



**Albion Resources Limited**  
**ACN: 620 545 664**

**Annual Report**  
**for the Year Ended 30 June 2022**

# ALBION RESOURCES LIMITED

## CONTENTS

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|  | Page |
|--|------|
| Corporate Directory  | 1    |
| Directors' Report  | 2    |
| Auditor's Independence Declaration                         | 12   |
| Statement of Profit or Loss and Other Comprehensive Income | 13   |
| Statement of Financial Position                            | 14   |
| Statement of Cash Flows                                    | 15   |
| Statement of Changes in Equity                             | 16   |
| Notes to the Financial Statements                          | 17   |
| Directors' Declaration                                     | 30   |
| Independent Auditor's Report                               | 31   |
| ASX Information  | 36   |
| Schedule of Tenements                                      | 40   |

**ALBION RESOURCES LIMITED  
CORPORATE DIRECTORY**

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**Directors**

**Executive Chairman**

Mr Colin Locke

**Non-Executive Director**

Mr Mark Major

**Non-Executive Director**

Mr David Palumbo

**Company Secretary**

Mr David Palumbo

**Registered Office**

Level 8  
216 St Georges Terrace  
Perth Western Australia 6000

Telephone : +61 (8) 9481 0389  
Facsimile : +61 (8) 9463 6103

**Auditors**

Hall Chadwick WA Audit Pty Ltd  
283 Rokeby Road, Subiaco  
Perth Western Australia 6008

**Bankers**

National Australia Bank Limited  
Ground Floor, 100 St Georges Terrace  
Perth Western Australia 6000

**Share Registrar**

Computershare Investor Services Pty Ltd  
Level 11, 172 St Georges Terrace  
Perth WA 6000

Tel: +61 (8) 9323 2000  
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## **ALBION RESOURCES LIMITED DIRECTORS' REPORT**

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The Directors present their report together with the financial statements of Albion Resources Limited (referred to hereafter as “the Company”) for the financial year ended 30 June 2022.

### **Directors**

The name and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for the entire year unless stated otherwise.

Mr Colin Locke - Executive Chairman

Mr David Palumbo – Non Executive Director

Mr Mark Major – Non-Executive Director (appointed 23 December 2021)

Mr Jonathon King – Non-Executive Director (resigned 23 December 2021)

### **Principal Activities**

The principal activity of the Company during the financial year was the acquisition, exploration and evaluation of resource projects.

### **Operating Results for the Year**

The operating result of the Company for the financial year was a loss of \$2,137,528 (2021: \$445,203).

### **Significant Changes in State of Affairs**

Other than those disclosed in this annual report, no significant changes in the state of affairs of the Company occurred during the financial year.

### **Review of Operations**

#### **Lennard Shelf Project:**

Albion's Lennard Shelf Project is located in the world class Mississippi Valley type Zinc-Lead province, the Lennard Shelf, approximately 30 km southeast of Fitzroy Crossing in the Kimberley, Western Australia. Despite hosting significant historic mines, Pillara (19.3Mt @ 7.8% Zn + 2.6% Pb) and the Cadjebut Trend (16.4Mt @ 8.9% Zn + 5% Pb), regional exploration in the Lennard Shelf Province has been largely overlooked since the late 1980's. The Lennard Shelf Project, comprising three sub-projects, covers an expansive area of ~319 km<sup>2</sup> and contains comparable geology to Pillara and the Cadjebut Trend.

During the year, a Native Title, Heritage Protection and Mineral Exploration Agreement (HPA) was signed with the Gooniyandi Aboriginal Corporation for Albion's entire Lennard Shelf Zinc-Lead Project. The HPA sets out the framework for Albion in conducting exploration on Gooniyandi Country, protecting cultural heritage and endeavouring to provide community benefits.

Following the signing of the HPA, the Company submitted a POW and received subsequent approval for targeted drilling areas at Pillara East. The Company also sought and received heritage clearance from the Gooniyandi for the drilling areas at Pillara East following a heritage clearance survey (the “Survey”). The Survey inspected and assessed the proposed work program, including, the specific drill pads, drill holes, access tracks, water supply sources and field camp locations.

In late October 2021, the Company commenced drilling 15 NQ holes for a total of 1700m targeting fault-controlled mineralisation along the ENE trending Uncle Billy Fault (EPDD2101 – EPDD2109) and extensions of the NNE trending Devious Fault (EPDD2110, EPDD2112 - EPDD2113) as well as to locate and extend mineralisation identified in the historical EPP11 intercept (EPDD2111, EPDD2114 - EPDD2115).

**ALBION RESOURCES LIMITED**  
**DIRECTORS' REPORT**

On 31 January 2022, the Company announced the assay results and confirmed near surface zinc-lead mineralisation was intersected in numerous drill holes along and adjacent to the Uncle Billy Fault. Significant intersections are shown in Table 1,

| Hole ID          | From (m)     | To (m)       | Interval (m) | Pb (%)      | Zn (%)      | Pb + Zn (%) |
|------------------|--------------|--------------|--------------|-------------|-------------|-------------|
| EPDD2101         | 29.00        | 39.10        | 10.10        | 0.51        | 2.04        | 2.55        |
| <i>including</i> | <i>34.80</i> | <i>38.00</i> | <i>3.20</i>  | <i>0.54</i> | <i>4.57</i> | <i>5.11</i> |
| EPDD2102         | 55.28        | 57.00        | 1.72         | 8.91        | 4.61        | 13.51       |
| EPDD2102         | 65.12        | 66.50        | 1.38         | 3.24        | 3.67        | 6.91        |
| EPDD2103         | 65.00        | 67.07        | 2.07         | 0.17        | 2.48        | 2.65        |
| EPDD2104         | 36.40        | 42.00        | 5.60         | 0.77        | 2.17        | 2.94        |
| <i>including</i> | <i>38.00</i> | <i>41.10</i> | <i>3.10</i>  | <i>1.00</i> | <i>2.65</i> | <i>3.65</i> |
| EPDD2106         | 34.50        | 58.00        | 23.50        | 0.07        | 1.97        | 2.04        |
| <i>including</i> | <i>39.40</i> | <i>45.00</i> | <i>5.60</i>  | <i>0.06</i> | <i>3.31</i> | <i>3.37</i> |
| EPDD2107         | 22.25        | 28.00        | 5.75         | 0.30        | 1.49        | 1.78        |
| EPDD2107         | 37.00        | 41.00        | 4.00         | 1.00        | 0.27        | 1.27        |
| EPDD2107         | 49.00        | 53.00        | 4.00         | 0.51        | 1.12        | 1.63        |
| EPDD2109         | 79.70        | 90.00        | 10.30        | 0.20        | 2.01        | 2.21        |
| <i>including</i> | <i>87.00</i> | <i>90.00</i> | <i>3.00</i>  | <i>0.48</i> | <i>2.97</i> | <i>3.45</i> |
| EPDD2115         | 31.00        | 33.00        | 2.00         | 1.24        | 4.70        | 5.94        |
| EPDD2115         | 36.00        | 40.00        | 4.00         | 2.92        | 2.77        | 5.69        |

