidated financial statements

Consolidated statement of financial position

As at 30 June 2021

	Note	Jun 2021 $	Jun 2020 $
Assets			
Cash and cash equivalents		8,821,124	2,255,138
Restricted cash	*9*	74,304	-
Prepayments		76,292	89,072
Trade and other receivables	*10*	440,786	43,543
Total current assets		**9,412,506**	**2,387,753**
Exploration and evaluation assets	*11*	6,520,854	4,262,154
Property, plant and equipment	*12*	816,053	287,458
Right of use assets	*15*	102,810	31,091
Total non-current assets		**7,439,717**	**4,580,703**
Total assets		**16,852,223**	**6,968,456**
Liabilities			
Trade and other payables	*13*	(1,869,087)	(124,184)
Lease liabilities	*15*	(69,230)	(6,702)
Employee benefits	*14*	(149,964)	(145)
Total current liabilities		**(2,088,281)**	**(131,030)**
Lease liabilities	*15*	(38,380)	(26,777)
Borrowings	*16*	(4,000,000)	(5,000,000)
Provisions	*17*	(2,362,844)	(2,094,014)
Total non-current liabilities		**(6,401,224)**	**(7,120,791)**
Total liabilities		**(8,489,505)**	**(7,251,821)**
Net assets/(deficiency in net assets)		**8,362,718**	**(283,365)**
Equity			
Share capital	*19*	19,361,365	8,104,240
Reserves	*20*	2,348,680	1,186,650
Accumulated losses		(13,347,327)	(9,574,255)
Total equity/(deficiency in equity)		**8,362,718**	**(283,365)**

The notes on pages 30 to 54 are an integral part of these consolidated interim financial statements.

Consolidated financial statements

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2021

	Note	Jun 2021 $	Jun 2020 $
Camp revenue		503,470	503,900
Other income	*5*	113,464	131,582
Exploration and evaluation expenses		(1,981,736)	(2,433,468)
Administrative expenses		(1,420,280)	(808,950)
Share-based payments expenses		(594,530)	-
Initial Public Offering expenses		(275,045)	-
Results from operating activities		**(3,654,657)**	**(2,606,936)**
Finance income		4,133	29,257
Finance expense		(122,548)	(49,597)
Net finance expense	*6*	**(118,415)**	**(20,340)**
Income tax benefit/(expense)	*8*	-	-
Loss for the period after income tax		**(3,773,072)**	**(2,627,276)**
Other comprehensive profit/(loss)			
Items that may be recalssified subsequently to profit or loss		-	-
Other comprehensive profit/(loss) for the period net of tax		**-**	**-**
Total comprehensive loss for the period		**(3,773,072)**	**(2,627,276)**
Earnings per share			
Basic loss per share	*21*	(0.03)	(0.02)
Diluted loss per share	*21*	(0.03)	(0.02)

The notes on pages 30 to 54 are an integral part of these consolidated interim financial statements.

Consolidated financial statements

Consolidated statement of changes in equity

For the year ended 30 June 2021

	Note	Share Capital $	Reserves $	Accumulated Losses $	Total Equity $
Balance 1 July 2019		8,103,648	1,186,650	(6,946,978)	2,343,320
Total comprehensive loss for the period					
Loss for the period		-	-	(2,627,277)	(2,627,277)
Total comprehensive loss for the period		**-**	**-**	**(2,627,277)**	**(2,627,277)**
Transactions with onwers recorded directly in equity					
contributions by and distributions to owners					
Share options exercised		592	-	-	592
Share based payments		-	-	-	-
Total contributions by and distributions to owners		**592**	**-**	**-**	**592**
Balance as at 30 June 2020		**8,104,240**	**1,186,650**	**(9,574,255)**	**(283,365)**

	Note	Share Capital $	Reserves $	Accumulated Losses $	Total Equity $
Balance 1 July 2020		8,104,240	1,186,650	(9,574,255)	(283,365)
Total comprehensive loss for the period					
Loss for the period		-	-	(3,773,072)	(3,773,072)
Total comprehensive loss for the period		**-**	**-**	**(3,773,072)**	**(3,773,072)**
Transactions with owners recorded directly in equity					
contributions by and distributions to owners					
Issue of shares, net of transaction costs	*19*	11,253,540	-	-	11,253,540
Issue of share options	*20*	-	4,000	-	4,000
Share options exercised		3,585	-	-	3,585
Share based payments	*22*	-	1,158,030	-	1,158,030
Total contributions by and distributions to owners		**11,257,125**	**1,162,030**	**-**	**12,419,155**
Balance as at 30 June 2021		**19,361,365**	**2,348,680**	**(13,347,327)**	**8,362,718**

The notes on pages 30 to 54 are an integral part of these consolidated interim financial statements.

Notes to the consolidated financial statements

Consolidated statement of cash flows

For the year ended 30 June 2021

	Jun 2021 $	Jun 2020 $
Cash flows from operating activities		
Loss for the period	(3,773,072)	(2,627,276)
Adjustments for:		
Depreciation	84,558	38,964
Net finance costs	118,415	20,340
Equity settled share based payment transactions	594,530	-
	(2,975,569)	**(2,567,972)**
Changes in:		
Prepayments	12,780	(232)
Trade and other receivables	(397,243)	285,061
Trade and other payables	1,241,264	(289,633)
Employee benefits and provisions	138,725	45,984
Net cash used in operating activities	**(1,980,043)**	**(2,526,792)**
Cash flows from investing activities		
Interest received	2,917	34,920
Payments for property, plant and equipment	(114,047)	(5,891)
Payments for capitalised exploration and evaluation expenditure	(1,844,471)	(6,930)
Net cash provided by/(used in) investing activities	**(1,955,601)**	**22,099**
Cash flows from financing activities		
Proceeds from the issue of shares, net of transaction costs	11,628,474	-
Proceeds from the issue of options	4,000	-
Proceeds from exercise of options	3,585	592
Repayment of principal and interest on borrowings	(1,007,068)	-
Payments for lease liabilities	(53,056)	(8,926)
Transfers to restricted cash	(74,304)	-
Net cash provided by/(used in) financing activities	**10,501,631**	**(8,334)**
Net increase/(decrease) in cash and cash equivalents	6,565,986	(2,513,027)
Cash and cash equivalents as at 1 July	2,255,138	4,768,165
Cash and cash equivalents as at 30 June	**8,821,124**	**2,255,138**

The notes on pages 30 to 54 are an integral part of these consolidated interim financial statements.

Notes to the consolidated financial statements

1. Reporting entity

Medallion Metals Limited (the **Company**) is a for profit public company limited by shares and incorporated in Australia. On 11 September 2020, the Company changed its name from ACH Minerals Pty Ltd to Medallion Metals Limited and converted from a proprietary limited company to a public company limited by shares.

During the period the Company completed an Initial Public Offering (**IPO**) of its shares (refer note 19). The Company was admitted to the Official List of the Australian Stock Exchange and its shares were quoted on 22 March 2021.

The consolidated financial statements of the Company as at and for the period from 1 July 2020 to 30 June 2021 comprise the Company and its subsidiary (together referred to as the **Group** and individually as **Group Entities**).

The address of the Company's registered office is Suite 1, 11 Ventnor Avenue, West Perth, Western Australia. The nature of the operations and principal activities of the Group are described in the Directors' Report.

2. Basis of preparation

a) Statement of compliance

This financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (**AASBs**) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (**AASB**) and the Corporations Act 2001. The consolidated financial report of the Group complies with International Financial Reporting Standards (**IFRSs**) and interpretations adopted by the International Accounting Standards Board (**IASB**).

The financial statements were approved by the Board of Directors on 22 September 2021.

b) Basis of measurement

The consolidated financial statements have been prepared on an accruals basis under the historical cost convention.

c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

d) Use of estimates and judgements

Set out below is information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

Share based payments

Determination of fair value

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value at the grant date is determined using the Black and Scholes option pricing model taking into account the terms and conditions upon which the instruments were granted and the assumptions detailed in note 22.

Performance conditions

During the period, the Company granted 4,220,000 incentive options to directors and employees of the Company and subsequently varied the vesting criteria of the incentive options in January 2021. Refer to note 22 for further details regarding the option grant and the subsequent variation of the vesting criteria.

The options are subject to implied service conditions and performance conditions which must be satisfied in order for the options to vest. The performance conditions comprise of market conditions in the form of the requirement to achieve target share prices and a non-market condition in the form of the requirement to achieve a specified level of JORC Resources.

While the timing of the satisfaction of the performance conditions is not known at grant date, it is required to be estimated for the purposes of determining the period over which the option values will be expensed. The Company has estimated the timing of the satisfaction of each performance condition, assessing that it was most probable that the vesting criteria would be satisfied prior to the completion of the 2022 financial year. Accordingly, the Company estimates the value of the options will be expensed in full prior to the completion of the 2022 financial year.

Exploration & evaluation expenditure

The application of the Group's accounting policy for E&E expenditure requires judgement to determine whether future economic benefits are likely from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of a decision to develop or mine a particular area. A key judgement initially is the likelihood or otherwise of establishing a JORC compliant resource. The determination of a JORC compliant resource is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e., measured, indicated or inferred). The estimates directly impact when the Group capitalises E&E expenditure. The accounting policy requires management to make certain estimates and assumptions about future events and circumstances, particularly, whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the relevant capitalised amount is written off to the statement of profit or loss and other comprehensive income in the period when the new information becomes available.

Site restoration obligations

Significant estimation is required in determining the provision for site restoration as there are many factors that may affect the timing and ultimate cost to rehabilitate sites where construction, mining and/or exploration activities have taken place. These factors include changes in the cost of goods and services required for restoration activities and changes to the legal and regulatory framework governing restoration obligations. These factors may result in future actual expenditure differing from amounts currently provided. Refer to note 17 for further information.

e) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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 over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Transactions and balances eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

f) Segment reporting

The Group determines and presents operating segments based on the information that is provided to the board of directors, who are the Group's chief operating decision makers.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Board to make decisions about the allocation of resources to the segment and to assess its performance, and for which discrete financial information is available. Segment results that are reported to the Board include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise predominantly of administrative expenses. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

g) Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Notes to the consolidated financial statements

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

h) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax and equivalent indirect taxes, except where the amount of tax incurred is not recoverable from the taxation authority. In these circumstances, the tax is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated with the amount of tax included. The net amount of tax recoverable from, or payable to, the taxation authority is included as a current asset or liability in the balance sheet. Cash flows are included in the statement of cash flows on a gross basis. The tax components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

i) Financial instruments

The Group's financial instruments comprise cash and cash equivalents, restricted cash and trade and other receivables, trade and other payables and borrowings.

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets

Classification of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- amortised cost;
- fair value through profit or loss (**FVPL**);
- equity instruments at fair value through other comprehensive income (**FVOCI**); and
- debt instruments at fair value through other comprehensive income (**FVOCI**).

Notes to the consolidated financial statements

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The Group's business model for managing the financial asset; and
- The contractual cash flow characteristics of the financial assets.

Subsequent measurement financial assets

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Impairment of financial assets

AASB 9's impairment requirements use more forward looking information to recognise expected credit losses (the 'expected credit losses (**ECLs**) model'). Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (Stage 1); and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (Stage 2).

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month ECLs' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Financial liabilities

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Non-derivative financial instruments

The following summarises the accounting treatment of the Group's non-derivative financial instruments;

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash on hand and short term deposits at call. Short term deposits have original maturities of 3 months or less that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in fair value.

Restricted cash

Restricted cash comprises cash at bank and short term deposits that have been given as security. As the Group has given security over these balances they are not eligible for recognition as cash and cash equivalents.

Trade and other receivables

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. The Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The Group assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

Trade and other payables

Trade and other payables are carried at amortised cost. The amounts are unsecured and are typically settled in 30 to 60 days of recognition. Due to their short term nature, balances are generally not discounted.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Subsequent to initial measurement, borrowings are recorded at amortised cost using the effective interest rate method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual drawdown of the facility, are amortised on a straight line basis over the term of the facility.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Share capital

Ordinary shares

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.

Dividends

Dividends are recognised as a liability in the period in which they are declared.

j) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets (excluding deferred tax assets and inventories) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. The recoverable amount of an asset or Cash Generating Unit (**CGU**) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets, known as CGU's.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGU's are allocated to reduce the carrying amount of assets in the unit (group of units) on a pro rata basis. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

k) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within other income or other expenses in profit or loss. When re-valued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is charged to the statement of profit and loss and other comprehensive income on a straight line basis over the estimated useful lives of each asset. Land is not depreciated.

In the current and comparative periods, useful lives are as follows:

- Buildings: 25 - 40 years
- Motor vehicles: 8 years
- Plant & equipment: 4 - 20 years
- Office equipment: 3 - 7 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

l) Leases

The Group as a lessee

For any new contracts entered into on or after 1 January 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The Group as a lessor

As a lessor, the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset and classified as an operating lease if it does not.

m) Employee benefits

Share based payments

The Group operates equity-settled share based payment employee option scheme. Refer to note 2(t) for further discussion.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as a personnel expense in profit or loss when they are due.

Short term benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and, where applicable, prior periods plus related on costs; that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations.

n) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Notes to the consolidated financial statements

Site restoration

Site restoration costs include the costs of dismantling and demolition of infrastructure or decommissioning, the removal of residual material and the remediation of disturbed areas specific to the site. Provisions are recognised at the time that the environmental disturbance occurs. The provision is the best estimate of the present value of the future cash flows required to settle the restoration obligation at the reporting date, based on current legal requirements and technology. Future restoration costs are reviewed annually and any changes are reflected in the present value of the restoration provision at the end of the financial year.

The amount of the provision for future restoration costs is recognised as exploration and evaluation assets or expensed during the exploration phase according to the Company's policy for exploration and evaluation assets (refer note 2(r). Upon the commencement of commercial production, future restoration costs are recognised as mine property assets.

Future restoration costs are depreciated on a unit-of-production basis over the economically recoverable reserves of the mine concerned, resulting in an amortisation charge proportional to the depletion of the economically recoverable mineral resources. Amortisation begins at the commencement of commercial production. The unwinding of the effect of discounting on the provision is recognised as a finance cost. Restoration expenditure is capitalised to the extent that it is probable that the future economic benefits associated with restoration expenditure will flow to the Group.

o) Revenue

Revenue is measured based on the consideration specified in the contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer. The Group's revenue is comprised of receipts from the provision of accommodation services at its Ravensthorpe Camp (**Camp Revenue**).

Camp Revenue is recognised over time as services are provided. Invoices raised following the completion of each calendar month. Consideration is based upon the standard nightly rate for accommodation services multiplied by customer's utilisation of the Camp during the month. Invoices are payable within 15 days of issue.

p) Finance income

The Group receives finance income in the form of interest income. Interest income is recognised on a time proportionate basis, taking into account the effective yield on the related financial asset.

q) Government grants

Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been incurred. In this case, the grant is recognised when it becomes receivable.