**Table 1: Significant intercepts > 1% Pb+ Zn, from the diamond drilling program at Pillara East**

Two styles of mineralisation were intercepted. The first is a tectonically controlled breccia developed in fault zones within platform facies carbonates. The mineralised breccia show limestone clasts rimmed by sphalerite, galena, marcasite, and occasional sparry calcite (Figure 1). The style of mineralisation is reminiscent of the Pillara deposit. The second style is high-angle vein and crackle breccia zones within platform and fore-reef facies carbonates. This mineralisation is generally higher in lead with only minor marcasite and calcite (Figure 2). This style of mineralisation is similar to that seen at several places along the Lennard Shelf including the Gap Creek Prospect.



**Figure 1: Sphalerite-rich breccia-style mineralisation - EPDD2101: 1.20m @ 4.28% Zn + Pb from 34.8m.**

**ALBION RESOURCES LIMITED  
DIRECTORS' REPORT**

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**Figure 2: Sphalerite & galena-rich high angle-style mineralisation - EPDD2115:1m @ 8.04% Zn + Pb from 38m.**

The Company believes the assay results confirm a mineralised system is present and highlight the potential for discovering new areas of lead-zinc mineralisation associated with the Uncle Billy Fault.

**Leinster Project:**

The Leinster Project, located 30km southeast of Leinster, covers an area of 42km<sup>2</sup> and is prospective for nickel-copper. This strategic and significant tenement is along strike from Auroch Minerals the Horn and related Ni-Cu prospects and adjacent to BHP's Nickel West Weebo Ni deposit. Geophysical imagery indicates that the same ultramafic host rocks of the Horn Ni-Cu Prospect extend into Albion's tenement.

During the year, the Company completed a 1,500m maiden RC drill program along strike to Auroch's the Horn and related Ni-Cu prospects. The 10 hole program targeted anomalous magnetic features, interpreted as being associated with high-magnesium nickeliferous ultramafic rocks over a strike length of ~2.5km.

On 14 April 2022, the Company announced the assay results from its drilling program supporting the Company's geological interpretation that the magnetic bodies represented an ultramafic unit with several broad intersections of nickel. Significant intersections are shown in Table 2 below.

| Hole ID                 | From (m)  | To (m)    | Interval (m) | Ni %        |
|-------------------------|-----------|-----------|--------------|-------------|
| <b>21LRC004</b>         | <b>16</b> | <b>40</b> | <b>24</b>    | <b>0.31</b> |
| <b><i>including</i></b> | <b>20</b> | <b>28</b> | <b>8</b>     | <b>0.50</b> |
| 21LRC005                | 0         | 20        | 20           | 0.14        |
| 21LRC007                | 76        | 104       | 28           | 0.13        |
| 21LRC009                | 112       | 152       | 40           | 0.16        |
| 21LRC010                | 92        | 112       | 20           | 0.13        |

**Table 2: Significant intercepts > 0.1% Ni from the 2021 RC drilling program at Leinster.**

## ALBION RESOURCES LIMITED DIRECTORS' REPORT

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### **Corporate:**

On 23 December 2021, Mark Major was appointed as a non-executive director and Jonathan King resigned as a non-executive director.

Albion continues to assess other opportunities as they are presented with a view to adding to the discovery potential within the Company's portfolio of projects.

The Company has applied for the Mongers Lake Project, comprising tenement applications E59/2576 and E59/2641. The project covers the northern extents of the Retaliation Greenstone Belt located between the Mt Gibson and Rothsay Gold Projects, in the highly prospective Yalgoo region of Western Australia. Whilst the Company is not aware of any reason why the exploration licences will not be granted in due course, investors are cautioned that there is a risk the exploration licences will not be granted. The Company has commenced compilation of the historical exploration data and is planning for a site visit, to occur upon grant.

### ***Competent Persons Statement***

*The information in this report is based on and fairly represents information compiled by Mr Nigel Wilson, geologist, who is a Member of the Australian Institute of Geoscientists and employed by Albion Resources Pty Ltd, and is an accurate representation of the available data and studies for the Project. Mr Wilson has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Wilson consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.*

### **Significant Events after Reporting date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

## ALBION RESOURCES LIMITED DIRECTORS' REPORT

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### Information on Directors

#### **Mr Colin Locke** **Executive Chairman**

Mr Locke has 30 years' experience in business management, mining and financial services. During his career, Mr Locke has been directly involved in capital raisings, and/or mineral exploration expeditions in Indonesia, Russia, Republic of Congo, Gabon, Namibia, Malawi, Madagascar, Uganda and Zimbabwe. Accordingly, Mr Locke brings to stake holders a mining related background with business management, capital markets and international exploration success spanning over 30 years. Mr Locke is currently Executive Chairman of Krakatoa Resources Limited and a non-executive director of Rubix Resources Limited.

#### **Mr Mark Major** **Non-Executive Director**

Mr Major has more than 25 years of international mineral exploration and development experience ranging from grassroots programs to mine development and has extensive experience working with corporate transactions, project acquisitions and project generation. He has previously held Managing Director, Country Manager, senior operational management roles and been a technical consultant for various private and listed companies throughout his professional career. Mr Major has been involved with a many major and junior level companies having worked for Barrick, BHP, Glencore, Rio Tinto, WMC and various successful junior and mid-level resource companies.

#### **Mr David Palumbo** **Non-Executive Director and Company Secretary**

Mr Palumbo is a Chartered Accountant and graduate of the Australian Institute of Company Directors with over 15 years' experience across company secretarial, corporate advisory and financial management and reporting of ASX listed companies. Mr Palumbo is Head of Corporate Compliance at Mining Corporate Pty Ltd, where he has been actively involved in numerous corporate transactions. Mr Palumbo is currently company secretary for several ASX listed companies and a non-executive director of Krakatoa Resources Limited and Rubix Resources Limited.

### Interests in the Shares of the Company

As at the date of this report, the interests of the Directors in the securities of Albion Resources Limited were:

| <b>Directors</b>                     | <b>Ordinary Shares held</b> | <b>Options held</b> |
|--------------------------------------|-----------------------------|---------------------|
| C.Locke                              | 3,200,000                   | 1,600,000           |
| D.Palumbo                            | 3,700,000                   | 1,850,000           |
| M Major (appointed 23 December 2021) | -                           | -                   |
| J.King (ceased 23 December 2021)     | 1,500,000                   | -                   |

### Dividends

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

### REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each director of Albion Resources Limited and for the executives receiving the highest remuneration.