Grants that relate to assets are initially recognised as deferred income at fair value if there is reasonable assurance they will be received and the Group can comply with the conditions of the grant. They are then recognised in profit or loss as other income on a systematic basis over the useful life of the asset.

r) Exploration and evaluation expenditure

Exploration and evaluation (**E&E**) expenditure includes:

- Tenure acquisition costs (including: consideration paid to acquire exploration, mining and/or other license's, stamp duty, professional fees attributable the acquisition and site restoration costs assumed or recognised);
- Drilling, sampling and analysing exploration data;
- Resource and reserve estimation;
- Technical and feasibility studies; and
- Employee remuneration associated with exploration and evaluation activities.

The Company applies the area of interest method when accounting for E&E expenditure. E&E expenditure is charged to profit or loss as incurred, unless the Group concludes that a future economic benefit is more likely than not to be realised, and the Company holds the legal right to explore the tenement.

In evaluating whether the expenditures meet the criteria to be capitalised, several different sources of information are used. The information that is used to determine the probability of future benefits depends on the extent of exploration and evaluation that has been performed.

E&E expenditure incurred on areas of interest where a JORC-compliant resource has not yet been established is expensed as incurred until sufficient evaluation has occurred in order to establish a JORC-compliant resource.

Upon the establishment of a JORC-compliant Mineral Resource, and the Group considers it probable that economic benefits will be realised, the Group capitalises any further E&E expenditure that is directly associated with conducting E&E in relation to the particular area of interest.

E&E assets acquired in a business combination are initially recognised at fair value, including resources and exploration potential that is considered to represent value beyond proven and probable reserves. Similarly, the costs associated with acquiring an E&E asset (that does not represent a business) are also capitalised. E&E assets are subsequently measured at cost less accumulated impairment. Once JORC-compliant reserves are established and a decision to mine is sanctioned, E&E assets are tested for impairment and transferred to 'Mine properties'. No amortisation is charged during the E&E phase.

E&E assets are assessed for impairment if:

- sufficient data exists to determine technical feasibility and commercial viability; and
- facts and circumstances suggest the carrying amount exceeds the recoverable amount.

For the purposes of impairment testing, E&E assets are allocated to CGU's to which the exploration activity relates. The CGU shall not be larger than the area of interest.

In the event that an area of interest is abandoned, rights to explore or develop are lost, or the directors consider the E&E assets attributable to the area of interest to be of reduced value, the E&E assets are impaired in the period in which the assessment is made. Each area of interest is reviewed at each reporting period and accumulated costs are written off to the extent that they will not be recoverable in the future.

s) Earnings per share

The Group presents basic and diluted earnings per share (**EPS**) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

t) Share based payments

Employee benefits

The Group operates an equity-settled share based payment employee option scheme. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to share based payments reserve. The fair value of options is ascertained using a recognised pricing model which incorporates all market vesting conditions. The fair value of options is measured using the Black-Scholes formula.

Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

The cost of share based payment transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (vesting date). The cumulative expense recognised for share based payment transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

Notes to the consolidated financial statements

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award.

Other share based payments

The Group has entered into equity-settled share based payment transactions with parties whom are not employees of the Company. The cost of equity-settled transactions with non-employees is measured by reference to the fair value of goods and services received unless this cannot be measured reliably, in which case the cost is measured by reference to the fair value of the equity instruments granted.

u) New accounting statements, amendments and interpretations

Adoption of new and revised accounting standards and interpretations

In the year ended 30 June 2021, the Directors have reviewed the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current reporting periods beginning on or after 1 July 2021. As a result of this review, the Directors have determined that there is no material impact of the Standards and Interpretations issued by the AASB and, therefore, no change is necessary to Company accounting policies.

New accounting standards and interpretations that are not yet mandatory

The Directors have reviewed the Standards and Interpretations issued and not yet adopted for the year ended 30 June 2021. As a result of this review, the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Company and, therefore, no change is necessary to Company accounting policies.

3. Financial risk management

This note presents information about the Group's exposure to credit, liquidity and market risks and objectives, policies and processes for measuring and managing financial risk and capital.

The Group does not use any form of derivatives as it is not at a level of exposure that requires the use of derivatives to hedge its exposure. Exposure limits are reviewed by management on a continual basis. The Group does not enter into or trade financial instruments, including derivatives, for speculative purposes.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash and cash equivalents, restricted cash and trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and fixed deposits with maturities of less than 3 months. The Group limits its credit risk by holding cash and cash equivalents with reputable counterparties with acceptable credit ratings according to the Group's Treasury Policy.

Restricted cash

Restricted cash comprises cash balances used as security for the Company's transactional bank facilities and property leases. Cash balances used as security are held with reputable counterparties with acceptable credit ratings according to the Group's Treasury Policy.

Trade and other receivables

The Group's trade and other receivables are neither past due nor impaired.

Notes to the consolidated financial statements

Exposure to credit risk

The carrying amount of the Group's financial assets represent maximum exposure to credit risk, as follows:

	Jun 2021 $	Jun 2020 $
Total		
Cash and cash equivalents	8,821,125	2,255,138
Restricted cash	74,304	-
Trade and other receivables	440,786	138,111
Exposure to credit risk	**9,336,215**	**2,393,249**

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. 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 manages liquidity risk by maintaining adequate cash reserves from funds raised by the Company in various capital raisings and continuously monitoring forecast and actual cash flows. The contractual maturities of the Group's financial liabilities, including estimated interest payments are as follows:

	Carrying amount $	Contractual cash flows $	Less than 1 year $	1 - 2 years $	2 - 5 years $	More than 5 years $
30 June 2021						
Trade and other payables	(1,869,087)	(1,869,087)	(1,869,087)	-	-	-
Lease liabilities	(107,610)	(131,213)	(82,745)	(28,073)	(20,395)	-
Borrowings	(4,000,000)	(6,160,000)	(240,000)	(480,000)	(1,440,000)	(4,000,000)
Balance as at 30 June	**(5,976,697)**	**(8,160,300)**	**(2,191,832)**	**(508,073)**	**(1,460,395)**	**(4,000,000)**
30 June 2020						
Trade and other payables	(129,823)	(129,823)	(129,823)	-	-	-
Lease liabilities	(33,479)	(48,813)	(9,194)	(9,470)	(30,149)	-
Borrowings	(5,000,000)	(5,000,000)	-	-	-	(5,000,000)
Balance as at 30 June	**(5,163,302)**	**(5,178,636)**	**(139,017)**	**(9,470)**	**(30,149)**	**(5,000,000)**

The contractual maturity of the Group's borrowings is dependent upon the occurrence of certain events (refer note 16) of which the timing of which is uncertain. Accordingly, the maturity has been disclosed at more than 5 years and interest has been shown as contractual outflows in each period in the preceding table.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group is exposed to market risk in the form of fluctuations in interest rates.

Interest rate risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest-bearing financial instruments. The Group is exposed to interest rate risk on cash and cash equivalents and restricted cash. The Group does not use derivatives to mitigate these exposures.

Cash and cash equivalents and restricted cash (together "cash") are held at variable and fixed interest rates. Cash in term deposits are held for fixed terms at fixed interest rates maturing in periods less than 3 months. The Group's other cash balances are held in deposit accounts at variable rates with no fixed term.

Notes to the consolidated financial statements

Interest rate risk – profile

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	Jun 2021 $	Jun 2020 $
Fixed rate instruments		
Financial assets	5,074,304	2,250,000
Financial liabilities	(4,000,000)	(5,000,000)
Net fixed rate instruments	**1,074,304**	**(2,750,000)**
Variable rate instruments		
Financial assets	3,821,125	5,138
Net variable rate instruments	**3,821,125**	**5,138**

Interest rate risk – fair value sensitivity analysis for fixed rate instruments

The Group does not account for any 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.