## ALBION RESOURCES LIMITED DIRECTORS' REPORT

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### 1. Employment Agreements

Under the terms of the executive agreement, Mr Locke's total remuneration package for the financial year ended 30 June 2022 was \$100,000 plus superannuation effective on admission to ASX (30 April 2021). The executive agreement may be terminated by either party in accordance with Company's constitution.

Appointments of non-executive directors David Palumbo and Mark Major are formalised in the form of service agreements between themselves and the Company. Their engagements have no fixed term but cease on their resignation or removal as a director in accordance with the Corporations Act 2001. Mr Palumbo is currently entitled to receive directors' fees of \$60,000 plus superannuation and Mr Major is currently entitled to receive directors' fees of \$40,000 per annum plus superannuation. Mr Major was appointed to the board on 23 December 2021, after Mr Jonathon King resigned from his position on the board. Mr King was entitled to \$40,000 per annum plus superannuation, and was engaged through his company Collective Prosperity Pty Ltd as a consultant to perform technical consulting services. Per the agreement he was entitled to \$130 per hour (exc GST), and/or a daily rate of \$1,100 (exc GST) for site related travel.

### 2. Remuneration policy

The Company's remuneration policy has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Company, as well as create goal congruence between directors, executives and shareholders.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the Company is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the board.
- All executives receive a base salary (which is based on factors such as length of service and experience), superannuation and are entitled to the issue of share options.
- Incentive paid in the form of share options are intended to align the interests of directors and Group with those of the shareholders.

The performance of executives is measured against criteria agreed annually with each executive and is based predominantly on the forecast growth of the Company's shareholders' value. The board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the employee share and option arrangements. All remuneration paid to directors and executives is valued at the cost to the Company and expensed to exploration expenditure as appropriate. Options, if given to directors and executives in lieu of remuneration, are valued using the Black-Scholes methodology. The board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The remuneration committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

The maximum aggregate amount of fees that can be paid to non-executive directors is \$250,000 per annum. Remuneration paid to executive directors is determined by the board. Fees for non-executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Group and are able to participate in the employee share option plan.

### 3. Performance-based remuneration

There is currently no performance-based remuneration policy in place.

**ALBION RESOURCES LIMITED**  
**DIRECTORS' REPORT**

**4. Details of remuneration for the year ended 30 June 2022**

The remuneration for each key management personnel of the Company during the financial year ended 30 June 2022 and 30 June 2021 was as follows:

| 2022                  | Short-term Benefits        | Post-employment Benefits | Other Long-term Benefits | Share based Payment |         | Total          | Performance Related | Value of Options Re-muneration |
|-----------------------|----------------------------|--------------------------|--------------------------|---------------------|---------|----------------|---------------------|--------------------------------|
| Key Management Person | Cash, salary & commissions | Super-annuation          | Other                    | Equity              | Options |                |                     |                                |
| Directors             | \$                         | \$                       | \$                       | \$                  | \$      | \$             | %                   | %                              |
| Colin Locke           | 100,000                    | 10,000                   | -                        | -                   | -       | 110,000        | -                   | -                              |
| David Palumbo         | 60,000                     | 6,000                    | -                        | -                   | -       | 66,000         | -                   | -                              |
| Jonathon King*        | 19,909                     | 1,991                    | -                        | -                   | -       | 21,900         | -                   | -                              |
| Mark Major**          | 21,075                     | 2,107                    | -                        | -                   | -       | 23,182         | -                   | -                              |
|                       | <b>200,984</b>             | <b>20,098</b>            | -                        | -                   | -       | <b>221,082</b> | -                   | -                              |

  

| 2021                  | Short-term Benefits        | Post-employment Benefits | Other Long-term Benefits | Share based Payment |         | Total         | Performance Related | Value of Options Re-muneration |
|-----------------------|----------------------------|--------------------------|--------------------------|---------------------|---------|---------------|---------------------|--------------------------------|
| Key Management Person | Cash, salary & commissions | Super-annuation          | Other                    | Equity              | Options |               |                     |                                |
| Directors             | \$                         | \$                       | \$                       | \$                  | \$      | \$            | %                   | %                              |
| Colin Locke           | 16,667                     | 1,583                    | -                        | -                   | -       | 18,250        | -                   | -                              |
| David Palumbo         | 10,000                     | 950                      | -                        | -                   | -       | 10,950        | -                   | -                              |
| Jonathon King         | 6,667                      | 633                      | -                        | -                   | -       | 7,300         | -                   | -                              |
|                       | <b>33,334</b>              | <b>3,166</b>             | -                        | -                   | -       | <b>36,500</b> | -                   | -                              |

**5. Equity holdings of key management personnel**

**Shareholdings**

Number of shares held by key management personnel during the financial year ended 30 June 2022 was as follows:

| 2022             | Balance 1.7.2021 No. | Received as Compensation No. | Options Exercised No. | Net Change Other No. | Balance 30.6.2022 No. |
|------------------|----------------------|------------------------------|-----------------------|----------------------|-----------------------|
| <b>Directors</b> |                      |                              |                       |                      |                       |
| Colin Locke      | 3,200,000            | -                            | -                     | -                    | 3,200,000             |
| David Palumbo    | 3,700,000            | -                            | -                     | -                    | 3,700,000             |
| Jonathon King*   | 1,500,000            | -                            | -                     | -                    | 1,500,000             |
| Mark Major       | -                    | -                            | -                     | -                    | -                     |
| <b>Total</b>     | <b>8,400,000</b>     | -                            | -                     | -                    | <b>8,400,000</b>      |

## ALBION RESOURCES LIMITED DIRECTORS' REPORT

### Option holdings

Number of options held by key management personnel during the financial year ended 30 June 2022 was as follows:

| 2022             | Balance<br>1.7.2021<br>No. | Received as<br>Compensation<br>No. | Options<br>Expired<br>No. | Net Change<br>Other<br>No. | Balance<br>30.6.2022<br>No. |
|------------------|----------------------------|------------------------------------|---------------------------|----------------------------|-----------------------------|
| <b>Directors</b> |                            |                                    |                           |                            |                             |
| Colin Locke      | -                          | -                                  | -                         | 1,600,000                  | 1,600,000                   |
| David Palumbo    | -                          | -                                  | -                         | 1,850,000                  | 1,850,000                   |
| Jonathon King    | -                          | -                                  | -                         | -                          | -                           |
| Mark Major       | -                          | -                                  | -                         | -                          | -                           |
| <b>Total</b>     | -                          | -                                  | -                         | 3,450,000                  | 3,450,000                   |

\*Jonathon King resigned from his position as Non-Executive Director effective 23 December 2021, and was paid director fees until the date of his resignation.