Interest rate risk – sensitivity analysis for variable and short term fixed rate instruments

A change in interest rates of 25 basis points at the reporting date would have increased/(decreased) the Group's profit before tax by the amounts shown below. This analysis assumes that all other variables remain constant.

Sensitivity	25bp increase Jun 2021 $	25bp decrease Jun 2021 $	25bp increase Jun 2020 $	25bp decrease Jun 2020 $
Variable and short term fixed interest bearing instruments	13,938	(13,938)	8,779	(8,779)
Cash flow sensitivity (net)	**13,938**	**(13,938)**	**8,779**	**(8,779)**

Fair values versus carrying amounts

Carrying amounts of financial assets and liabilities equate to their corresponding fair values.

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so as to maintain a capital base sufficient to allow future exploration and development of the Group's current projects and evaluation of potential acquisitions.

The Group has raised capital through the issue of equity and borrowings to fund its administration, exploration and evaluation activities and does not have any external borrowings at balance date. The Group may raise additional capital through the issue of new shares or debt finance to fund exploration, development and/or asset acquisition, should the Group require additional capital to carry out those activities.

There were no changes in the Group's approach to capital management during the year. The Group is not subject to externally imposed capital requirements.

4. Segments

Operating segments

The Group identifies its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Board reviews internal management reports on strategic business units at regular board meetings.

Notes to the consolidated financial statements

The Group has one reportable segment, 'Project Operations', which is the Group's strategic business unit. No segment assets were impaired during the period (2020: nil).

Information about reportable segment profit/(loss)	Projects $	Total $
12 months ended 30 June 2021		
External revenue	503,934	503,934
(Impairment of) segment assets	-	-
Depreciation and amortisation	(23,529)	(23,529)
Reportable segment profit/(loss) before income tax	**(1,454,273)**	**(1,454,273)**
12 months ended 30 June 2020		
External revenue	503,900	503,900
Depreciation and amortisation	(30,537)	(30,537)
Reportable segment profit/(loss) before income tax	**(1,899,031)**	**(1,899,031)**

Reconciliation of reportable segment profit/(loss)	Jun 2021 $	Jun 2020 $
Total profit/(loss) for reportable segments	(1,454,273)	(1,899,031)
Unallocated amounts		
- Corporate income	117,133	160,839
- Corporate expenses	(2,435,932)	(889,084)
Consolidated profit/(loss) before tax	**(3,773,072)**	**(2,627,276)**

Information about reportable segment assets, liabilities and capital expenditure	Projects $	Total $
2021		
Reportable segment assets	7,489,943	7,489,943
Reportable segment liabilities	(4,027,562)	(4,027,562)
Reportable segment capital expenditure	2,787,520	2,787,520
2020		
Reportable segment assets	4,543,737	4,543,737
Reportable segment liabilities	(2,199,114)	(2,199,114)
Reportable segment capital expenditure	-	-

Reconciliation of reportable segment assets and liabilities	Jun 2021 $	Jun 2020 $
Total assets for reportable segments	7,489,943	4,543,737
Unallocated amounts		
- Corporate assets	9,362,280	2,424,719
Consolidated assets	**16,852,223**	**6,968,456**
Total liabilities for reportable segments	(4,027,562)	(2,199,114)
Unallocated amounts		
- Corporate liabilities	(4,461,943)	(5,052,707)
Consolidated liabilities	**(8,489,505)**	**(7,251,821)**

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of activities earning revenue. Segment assets are based on the geographical location of assets.

The Group conducts all its activities within Australia and accordingly has assessed its sole geographical segment to be Australia.

5. Other income

	Jun 2021 $	Jun 2020 $
Grants and subsidies	113,000	131,582
Other income	464	-
Balance at the end of the period	**113,464**	**131,582**

6. Net finance expense

	Jun 2021 $	Jun 2020 $
Interest income	4,133	29,257
Unwind of discount	(54,262)	(49,525)
Interest expense	(67,068)	-
Other finance costs	(1,218)	(73)
Balance at the end of the period	**(118,415)**	**(20,340)**

7. Employee benefit expenses

	Jun 2021 $	Jun 2020 $
Wages, salaries and benefits	1,340,125	718,733
Contributions to defined contribution plans	116,208	69,336
Share-based payments	594,530	-
Balance at end of the period	**2,050,863**	**788,069**

8. Income tax

Current tax

	Jun 2021 $	Jun 2020 $
Income tax benefit/(expense)		
Current tax benefit/(expense)	-	-
Deferred tax benefit/(expense)	-	-
Income tax benefit/(expense)	**-**	**-**
Numerical reconciliation between tax benefit/(expense) and pre-tax accounting (loss)/profit		
Pre-tax accounting loss for the period	(3,773,072)	(2,627,276)
Income tax benefit at the Group's Australian tax rate of 30% (2020: 30%)	(1,131,922)	(788,183)
Non-assessable income	(33,900)	(15,000)
Non-deductible expenses	197,128	8,418
Current year temporary differences not recognised	(82,028)	-
Current year losses for which no deferred tax asset was recognised	1,050,722	794,765
Income tax benefit/(expense)	**-**	**-**

Deferred tax

	Jun 2021 $	Jun 2020 $
Liabilities		
Exploration and evaluation assets	(785,822)	(108,212)
Interest receivable	-	-
Right of use sssets	(30,843)	(9,327)
Recognition of deferred tax assets	816,665	117,539
Deferred tax liability recognised	**-**	**-**
Assets		
Losses available to offset against future taxable income	2,483,784	1,689,023
Provision for rehabilitation	708,853	628,204
Lease liability	32,283	10,044
Share issue costs deductible over five years	261,458	-
Employee provisions	44,989	43
Accrued expenses	5,700	4,500
Recognition of deferred tax assets	(816,665)	(117,539)
Net deferred tax assets not recognised	**2,720,402**	**2,214,275**

Unused tax losses

Tax effect carry forward losses at the Group's Australian tax rate of 30% (2020: 30%):

	Jun 2021 $	Jun 2020 $
Unused tax losses		
Unused tax losses	8,279,281	5,630,075
Balance at the end of the period	**2,483,784**	**1,689,023**

Notes to the consolidated financial statements

9. Restricted cash

Restricted cash comprises $74,304 (June 2020: nil) of cash held in term deposits issued in the Company's name which has been used to provide security in relation to leased properties and transactional banking facilities.

10. Trade and other receivables

	Jun 2021 $	Jun 2020 $
Trade receivables	182,215	-
GST receivable	253,018	42,950
Other receivables	5,553	593
Balance at the end of the period	**440,786**	**43,543**
Current	440,786	43,543
Balance at the end of the period	**440,786**	**43,543**

11. Exploration and evaluation assets

	Jun 2021 $	Jun 2020 $
Cost		
Opening balance	4,262,154	4,262,154
Additions	2,258,700	-
Balance at the end of the period	**6,520,854**	**4,262,154**

On 22 May 2021, the Company announced it had entered into a Sale and Purchase Agreement and Mineral Rights Agreement (the **Agreements**) to divest its RAV8 Nickel Project (**RAV8**) and certain mineral rights over select tenure to NickelSearch Limited (**NickelSearch**, formerly Australasian Mining Limited) in exchange for 15,713,662 NickelSearch shares.

NickelSearch is an unlisted public company which intends to list on the ASX during 2021, seeking to raise a minimum of $7.0 million via an IPO of its shares. The IPO shares will be offered at $0.20 per share, valuing the sale of RAV8 at $3.14 million, which has a carrying value of approximately $1,186,000 as at 30 June 2021.