\*\*Mark Major was appointed a Non-Executive Director of the Company on 23 December 2021.

### 6. Other transactions with key management personnel

During the year ended 30 June 2022, Collective Prosperity Pty Ltd, an entity which Jonathan King is a director, invoiced for consulting fees of \$91,638 plus GST for services performed in line with the scope of the agreement (2021: \$10,322 plus GST) . The services were provided on arm's length terms.

There were no other transactions with key management personnel during the 2022 financial year.

### 7. Equity instruments granted as compensation

There were no other equity instruments granted as compensation during the year.

**End of "Remuneration Report (Audited)"**

## ALBION RESOURCES LIMITED

### DIRECTORS' REPORT

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#### Directors' Meetings

The number of directors' meetings and the number of meetings attended by each of the directors of the Company for the time the director held office during the financial year are as follows:

| Director   | No. eligible to attend | No. attended |
|------------|------------------------|--------------|
| C. Locke   | 1                      | 1            |
| D. Palumbo | 1                      | 1            |
| M. Major   | -                      | -            |
| J. King    | -                      | -            |

#### Indemnification and Insurance of Officers

The Company has entered into deeds of indemnity with each director and the company secretary whereby, to the extent permitted by the Corporations Act 2001, the Company agreed to indemnify each director against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

The Company has paid premiums to insure each of the directors and the company secretary against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The disclosure of the amount of the premium is prohibited by the insurance policy.

#### Indemnity and Insurance of Auditor

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

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

#### Proceedings on Behalf of the Company

No person has applied for leave of 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 or any part of those proceedings.

#### Share Options

At the date of this report, Albion Resources Limited has 28,000,000 options exercisable at \$0.25 on or before 29 September 2023 and 3,500,000 options exercisable at \$0.25 on or before 21 January 2024 on issue.

#### Environmental Regulation

The Directors are mindful of the regulatory regime in relation to the impact of the organisation's activities on the environment. There have been no known breaches of any environmental regulation by the Company during the financial year.

#### Future Developments

Further information, other than as disclosed this report, about likely developments in the operations of the Company and the expected results of those operations in future years, has not been included in this report as disclosure of this information would be likely to result in unreasonable prejudice to the Company.

#### Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors support, and adhere to, good corporate governance practices. Refer to the Company's Corporate Governance Statement at <https://albionresources.com.au/corporate-governance-policies/>

## **ALBION RESOURCES LIMITED DIRECTORS' REPORT**

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### **Non-Audit Services**

There were, no additional fees were paid to Hall Chadwick WA Audit Pty Ltd to provide Independent Assurance services in relation to the Company's prospectus and listing during the year.

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

### **Auditor Independence**

Section 307C of the Corporations Act 2001 requires our auditors, Hall Chadwick WA Audit Pty Ltd to provide the Directors of the Company with an Independence Declaration in relation to the audit of this financial report. The Directors have received the Independence Declaration which has been included within this financial report.

Signed in accordance with a resolution of the directors:



**Mr Colin Locke**  
**Executive Chairman**

Dated this 28<sup>th</sup> day of September 2022

To the Board of Directors

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the audit of the financial statements of Albion Resources Limited for the financial year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully,



**HALL CHADWICK WA AUDIT PTY LTD**



**D M BELL CA**  
**Director**

Dated this 28<sup>th</sup> day of September 2022  
Perth, Western Australia

**ALBION RESOURCES LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|   | <b>Note</b> | <b>2022<br/>\$</b>        | <b>2021<br/>\$</b>      |
|---|-------------|---------------------------|-------------------------|
| Other Income  | 4(a)        | 16,715                    | -                       |
| Exploration, evaluation and tenement acquisition expense  | 4(b)        | (1,480,596)               | (248,240)               |
| Directors' fees   | 14          | (221,082)                 | (36,500)                |
| Corporate compliance expense                              |             | (203,359)                 | (97,079)                |
| Administration expense                                    |             | (74,939)                  | (63,384)                |
| Share based payment expense                               | 13          | (156,322)                 | -                       |
| Depreciation  |             | (17,945)                  | -                       |
| <b>Profit/(loss) before income tax</b>                    |             | <b><u>(2,137,528)</u></b> | <b><u>(445,203)</u></b> |
| Income tax expense  | 5           | -                         | -                       |
| Net profit/(loss) for the year                            |             | <b>(2,137,528)</b>        | <b>(445,203)</b>        |
| Other comprehensive income                                |             | -                         | -                       |
| Total comprehensive income/(loss) for the year            |             | <b><u>(2,137,528)</u></b> | <b><u>(445,203)</u></b> |
| <b>Basic and diluted loss per share (cents per share)</b> | 22          | <b>(4.86)</b>             | <b>(1.98)</b>           |

The accompanying notes form part of these financial statements

**ALBION RESOURCES LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

|                                      | Note | 2022<br>\$       | 2021<br>\$       |
|--------------------------------------|------|------------------|------------------|
| <b>ASSETS</b>                        |      |                  |                  |
| <b>CURRENT ASSETS</b>                |      |                  |                  |
| Cash and cash equivalents            | 6    | 2,505,826        | 4,544,380        |
| Trade and other receivables          | 7    | 32,608           | 44,244           |
| Other Assets                         | 8    | 22,626           | 10,725           |
| <b>TOTAL CURRENT ASSETS</b>          |      | <b>2,561,060</b> | <b>4,599,349</b> |
| <b>NON CURRENT ASSETS</b>            |      |                  |                  |
| Right of Use Asset                   | 10a  | 143,560          | -                |
| <b>TOTAL NON CURRENT ASSETS</b>      |      | <b>143,560</b>   | <b>-</b>         |
| <b>TOTAL ASSETS</b>                  |      | <b>2,704,620</b> | <b>4,599,349</b> |
| <b>LIABILITIES</b>                   |      |                  |                  |
| <b>CURRENT LIABILITIES</b>           |      |                  |                  |
| Trade and other payables             | 9    | 93,637           | 136,405          |
| Provisions                           |      | 4,872            | -                |
| Lease Liability                      | 10b  | 50,100           | -                |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <b>148,609</b>   | <b>136,405</b>   |
| <b>NON CURRENT LIABILITIES</b>       |      |                  |                  |
| Lease Liability                      | 10b  | 95,578           | -                |
| <b>TOTAL NON CURRENT LIABILITIES</b> |      | <b>95,578</b>    | <b>-</b>         |
| <b>TOTAL LIABILITIES</b>             |      | <b>244,187</b>   | <b>136,405</b>   |
| <b>NET ASSETS / (DEFICIT)</b>        |      | <b>2,460,433</b> | <b>4,462,944</b> |
| <b>EQUITY</b>                        |      |                  |                  |
| Issued Capital                       | 11   | 4,611,308        | 4,654,613        |
| Reserves                             | 12   | 516,441          | 338,119          |
| Accumulated losses                   |      | (2,667,316)      | (529,788)        |
| <b>TOTAL EQUITY</b>                  |      | <b>2,460,433</b> | <b>4,462,944</b> |