Upon completion of the transaction, the Company will de-recognise the RAV8 provision for restoration of approximately $1,664,000 (refer note 17). The Agreements contain a number of conditions to completion, including that the Company may terminate the Agreements if NickelSearch has not gained conditional approval for admission to the official list of the ASX within one year of execution of the Agreements.

Notes to the consolidated financial statements

12. Property, plant and equipment

30 June 2021	Land & buildings $	Plant & equipment $	Motor vehicles $	Office equipment $	Total $
Cost					
Opening balance	88,772	191,184	63,558	8,900	352,414
Additions	448,639	80,181	-	28,866	557,686
Balance as at 30 June 2021	**537,411**	**271,365**	**63,558**	**37,766**	**910,100**
Depreciation					
Opening balance	-	(41,234)	(20,697)	(3,025)	(64,956)
Depreciation	-	(15,606)	(7,923.23)	(5,561)	(29,090)
Balance as at 30 June 2021	**-**	**(56,840)**	**(28,620)**	**(8,586)**	**(94,046)**
Carrying amount					
Opening balance	88,772	149,950	42,861	5,875	287,458
Balance as at 30 June 2021	**537,411**	**214,525**	**34,938**	**29,180**	**816,054**

30 June 2020	Land & buildings $	Plant & equipment $	Motor vehicles $	Office equipment $	Total $
Cost					
Opening balance	88,772	191,184	63,558	3,010	346,524
Additions/(disposals)	-	-	-	5,890	5,890
Balance as at 30 June 2020	**88,772**	**191,184**	**63,558**	**8,900**	**352,414**
Depreciation					
Opening balance	-	(18,642)	(12,753)	(2,371)	(33,766)
Depreciation	-	(22,592)	(7,944)	(654)	(31,190)
Balance as at 30 June 2020	**-**	**(41,234)**	**(20,697)**	**(3,025)**	**(64,956)**
Carrying amount					
Opening balance	88,772	172,542	50,805	639	312,758
Balance as at 30 June 2020	**88,772**	**149,950**	**42,861**	**5,875**	**287,458**

13. Trade and other payables

	Jun 2021 $	Jun 2020 $
Trade payables	1,233,537	7,721
Accruals	536,828	97,379
Other payables	38,722	19,082
Balance at the end of the period	**1,809,087**	**124,182**
Current	1,809,087	124,182
Balance at the end of the period	**1,809,087**	**124,182**

14. Employee benefits

	Jun 2021 $	Jun 2020 $
Salaries, wages and other benefits accrued	52,080	145
Leave liabilities	97,884	-
Balance at the end of the period	**149,964**	**145**

15. Leases

This note provides information regarding property leases where the Group is the lessee. During the period the Group entered into a new two year property lease which resulted in the recognition of a $127,187 lease liability and corresponding right of use asset.

Right of use assets

The Group's right of use assets in relation to its leases are as follows:

	Jun 2021 $	Jun 2020 $
Property		
Opening balance	38,864	-
Additions	127,187	38,864
Balance at the end of the period	**166,051**	**38,864**
Depreciation		
Opening balance	(7,773)	-
Depreciation	(55,468)	(7,773)
Balance at the end of the period	**(63,241)**	**(7,773)**
Carrying amount		
Opening balance	31,091	-
Balance at the end of the period	**102,810**	**31,091**

Lease liabilities

The Group's lease liabilities in relation to its leases are as follows:

	Jun 2021 $	Jun 2020 $
Opening balance	33,479	-
Lease liabilities recognised	127,187	38,864
Interest expense	11,095	3,541
Lease payments	(64,151)	(8,926)
Balance at the end of the period	**107,610**	**33,479**
Current	69,230	6,702
Non-current	38,380	26,777
Balance at the end of the period	**107,610**	**33,479**

Notes to the consolidated financial statements

16. Borrowings

	Jun 2021 $	Jun 2020 $
Unsecured borrowings	4,000,000	5,000,000
Balance at the end of the period	**4,000,000**	**5,000,000**
Non-current	4,000,000	5,000,000
Balance at the end of the period	**4,000,000**	**5,000,000**

The Company's borrowings are represented by an unsecured shareholder loan. In March 2021, in accordance with the terms of the loan, a $1 million loan repayment was made following the completion of the Company's listing on the ASX.

The loan terms were amended during the period, the key terms as they stand at balance date are as set out below:

- the loan may be secured by charge over the Company's projects located in Ravensthorpe, Western Australia (**Projects**) (no security has been perfected to date);
- any security perfected shall be subordinated (as required) to any new debt financing obtained by the Company;
- the loan is repayable upon the receipt of the proceeds following the sale of all, or part of the Projects, a change of control of the Group and no later than 120 days after a decision is made by the Company to commence development of the Projects; and
- from the date of the completion of ASX listing (22 March 2021), the loan accrues interest at 6% p.a., payable in arrears at the end of each calendar quarter.

17. Provisions

	Jun 2021 $	Jun 2020 $
Balance at beginning of the period	2,094,014	2,048,030
Unwind of discount on site restoration costs	43,167	45,984
Provisions made during the period	225,663	-
Balance at end of the period	**2,362,844**	**2,094,014**
Current	-	-
Non-current	2,362,844	2,094,014
Balance at the end of the period	**2,362,844**	**2,094,014**

The Company's provisions represent provisions for site restoration costs. The provision includes estimates of costs associated with reclamation, rehabilitation and other costs associated with the restoration of sites where the Company's projects are located.

The Company is in the process of divesting its RAV8 Nickel Project (**RAV8**). Upon completion of the sale, the Company will de-recognise approximately $1,664,000 of site restoration costs which have been previously provided for in relation to RAV8. Refer note 11 for further details regarding the divestment.

18. Commitments

In order to maintain current rights of tenure to exploration and mining tenements, the Company is required to meet annual minimum expenditure requirements as specified by the Western Australian state government. The Company must report expenditure for each tenement annually, at which point it is determined if the Company has met the minimum expenditure requirements for the tenement, failure to meet the minimum expenditure requirement may result in the loss of tenure.

Notes to the consolidated financial statements

The Company has received Ministerial approval for combined reporting status for its tenements at Ravensthorpe. Approval for combined reporting establishes a group for the purpose of applying for expenditure exemptions under sections 102(2)(h) of the Mining Act.

The Company has incurred sufficient expenditure on all tenements with reporting commitments due in the next 12 months. Accordingly, no minimum expenditure commitment remains at balance date.

19. Share capital

The Company's share capital comprises fully paid ordinary shares. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares are fully paid and rank equally with regard to the Company's residual assets.

The number of ordinary shares on issue and amounts paid up, net of transactions costs, are as presented below.

Ordinary share capital	Jun 2021 shares	Jun 2020 shares	Jun 2021 $	Jun 2020 $
On issue at the beginning of the period	11,615,132	11,555,921	8,104,240	8,103,648
Exercise of incentive options[1]	358,553	59,211	3,585	592
Effects of a subdivision of shares[2]	107,763,165	-	-	-
Issued for cash, net of costs[3]	50,000,000	-	11,253,540	-
Issued for the acquisition of E&E assets[4]	785,695	-	-	-
On issue at the end of the period, net of costs	**170,522,545**	**11,615,132**	**19,361,365**	**8,104,240**

[1] **Exercise of options**

In August 2020, 358,553 ordinary shares were issued to directors and employees of the Company upon the exercise of incentive options (refer note 22).

[2] **Subdivision of shares**

A subdivision of shares on a 10 for 1 basis into 119,736,850 ordinary shares was approved by shareholders of the Company in August 2020.