The accompanying notes form part of these financial statements



**ALBION RESOURCES LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|   | Note | 2022<br>\$              | 2021<br>\$              |
|---|------|-------------------------|-------------------------|
| <b>Cash flows from operating activities</b>                 |      |                         |                         |
| Receipts from other income                                  |      | 16,715                  | -                       |
| Payments to suppliers and employees                         |      | (479,036)               | (182,368)               |
| Payments for exploration and evaluation expenditure         |      | (1,538,374)             | (208,694)               |
| <b>Net cash flows (used in) operating activities</b>        | 17   | <u>(2,000,695)</u>      | <u>(391,062)</u>        |
| <b>Cash flows from financing activities</b>                 |      |                         |                         |
| Proceeds from borrowings                                    |      | -                       | 1,000                   |
| Loans repaid by the entity                                  |      | -                       | (41,408)                |
| Proceeds from issue of shares in the Company (net of costs) |      | (16,554)                | 4,975,228               |
| Proceeds from issue of options (net of costs)               |      | (21,305)                | -                       |
| <b>Net cash flows (used in) / from financing activities</b> |      | <u>(37,859)</u>         | <u>4,934,820</u>        |
| Net (decrease)/ increase in cash and cash equivalents       |      | (2,038,554)             | 4,543,758               |
| Cash and cash equivalents at the beginning of the year      |      | 4,544,380               | 622                     |
| <b>Cash and cash equivalents at the end of the year</b>     | 6    | <u><u>2,505,826</u></u> | <u><u>4,544,380</u></u> |

The accompanying notes form part of these financial statements

**ALBION RESOURCES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|   | Issued Capital   | Reserves       | Accumulated Losses | Total              |
|---|------------------|----------------|--------------------|--------------------|
|   | \$               | \$             | \$                 | \$                 |
| <b>Balance at 1 July 2020</b>   | <b>34,058</b>    | -              | <b>(84,585)</b>    | <b>(50,527)</b>    |
| Loss for the year   | -                | -              | (445,203)          | (445,203)          |
| Other comprehensive income  | -                | -              | -                  | -                  |
|   | -                | -              | <b>(445,203)</b>   | <b>(445,203)</b>   |
| Transactions with equity holders in their capacity as owners              |                  |                |                    |                    |
| Options issued during the year  | -                | 338,119        | -                  | <b>338,119</b>     |
| Issue of shares (net of costs)  | 4,620,555        | -              | -                  | <b>4,620,555</b>   |
| <b>Total transactions with equity holders in their capacity as owners</b> | <b>4,620,555</b> | <b>338,119</b> | -                  | <b>4,958,674</b>   |
| <b>Balance at 30 June 2021</b>  | <b>4,654,613</b> | <b>338,119</b> | <b>(529,788)</b>   | <b>4,462,944</b>   |
| <b>Balance at 1 July 2021</b>   | <b>4,654,613</b> | <b>338,119</b> | <b>(529,788)</b>   | <b>4,462,944</b>   |
| Loss for the year   | -                | -              | (2,137,528)        | <b>(2,137,528)</b> |
| Other comprehensive income  | -                | -              | -                  | -                  |
|   | -                | -              | <b>(2,137,528)</b> | <b>(2,137,528)</b> |
| Transactions with equity holders in their capacity as owners              |                  |                |                    |                    |
| Options issued during the year (net of costs)                             | (43,305)         | 178,322        | -                  | <b>135,017</b>     |
| Issue of shares (net of costs)  | -                | -              | -                  | -                  |
| <b>Total transactions with equity holders in their capacity as owners</b> | <b>(43,305)</b>  | <b>178,322</b> | -                  | <b>135,017</b>     |
| <b>Balance at 30 June 2022</b>  | <b>4,611,308</b> | <b>516,441</b> | <b>(2,667,316)</b> | <b>2,460,433</b>   |

The accompanying notes form part of these financial statements

**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**1. CORPORATE INFORMATION**

This financial report of Albion Resources Limited ("Company") was authorised for issue in accordance with a resolution of the directors on 28 September 2022.

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected financial assets for which the fair value basis of accounting has been applied. All amounts are presented in Australian dollars unless otherwise stated.

**(b) Accounting Standards that are mandatorily effective for the current reporting year**

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2021.

The Directors have determined that there is no material impact from new and revised Accounting Standards and Interpretations on the Company and, therefore, no material change is necessary to Company accounting policies.

At the date of authorisation of the financial statements, the Company has not applied the new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective. Based on a preliminary review of the standards and amendments, the Directors do not anticipate a material change to the Company's accounting policies, however further analysis will be performed when the relevant standards are effective.

**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**(c) Segment Reporting**

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision makers to make decisions about resources to be allocated to the segments and assess their performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues.

Operating segments have been identified based on the information presented to the chief operating decision makers – being the Board of Directors.

Information about other business activities and operating segments that do not meet the quantitative criteria set out in AASB 8 "Operating Segments" are combined and disclosed in a separate category called "other".

**(d) Exploration and Evaluation Assets**

Exploration and evaluation expenditure in relation to the Company's mineral tenements is expensed as incurred. When the Directors decide to progress the development of an area of interest all further expenditure incurred relating to the area will be capitalised. Projects are advanced to development status and classified as mine development when it is expected that further expenditure can be recouped through sale or successful development and exploitation of the area of interest. Such expenditure is carried forward up to commencement of production at which time it is amortised over the life of the economically recoverable reserves. All projects are subject to detailed review on an annual basis and accumulated costs written off to the extent that they will not be recoverable in the future.

**(e) Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

**(f) Trade and Other Payables**

Liability for trade creditors and other amounts are carried at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed.

**(g) Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days. The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been Company based on days overdue.

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

**(h) Borrowings**

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

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a current liability until extinguished on conversion or redemption as the maturity date is within 12 months. The corresponding interest on convertible notes is expensed to profit or loss.

**(i) Leases**

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

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

**(j) Issued Capital**

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

**(k) Revenue Recognition**

The Company recognises revenue as follows:

*Interest*

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

*Other revenue*

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

**(l) Income Tax**

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised, except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the financial period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same tax authority.

**(m) Investments and other financial assets**

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is

determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

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

*Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

*Financial assets at fair value through other comprehensive income*

Financial assets at fair value through other comprehensive income include equity investments which the Company intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

*Impairment of financial assets*

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

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**(n) Impairment of Assets**

At the end of each reporting period, the directors assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Accounting Standard.

Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

**(o) Goods and Services Tax ("GST")**

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

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

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

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

**(p) Employee Benefits**

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

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**(q) Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

**Share-based payment transactions**

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

**3. SEGMENT INFORMATION**

The Company has identified its operating segments based on the internal reports that are used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments are identified by the Board based on the phase of operation within the mining industry. For management purposes, the Company has organised its operations into two reportable segments on the basis of stage of development as follows:

- Development assets; and
- Exploration and evaluation assets, which includes assets that are associated with the determination and assessment of the existence of commercial economic reserves.

The Board as a whole will regularly review the identified segments in order to allocate resources to the segment and to assess its performance.

During this financial year, the Company had no development assets. The Board considers that it has only operated in one segment, being mineral exploration.

**4. REVENUE AND EXPENSES**

|   | <b>2022</b>      | <b>2021</b>    |
|---|------------------|----------------|
|   | <b>\$</b>        | <b>\$</b>      |
| <b>(a) Revenue</b>  |                  |                |
| Other Income  | 16,715           | -              |
|   | <u>16,715</u>    | <u>-</u>       |
| <b>(b) Exploration, evaluation and tenement acquisition expense</b> |                  |                |
| General exploration and evaluation                                  | 1,480,596        | 248,240        |
|   | <u>1,480,596</u> | <u>248,240</u> |



**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**5. INCOME TAX**

Major components of income tax expense are:

|   | 2022 | 2021 |
|---|------|------|
|   | \$   | \$   |
| Income tax expense reported in the statement of profit or loss and other comprehensive income | -    | -    |

A reconciliation of income tax expense applicable to accounting loss before income tax at the statutory income tax rate to income tax expense at the Company's effective income tax rate is as follows:

|   | 2022        | 2021      |
|---|-------------|-----------|
|   | \$          | \$        |
| Net profit/(loss) before income tax expense   | (2,137,528) | (445,203) |
| Prima facie tax calculated at 25% (2021: 26%) | (534,382)   | (115,753) |
| Non-deductible expenses                       | 2,820       | 3,065     |
| Tax losses carried forward                    | 531,562     | 112,688   |
| Income tax expense                            | -           | -         |
| Unrecognised tax losses                       |             |           |
| Revenue losses                                | 2,638,550   | 512,301   |

**Availability of Tax Losses**

The availability of the tax losses for future years is uncertain and will be dependent on the Company satisfying strict requirements with respect to continuity of ownership and the same business test imposed by income tax legislation.

The recoupment of available tax losses as at 30 June 2022 is contingent upon the following:

- (a) the Company deriving future assessable income of a nature and of an amount sufficient to enable the benefit from the losses to be realised;
- (b) the conditions for deductibility imposed by income tax legislation continuing to be complied with; and
- (c) there being no changes in income tax legislation which would adversely affect the Company from realising the benefit from the losses.

Given the Company is currently in a loss making position, a deferred tax asset has not been recognised with regard to unused tax losses, as it has not been determined that the Company will generate sufficient taxable profit against which the unused tax losses can be utilised.

**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**6. CASH AND CASH EQUIVALENTS**

|                          | <b>2022</b>      | <b>2021</b>      |
|--------------------------|------------------|------------------|
|                          | <b>\$</b>        | <b>\$</b>        |
| Cash at bank and in hand | 2,505,826        | 4,544,380        |
|                          | <u>2,505,826</u> | <u>4,544,380</u> |

Cash at bank and in hand earns interest at floating rates based on daily at call bank deposit and savings rates.

**7. TRADE AND OTHER RECEIVABLES**

|                | <b>2022</b>   | <b>2021</b>   |
|----------------|---------------|---------------|
|                | <b>\$</b>     | <b>\$</b>     |
| GST receivable | 32,608        | 44,244        |
|                | <u>32,608</u> | <u>44,244</u> |

**8. OTHER ASSETS**

|             | <b>2022</b>   | <b>2021</b>   |
|-------------|---------------|---------------|
|             | <b>\$</b>     | <b>\$</b>     |
| Prepayments | 22,626        | 10,725        |
|             | <u>22,626</u> | <u>10,725</u> |

**9. TRADE AND OTHER PAYABLES**

|                          | <b>2022</b>   | <b>2021</b>    |
|--------------------------|---------------|----------------|
|                          | <b>\$</b>     | <b>\$</b>      |
| Trade and other payables | 93,637        | 136,405        |
|                          | <u>93,637</u> | <u>136,405</u> |

Trade creditors, excluding related party payables, are expected to be paid on 30 day terms.

**10. LEASES**

|                                      | <b>2022</b>    | <b>2021</b> |
|--------------------------------------|----------------|-------------|
|                                      | <b>\$</b>      | <b>\$</b>   |
| <b>a) Right-of-use asset</b>         |                |             |
| Balance at the beginning of the year | -              | -           |
| Additions                            | 161,505        | -           |
| Depreciation                         | (17,945)       | -           |
| Balance at the end of the year       | <u>143,560</u> | <u>-</u>    |
| Non-Current                          | 143,560        | -           |
| Total                                | <u>143,560</u> | <u>-</u>    |

**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|                             | <b>2022</b> | <b>2021</b> |
|-----------------------------|-------------|-------------|
|                             | <b>\$</b>   | <b>\$</b>   |
| <b>b) Lease liabilities</b> |             |             |
| Office lease                | 145,678     | -           |
| Current                     | 50,100      | -           |
| Non-Current                 | 95,578      | -           |
| Total                       | 145,678     | -           |

On 1 March 2022, the Company entered into a lease agreement for a premises on Level 4, 172 St Georges Terrace, Perth WA 6000 on a 3 year term.