[3] **Initial Public Offering**

In March 2021, the Company listed on the ASX having completed a fully underwritten IPO of:

- 50 million new shares at an issue price of $0.25 per share, together with one free attaching option for every two shares subscribed for a total of 25 million options (**IPO Options**), exercisable at $0.35 per option on or before 31 January 2023; and
- 4 million options to the Lead Manager at a subscription price of $0.001 per option, exercisable at $0.35 per option on or before 31 January 2023 (**Lead Manager Options**).

Cash costs of the offer were approximately $872,000. Additional non-cash costs of approximately $375,000 were recognised in respect of the Lead Manager Options, which have been accounted for as a share-based payment (refer note 22).

[4] **Acquisition of exploration and evaluation assets**

In June 2021, the Company issued 785,695 ordinary shares as consideration for the acquisition of a third-party royalty held over certain tenements at the Company's Ravensthorpe Gold Project (**Royalty Shares**). The acquisition has been accounted for as share-based payment (refer note 22).

20. Reserves

Share-based payments reserve

The share-based payments reserve includes the cumulative share-based payments expense recognised in respect of share options granted. Refer to note 22 for further information regarding share-based payments.

Option premium reserve

The Company has recognised an option premium reserve of $4,000 in respect of the subscription price paid by the Lead Manager for the Lead Manager Options (refer note 22).

Notes to the consolidated financial statements

21. Loss per share

Basic loss per share attributable to ordinary shareholders

The basic loss per share for the period is $0.03 (2020 loss per share: $0.02). The calculation of loss per share at 30 June 2021 was based on the consolidated loss attributable to ordinary shareholders of $3,123,086 (2020 loss: $2,627,276) and a weighted average number of ordinary shares outstanding of 133,028,143 (2020: 115,658,165) calculated as follows:

	Jun 2021 $	Jun 2020 $
Loss for the period	(3,773,073)	(2,627,276)
Loss attributable to ordinary shareholders	**(3,773,073)**	**(2,627,276)**

Basic weighted average number of ordinary shares

Weighted average effects	Jun 2021 shares	Jun 2020 shares
Opening balance	116,151,320	115,559,210
Effect of shares issued	16,876,823	98,955
Weighted average number of ordinary shares at the end of the period	**133,028,143**	**115,658,165**

Diluted loss per share

The Company does not have any potential ordinary shares whose conversion to ordinary shares would have a dilutive effect on basic loss per share and as such diluted loss per share is equal to basic loss per share. Potential ordinary shares of the Company consist of 25,000,000 IPO Options (refer note 19), 4,000,000 Lead Manager Options (refer note 22) and 4,220,000 IOP Options (refer note 22).

In accordance with AASB 133 'Earnings per Share' these options have been excluded from the calculation of diluted loss per share due to the antidilutive effect.

22. Share based payments

Share based payments recognised during the period

Share based payments	*Note*	Jun 2021 $	Jun 2020 $
Recognised in profit or loss	*22 a)*	594,530	-
Recognised in equity	*22 b)*	374,933	-
Recognised in the statement of financial postion	*22 c)*	188,567	-
Balance at the end of the period		**1,158,030**	**-**

22 a) Incentive Options Plan

The Company has an established an Incentive Options Plan (**IOP**) under which directors, employees and certain other eligible participants may be offered options to acquire shares in the Company (**IOP Options**), subject to the terms of the IOP and any additional terms and conditions as the Company determines. The objective of the plan is to assist in the recruitment, reward, retention and motivation of eligible persons in the Group.

The vesting of all options is subject to service conditions being met whereby the recipient must meet the eligible participant criteria as defined in the IOP, unless determined otherwise by the Board.

The following table illustrates the number and weighted average exercise prices (**WAEP**) of, and movements in, IOP Options during the period:

	Jun 2021		Jun 2020	
	options	WAEP ($)	options	WAEP ($)
Opening balance	358,553	0.01	417,764	0.01
Options granted during the period	4,220,000	0.01	-	-
Options exercised during the period	(358,553)	0.01	(59,211)	0.01
Options lapsed during the period	-	-	-	-
Options outstanding at the end of the year	**4,220,000**	**0.01**	**358,553**	**0.01**
Options exercisable at the end of the year	**-**	**-**	**358,553**	**0.01**

3,150,000 IOP Options granted to directors of the Company are subject to escrow until 22 March 2023.

The outstanding balance of IOP Options as at 30 June 2021 is represented by:

Number of options	Grant date	Vesting	Expiring	Strike price per option ($)	Contractual life (years)	Fair value per option ($)
Key Management Personnel						
3,870,000	16-Oct-21	Performance conditions[1]	15-Oct-26	0.01	5.0	0.24
Other employees						
350,000	16-Oct-21	Performance conditions[1]	15-Oct-26	0.01	5.0	0.24

[1]Performance conditions:

- 50% vesting upon declaring JORC Resources of not less than 1 million ounces of contained gold;
- 25% vesting upon achieving a 20 trading day Volume Weighted Average Price (**VWAP**) of $0.40 per share; and
- 25% vesting upon achieving a 20 trading day VWAP of $0.50 per share.

Fair value of IOP Options granted during the period

The grant date fair value of the IOP Options was determined as $0.24 per option and was measured using the Black-Scholes formula. The inputs used to determine the fair value of options granted during the period were:

Period ended 30 June 2021	KMP grant 16-Oct-20	Employee grant 16-Oct-20
Fair value at grant date	$0.24	$0.24
Expected dividends	0%	0%
Contractual life (years)	5.0	5.0
Market value of underlying shares	$0.25	$0.25
Option exercise price	$0.01	$0.01
Expected volatility of the underlying shares	90.00%	90.00%
Risk free rate applied	0.37%	0.37%

Variation of IOP Options performance conditions during the period

In January 2021, the Company varied the vesting criteria (performance conditions) of the 4,220,000 IOP Options granted in October 2020. Accounting standards apply such that only a variation is which is deemed to increase the fair value of the options issued would result in an adjustment to the previously determined grant date fair value of the options.

The grant date fair value of the IOP Options was assessed $0.24 per option. The weighted average fair value of the options following the subsequent variation was determined as $0.23 per option.

As the fair value of the options had decreased by $0.01 per option, no accounting adjustment was made and the grant date fair value of $0.24 per option will be expensed over the estimated vesting period of the IOP Options.

IOP options share based payments expense recognised during the period

	Jun 2021 $	Jun 2020 $
IOP share based payments expense	594,530	-

22 b) Lead Manager Options

The Company executed a Lead Manager Mandate (**Mandate**) with Argonaut Securities Pty Limited (**Lead Manager**) in relation to the Company's IPO completed in March 2021. The terms of the Mandate included the issue of 4 million Lead Manager Options to the Lead Manager at a subscription price of $0.001 per option, exercisable at $0.35 per option on or before 31 January 2023.

No Lead Manager Options were exercised during the period. The Lead Manager Options (and underlying shares) are subject to escrow until 22 March 2023.

Fair value of Lead Manager Options granted during the period

A share-based payment expense of approximately $375,000 has been recognised in respect of the Lead Manager Options. The grant date fair value of the Lead Manager Options was determined as $0.09 per option and was measured using the Black-Scholes formula. The inputs used to determine the fair value of the options granted were:

Period ended 30 June 2021	Option grant 12-Mar-21
Fair value at grant date	$0.09
Expected dividends	0%
Contractual life (years)	1.9
Market value of underlying shares	$0.25
Option exercise price	$0.35
Expected volatility of the underlying shares	90.00%
Risk free rate applied	0.10%

22 c) Royalty Shares

The Royalty Shares comprise 785,695 ordinary shares issued as consideration for the acquisition of a third-party royalty (refer note 19). A share-based payment expense of approximately $189,000 has been recognised in respect of the Royalty Shares. The fair value of the Royalty Shares was determined as $0.24 per share and was measured using the Company's closing share price on the date of the issue of the shares.

23. Related parties

Key Management Personnel compensation

	Jun 2021 $	Jun 2020 $
Short-term employee benefits	539,530	250,000
Post-employment benefits	51,255	23,750
Share based payments	545,221	-
Key management personnel compensation	**1,136,006**	**273,750**

Individual directors and executives compensation disclosures
Information regarding individual directors and executives' compensation and some equity instruments disclosures as required by Corporations Regulations 2M.3.03 are provided in the Remuneration Report section of the Directors' Report in section 23.

Other Key Management Personnel transactions
A number of Key Management Persons, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial and/or operating policies of those entities. Transactions and balances with related parties are as set out below. Transactions with related parties of Key Management Persons are considered within a normal employment, customer or supplier relationships on terms and conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing at arms-length with an unrelated person.

Related party transaction	Transactions value 2021 $	Balance 30 June 2021 $	Transactions value 2020 $	Balance 30 June 2020 $
Office rent paid to a related party of Mr Junk[1]	8,500	-	31,166	-
Consultancy fees paid to a related party of Mr James[2]	9,000	-	-	-
Total and current liabilities	**17,500**	**-**	**31,166**	**-**

[1]Mr Junk is a former director of the Company having resigned on 10 August 2020.
[2]Fees paid to Mr James in relation to technical services provided prior to his appointment as a director.

24. Parent entity information

	June 2021 $	June 2020 $
Result		
Loss for the period	(3,773,072)	(2,627,276)
Other comprehensive income	-	-
Total comprehensive loss	(3,773,072)	(2,627,276)
Financial position		
Current assets	9,412,406	2,387,653
Total assets	16,852,223	6,968,456
Current liabilities	(2,088,281)	(131,030)
Total liabilities	(8,489,505)	(7,251,821)
Net assets/(deficiency of assets)	**8,362,718**	**(283,365)**
Equity		
Share capital	19,361,365	8,104,240
Reserves	2,348,680	1,186,650
Accumulated losses	(13,347,327)	(9,574,255)
Total equity/(deficiency in equity)	**8,362,718**	**(283,365)**

Notes to the consolidated financial statements

25. Auditors remuneration

	Jun 2021 $	Jun 2020 $
Audit and review services	31,000	15,000
Other services:		
- Assurance services connected with an IPO	30,637	-
- Taxation services	-	4,120
- Other assurance services	-	2,550
Balance at end of the period	**61,637**	**21,670**

26. Subsequent events

There have been no events subsequent to balance date which would have a material effect on the Group's consolidated financial statements.

Directors' declaration

In accordance with a resolution of the Directors of Medallion Metals Limited, I declare that:

1. In the opinion of the Directors:

   a) The consolidated financial statements and notes of Medallion Metals Limited for the year ended 30 June 2021 are in accordance with the Corporations Act 2001, including:

      i. giving a true and fair view of the consolidated financial position as at 30 June 2021 and of its performance for the year ended on that date; and

      ii. complying with Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

   b) the consolidated financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(a).

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

3. This declaration has been made after receiving the declarations required to be made by the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2021.

On behalf of the Board:

Paul Bennett
Managing Director

Dated at Perth, this 22nd day of September 2021

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INDEPENDENT AUDITOR'S REPORT

To the members of Medallion Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Medallion Metals Limited (the Company) and its subsidiary (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 report, including a summary of significant accounting policies and the directors' declaration.

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

(i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and

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

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of Exploration and Evaluation

Key audit matter	*How the matter was addressed in our audit*
As disclosed in Note 11 to the financial report, the carrying value of capitalised exploration and evaluation expenditure represents a significant asset of the Group at 30 June 2021. In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources (AASB 6), the recoverability of exploration and evaluation expenditure requires significant judgment by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and directors' minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 2(r) and Note 11 to the Financial Report.

Other information

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

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

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

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

BDO

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 auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 20 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Medallion Metals 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.

BDO Audit (WA) Pty Ltd

BDO

Jarrad Prue

Director

Perth, 22 September 2021

Auditor's independence declaration

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DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF MEDALLION METALS LIMITED

As lead auditor of Medallion Metals Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Medallion Metals Limited and the entities it controlled during the period.

Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth, 22 September 2021

ASX additional information

AS AT 6 SEPTEMBER 2021

Securities on issue
Medallion Metals Limited shares and are listed on the Australian Stock Exchange (**ASX**) and quoted under the ASX code MM8. The Company has issued 29,000,000 options which are listed on the ASX and quoted under the code MM8O (**Listed Options**) and a further 4,220,000 options on issue which are not quoted on the ASX (**Unlisted Options**).

20 largest shareholders

Rank	Name	Units	%
1	BOLONG (AUSTRALIA) INVESTMENT MANAGEMENT PTY LTD	45,000,000	26.4%
2	LANGYU INTERNATIONAL HOLDINGS LTD	17,960,530	10.5%
3	MINMETALS PTY LTD<THE MINING A/C>	15,500,000	9.1%
3	AURORA PROSPECTS PTY LTD<AURORA FAMILY A/C>	15,500,000	9.1%
4	FAN RONG MINERALS CONSULTING PTY LTD<FAN RONG FAMILY A/C>	15,000,000	8.8%
5	SHC SMART INVESTMENT PTY LTD	6,000,000	3.5%
5	MRS YAN WANG<AUST WEST COAST TRAVEL A/C>	6,000,000	3.5%
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,004,000	2.3%
7	NUB HOLDINGS PTY LTD<NUB OPERATING A/C>	3,592,110	2.1%
8	JJ METAL RESOURCES PTY LTD<JJ METAL RESOURCES FAM A/C>	2,993,420	1.8%
9	MR PAUL WILLIAM BENNETT & MR STUART HAMILTON BENNETT <SCP BENNETT INVESTMENT A/C>	2,978,966	1.7%
10	YARRAANDOO PTY LTD<YARRAANDOO SUPER FUND A/C>	2,400,000	1.4%
11	CX SUPER PTY LTD<CX SUPER FUND A/C>	2,000,000	1.2%
12	BUTTERFLY TRADING PTY LTD	1,450,000	0.9%
13	AARON CHARLES WEHRLE<WEHRLE INVESTMENT A/C>	1,197,370	0.7%
14	MR GEOFFREY JAMES HARRIS	800,000	0.5%
15	ESSENTIAL METALS LIMITED	785,695	0.5%
16	MR ANTHONY CHARLES BENNETT	660,000	0.4%
17	CERTANE CT PTY LTD<BC1>	614,651	0.4%
18	MR JOHN MICHAEL JONES &MRS FELICITY ANN JONES<JONES SUPER FUND A/C>	600,000	0.4%
19	GREEN DRILLING PTY LTD<GREEN DRILLING SUPER A/C>	592,000	0.3%
20	GOLDRICH HOLDINGS PTY LTD<GOLDRICH INVESTMENT A/C>	500,000	0.3%
Total Top 20 Shareholders		**146,128,742**	**85.7%**

Distribution of shareholders

Range	Total holders	Units	% Units
1 - 1,000	3	265	0.0%
1,001 - 5,000	60	158,542	0.1%
5,001 - 10,000	79	656,423	0.4%
10,001 - 100,000	341	13,838,169	8.1%
100,001 Over	68	155,869,146	91.4%
Total	**551**	**170,522,545**	**100.0%**

Unmarketable parcels
The number of shareholders holding less than a Marketable Parcel is 18.

ASX additional information

Substantial shareholders

The names of substantial shareholders as disclosed in substantial shareholding notices given to the Company are:

Name	Units	%
BOLONG (AUSTRALIA) INVESTMENT MANAGEMENT PTY LTD	45,000,000	26.4%
LANGYU INTERNATIONAL HOLDINGS LTD	17,960,530	10.5%
MINMETALS PTY LTD<THE MINING A/C>	15,500,000	9.1%
AURORA PROSPECTS PTY LTD<AURORA FAMILY A/C>	15,500,000	9.1%
FAN RONG MINERALS CONSULTING PTY LTD<FAN RONG FAMILY A/C>	15,000,000	8.8%

20 largest Listed Option holders

Rank	Name	Units	%
1	ARGONAUT INVESTMENTS PTY LIMITED<ARGONAUT INVEST NO 3 A/C>	4,000,000	13.79%
2	SHC SMART INVESTMENT PTY LTD	3,000,000	10.34%
2	MRS YAN WANG<AUST WEST COAST TRAVEL A/C>	3,000,000	10.34%
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,000,000	6.90%
4	CS THIRD NOMINEES PTY LIMITED<HSBC CUST NOM AU LTD 13 A/C>	1,000,000	3.45%
4	CX SUPER PTY LTD<CX SUPER FUND A/C>	1,000,000	3.45%
5	YARRAANDOO PTY LTD<YARRAANDOO SUPER FUND A/C>	700,000	2.41%
6	BUTTERFLY TRADING PTY LTD	600,000	2.07%
7	UBS NOMINEES PTY LTD	587,088	2.02%
8	MR ALEXANDER MATTIA DEBOER ZANIER	514,968	1.78%
9	ASTROGEM PTY LTD	500,000	1.72%
10	CITICORP NOMINEES PTY LIMITED	412,912	1.42%
11	MR JOHN MICHAEL JONES &MRS FELICITY ANN JONES<JONES SUPER FUND A/C>	300,000	1.03%
11	MR MICHAEL LEIGH SANTO CRIMP &MRS NANCY ELIZABETH CRIMP	300,000	1.03%
11	MR GEOFFREY JAMES HARRIS	300,000	1.03%
12	GREEN DRILLING PTY LTD<GREEN DRILLING SUPER A/C>	296,000	1.02%
13	JETOSEA PTY LTD	250,000	0.86%
14	BAZA HIGH CONVICTION PTY LTD<BAZA HIGH CONVICTION A/C>	220,000	0.76%
15	MR PAUL WILLIAM BENNETT & MR STUART HAMILTON BENNETT <SCP BENNETT INVESTMENT A/C>	200,000	0.69%
15	KINGSLANE PTY LTD<CRANSTON SUPER PENSION A/C>	200,000	0.69%
16	MR SHANE ANTHONY MATCHETT & MS MELITA ANGELA MATCHETT <SA & MA MATCHETT SUPER A/C>	197,332	0.68%
17	ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD<CUSTODIAN A/C>	185,000	0.64%
18	MRS LAY HOON LEE	180,000	0.62%
18	MR HAN SWEE TAN	180,000	0.62%
18	GLADSTONE MINING (WA) PTY LTD<STUART TONKIN INVEST A/C>	180,000	0.62%
19	MR TIMOTHY MCKENZIE BAKER	152,450	0.53%
20	RUNNING WATER LTD	150,000	0.52%
20	TENBAGGA RESOURCES FUND PTY LTD<TENBAGGA FAMILY A/C>	150,000	0.52%
Total Top 20 Listed Optionholders		**20,755,750**	**71.57%**

ASX additional information

Distribution of Listed Options

Range	Total holders	Units	% Units
1 - 1,000	0	0	0.0%
1,001 - 5,000	45	200,000	0.7%
5,001 - 10,000	111	1,026,000	3.5%
10,001 - 100,000	193	6,443,000	22.2%
100,001 Over	33	21,331,000	73.6%
Total	**382**	**29,000,000**	**100.0%**

Distribution of Unlisted Options

Range	Total holders	Units	% Units
1 - 1,000	0	0	0.0%
1,001 - 5,000	0	0	0.0%
5,001 - 10,000	0	0	0.0%
10,001 - 100,000	2	200,000	4.7%
100,001 Over	6	4,020,000	95.3%
Total	**8**	**4,220,000**	**100.0%**

On market buy back
The Company has not initiated an on-market buy back of any of its securities.

Voting rights
Ordinary shares
On a show of hands every shareholder present in person or by proxy shall have one vote and upon a poll, each share shall have one vote.
Options
Optionholders have no voting rights.

Use of cash and assets
In accordance with listing rule 4.10.19, the Company confirms that it has used cash and assets in a form readily convertible to cash in a way consistent with its business objectives during the period from its admission to the Official List of the ASX to the financial year ended 30 June 2021.

Restricted and escrowed securities
The following securities are restricted or subject to voluntary escrow:

Class	Number	Restriction or escrow end date
Ordinary shares	89,552,459	22 March 2023
Listed options over ordinary shares exercisable at $0.35 on or before 31 January 2023	4,000,000	22 March 2023
Unlisted options over ordinary shares exercisable at $0.01 on or before 15 October 2025	3,150,000	22 March 2023

ASX additional information

Mineral tenements

Tenement	Location	Nature of Interest	Interest
E74/0311	Western Australia	Granted	100%
E74/0379-I	Western Australia	Granted (all mineral rights other than Li/Ta)	100%
E74/0399	Western Australia	Granted (all mineral rights other than Li/Ta)	100%
E74/0406	Western Australia	Granted (all mineral rights other than Li/Ta)	100%
E74/0486	Western Australia	Granted	100%
E74/0560	Western Australia	Granted	100%
E74/0602	Western Australia	Granted	100%
E74/0638	Western Australia	Granted	100%
E74/0639	Western Australia	Granted	100%
E74/0653	Western Australia	Granted	100%
E74/0656	Western Australia	Granted	100%
E74/0657	Western Australia	Granted	100%
E74/0683	Western Australia	Granted	100%
L74/0034	Western Australia	Granted	100%
L74/0058	Western Australia	Application	100%
M74/0013	Western Australia	Granted	100%
M74/0041	Western Australia	Granted	100%
M74/0051	Western Australia	Granted	100%
M74/0053	Western Australia	Granted	100%
M74/0083-I	Western Australia	Granted	100%
M74/0135	Western Australia	Granted	100%
M74/0136	Western Australia	Granted	100%
M74/0163	Western Australia	Granted	100%
M74/0165	Western Australia	Granted	100%
M74/0180	Western Australia	Granted	100%
M74/0184	Western Australia	Granted	100%
E74/0636	Western Australia	Granted	80%
E74/0413	Western Australia	Granted	100%
E74/0462	Western Australia	Granted	100%
E74/0498	Western Australia	Granted	100%
E74/0557	Western Australia	Granted	100%
E74/0578	Western Australia	Granted	100%
E74/0605	Western Australia	Granted	100%
E74/0630	Western Australia	Granted	100%
E74/0631	Western Australia	Granted	100%
E74/0637	Western Australia	Granted	100%
E74/0642	Western Australia	Granted	100%
E74/0643	Western Australia	Granted	100%
E74/0644	Western Australia	Granted	100%
E74/0665	Western Australia	Granted	100%
E74/0671	Western Australia	Granted	100%
L74/0035	Western Australia	Granted	100%
L74/0045	Western Australia	Granted	100%
M74/0176	Western Australia	Granted	100%
P74/0385	Western Australia	Granted	100%
P74/0386	Western Australia	Granted	100%

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LIMITED

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