**11. ISSUED CAPITAL**

|   | <b>2022</b>  | <b>2021</b> |
|---|--------------|-------------|
|   | <b>\$</b>    | <b>\$</b>   |
| <b>Ordinary shares</b>                        |              |             |
| Issued and fully paid                         | 4,611,308    | 4,654,613   |
|   | <i>No.</i>   | <b>\$</b>   |
| Movement in ordinary shares on issue          |              |             |
| At 30 June 2020 (pre-consolidation)           | 31,700,000   | 34,058      |
| Issue of seed shares – 9 September 2020       | 13,000,000   | 390,000     |
| Issue of seed shares – 1 February 2021        | 2,800,000    | 112,000     |
| 2.5 to 1 share consolidation                  | (28,500,000) | -           |
| Issue of shares on IPO – date 16 April 2021   | 25,000,000   | 5,000,000   |
| Less transaction costs                        | -            | (881,445)   |
| At 30 June 2021                               | 44,000,000   | 4,654,613   |
| Transaction costs related to issue of options | -            | (43,305)    |
| At 30 June 2022                               | 44,000,000   | 4,611,308   |

**12. RESERVES**

|  | <b>2022</b> | <b>2021</b> |
|--|-------------|-------------|
|  | <b>\$</b>   | <b>\$</b>   |
| <b>Share based payment reserve (a)</b>                               | 494,441     | 338,119     |
| <b>Options reserve (b)</b>   | 22,000      | -           |
|  | 516,441     | 338,119     |
| <b>(a) Movement in share based payments reserve</b>                  |             |             |
|  | <i>No.</i>  | <b>\$</b>   |
| Balance at 1 July 2021   | 3,000,000   | 338,119     |
| Employee options issue – 17 September 2021 (Refer Note 13i)          | 500,000     | 51,020      |
| Corporate advisory options issue – 11 October 2021 (Refer Note 13ii) | 6,000,000   | 105,302     |
| Balance as at 30 June 2022   | 9,500,000   | 494,441     |

**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**(b) Options reserve**

On 13 August 2021, the Company announced a non-renounceable entitlement issue of options to eligible shareholders on the basis one (1) option ("Loyalty Option") for every two (2) ordinary shares held by eligible shareholders at 5pm (WST) on the Record Date of 18 August 2021 ("Record Date") at an issue price of A\$0.001 (0.1 cents) per Loyalty Option ("Entitlement Offer"). On 9 September 2021, a total of 22,000,000 options exercisable at \$0.25 on or before 29 September 2023 were issued raising \$22,000 before costs.

**13. SHARE BASED PAYMENTS**

The following shares based payments occurred during the financial year ended 30 June 2022:

- (i) 500,000 options were issued to employees under the Company's Employee Securities Incentive Plan on 17 September 2021. The options are exercisable at \$0.25 on or before 21 January 2024 and vest after a 12 month service period. A pro-rata share based payment expense of \$51,020 has been recognised for the financial year ended 30 June 2022.
- (ii) 6,000,000 options were issued to Alignment Capital as consideration for their two year appointment as corporate advisors to the Company on 11 October 2021. The options are exercisable at \$0.25 on or before 29 September 2023 and are subject to 12 month voluntary escrow. A pro-rata share based payment expense of \$105,302 has been recognised for the financial year ended 30 June 2022.

| Grant Date/entitlement     | Number of Instruments | Grant Date | Expiry Date | Exercise Price | Fair value per instrument \$ | Value \$ |
|----------------------------|-----------------------|------------|-------------|----------------|------------------------------|----------|
| Employee Options           | 500,000               | 17/09/2021 | 21/04/2024  | \$0.25         | 0.13                         | 65,112   |
| Corporate Advisory Options | 6,000,000             | 11/10/2021 | 29/09/2023  | \$0.25         | 0.049                        | 294,000  |

Employee options issued during the period were calculated using the Black-scholes option pricing model with the following inputs:

|   | Options granted Range |
|---|-----------------------|
| Expected volatility (%)                           | 100%                  |
| Risk free interest rate (%)                       | 0.01%                 |
| Weighted average expected life of options (years) | 2.3                   |
| Expected dividends                                | Nil                   |
| Option exercise price (\$)                        | \$0.25                |

Corporate Advisory options issued during the period were calculated with reference to the listed options market price (ASX: ALBO) which were on the same terms.

There were 31,500,000 total options on issue exercisable for the financial year ended 30 June 2022. The weighted average exercise price of these options is \$0.25 (2021: \$0.25)

**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**14. DIRECTORS AND EXECUTIVE DISCLOSURES**

**Remuneration of Key Management Personnel**

The totals of remuneration paid to the KMP of the Company during the year are as follows:

|                              | <b>2022</b>    | <b>2021</b>   |
|------------------------------|----------------|---------------|
|                              | <b>\$</b>      | <b>\$</b>     |
| Short-term employee benefits | 200,984        | 33,334        |
| Post employment benefits     | 20,098         | 3,166         |
| <b>Total remuneration</b>    | <b>221,082</b> | <b>36,500</b> |

**15. RELATED PARTY TRANSACTIONS**

***Amounts Payable to Related Parties***

During the year ended 30 June 2022, Collective Prosperity Pty Ltd, an entity which Jonathan King is a director, invoiced for consulting fees of \$91,638 plus GST for services performed in line with the scope of the agreement (2021: \$10,322 plus GST) . The services were provided on arm's length terms.

There were no other transactions with key management personnel during the 2022 financial year.

**16. AUDITORS' REMNERATION**

|                                     | <b>2022</b>   | <b>2021</b>   |
|-------------------------------------|---------------|---------------|
|                                     | <b>\$</b>     | <b>\$</b>     |
| Remuneration of the auditor for:    |               |               |
| - Auditing the financial statements | 26,000        | 10,500        |
| - Tax compliance services           | -             | 1,937         |
|                                     | <b>26,000</b> | <b>12,437</b> |

**17. CASHFLOW INFORMATION**

|   | <b>2022</b>        | <b>2021</b>      |
|---|--------------------|------------------|
|   | <b>\$</b>          | <b>\$</b>        |
| <b>Reconciliation from the net loss after tax to the net cash flows from operations</b> |                    |                  |
| Net profit/(loss) for the year  | (2,137,528)        | (445,203)        |
| Non-cash flows:   |                    |                  |
| Share based payments  | 156,322            | -                |
| <i>Changes in assets and liabilities:</i>   |                    |                  |
| Trade and other receivables   | 11,635             | (42,217)         |
| Other assets  | (11,900)           | (10,725)         |
| Trade and other payables  | (24,096)           | 107,083          |
| Provisions  | 4,872              | -                |
| Net cash from operating activities  | <b>(2,000,695)</b> | <b>(391,062)</b> |

**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's principal financial instruments comprise receivables, payables and cash which arise directly from its operations.

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 Company through regular reviews of the risks.

The main risks arising from the Company's financial instruments are interest rate risk, liquidity risk, and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

**Risk Exposures and Responses**

*Interest rate risk*

The Company generates income from interest on surplus funds. At reporting date, the Company had the following mix of financial assets and liabilities exposed to Australian variable interest rate risk that are not designated in cash flow hedges:

|                              | 2022<br>\$       | 2021<br>\$       |
|------------------------------|------------------|------------------|
| <b>Financial Assets</b>      |                  |                  |
| Cash and cash equivalents    | 2,505,826        | 4,544,380        |
| Trade and Other Receivables  | 32,608           | 44,244           |
| <b>Financial Liabilities</b> |                  |                  |
| Trade and Other Payables     | (93,637)         | (136,405)        |
| Net Financial Assets         | <u>2,444,797</u> | <u>4,452,219</u> |

*Interest rate sensitivity analysis*

The Company has no material interest rate risk.

*Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company's potential concentration of credit risk consists mainly of cash deposits with banks. The Company's short term cash surpluses are placed with banks that have investment grade ratings. The maximum credit risk exposure relating to the financial assets is represented by the carrying value as at the reporting date. The Company considers the credit standing of counterparties when making deposits to manage the credit risk.

*Liquidity risk*

The responsibility with liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained. The Company's policy is to ensure that it has sufficient cash reserves to carry out its planned exploration activities over the next 12 months.

*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 Company's income or the value of its holdings of financial instruments.

*Fair values*

Fair values of financial assets and liabilities are equivalent to carrying values due to their short terms to maturity.

**ALBION RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**19. COMMITMENTS**

In order to maintain current rights of tenure to Western Australia exploration tenements, the Company is required to perform minimum exploration requirements specified by the Department of Mines and Industry Regulation of \$202,500 (2021: \$136,000).

**20. EVENTS AFTER REPORTING DATE**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

**21. CONTINGENT LIABILITIES**

The Company has no contingent liabilities as at 30 June 2022 (2021:None).

**22. EARNINGS PER SHARE**

|  | <b>2022</b>  | <b>2021</b>  |
|--|--------------|--------------|
|  | <b>\$</b>    | <b>\$</b>    |
| Loss used to calculate basic EPS   | (2,137,528)  | (445,203)    |
|  | <b>No.</b>   | <b>No.</b>   |
| Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted EPS | 44,000,000   | 22,434,192   |
|  | <b>Cents</b> | <b>Cents</b> |
| Basic and diluted EPS  | (4.86)       | (1.98)       |

## ALBION RESOURCES LIMITED DIRECTORS' DECLARATION

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In accordance with a resolution of the directors of Albion Resources Limited, I state that:

1. In the opinion of the directors:

- (a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the year ended on that date.
  - (ii) complying with Australian Accounting Standards, International Financial Reporting Standards as issued by the International Accounting Standards Board and *Corporations Regulations 2001*.
- (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Board of Directors:



**Mr C Locke**  
**Executive Chairman**

Dated this 28<sup>th</sup> day of September 2022



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBION RESOURCES LIMITED

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Albion Resources Limited ("the Company"), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

- a. the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
  - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a).

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. 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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (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 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 year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter  | How our audit addressed the Key Audit Matter   |
|---|--|
| <p><b>Exploration Expenditure</b></p> <p>During the year the Company incurred exploration and evaluation expenditure of \$1,480,596.</p> <p>Exploration expenditure is a key audit matter due to the significance to the Company's statement of profit or loss and other comprehensive income.</p>  | <p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>• Testing exploration expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the Company's accounting policy and the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>; and</li> <li>• Assessing the Company's rights to tenure by corroborating to government registries.</li> </ul>   |
| <p><b>Accounting for Share Based Payments</b></p> <p>During the year ended 30 June 2022 the Company incurred share based payments expense of \$156,322.</p> <p>Share based payments are considered to be a key audit matter due to</p> <ul style="list-style-type: none"> <li>• the value of the transactions;</li> <li>• the complexities involved in the recognition and measurement of these instruments; and</li> <li>• the judgement involved in determining the inputs used in the valuations.</li> </ul> | <p>Our procedures amongst others included:</p> <ul style="list-style-type: none"> <li>• Analysing the key terms and conditions of share based payments issued and relevant vesting conditions in accordance with AASB 2 Share Based Payments;</li> <li>• Evaluating valuation models and assessing the assumptions and inputs used;</li> <li>• Assessing the amount recognised during the year in accordance with the vesting conditions of the agreements; and</li> <li>• Assessing the adequacy of the disclosures included in Note 13 to the financial statements.</li> </ul> |

## Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2022 but does not include the financial report and our auditor's report thereon.

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

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

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

## 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 Note 2(a), the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Company's ability 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 Company or to cease operations, or has no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2022. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

## Auditor's Opinion

In our opinion, the Remuneration Report of the Company, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.



**HALL CHADWICK WA AUDIT PTY LTD**



**D M BELL CA**

**Director**

Dated this 28<sup>th</sup> day of September 2022  
Perth, Western Australia

# ALBION RESOURCES LIMITED

## ASX INFORMATION

**AS AT 21 SEPTEMBER 2022**

The following additional information is required by the ASX Limited in respect of listed public companies and was applicable at 21 September 2022.

### 1. Shareholder and Option holder information

#### a. Number of Shareholders and Option Holders

##### *Shares*

As at 21 September 2022, there were 428 shareholders holding a total of 44,000,000 fully paid ordinary shares.

##### *Options*

As at 21 September 2022, there were 3,500,000 Unquoted Options exercisable at \$0.25 on or before 21 January 2024 held by 3 holders, 6,000,000 unquoted options exercisable at \$0.25 on or before 29 September 2023 and 22,000,000 quoted options exercisable at \$0.25 exercisable on or before 29 September 2023.

#### b. Distribution of Equity Securities

| <b>Fully paid ordinary shares</b> | <b>Number (as at 21 September 2022)</b> |                        |
|-----------------------------------|---|------------------------|
| <b>Category (size of holding)</b> | <b>Shareholders</b>                     | <b>Ordinary Shares</b> |
| 1 – 1,000                         | 19                                      | 3,539                  |
| 1,001 – 5,000                     | 79                                      | 261,230                |
| 5,001 – 10,000                    | 77                                      | 679,289                |
| 10,001 – 100,000                  | 188                                     | 7,049,632              |
| 100,001 – and over                | 65                                      | 36,006,310             |
|                                   | 428                                     | 44,000,000             |

The number of shareholdings held in less than marketable parcels is 104 shareholders amounting to 300,013 shares.

| <b>Listed Options expiring 29/09/2023</b> | <b>Number (as at 21 September 2022)</b> |                       |
|---|---|-----------------------|
| <b>Category (size of holding)</b>         | <b>Option holders</b>                   | <b>Listed Options</b> |
| 1 – 1,000                                 | 8                                       | 3,738                 |
| 1,001 – 5,000                             | 74                                      | 273,839               |
| 5,001 – 10,000                            | 32                                      | 253,770               |
| 10,001 – 100,000                          | 122                                     | 4,141,389             |
| 100,001 – and over                        | 32                                      | 17,327,264            |
|   | 268                                     | 22,000,000            |

The number of listed options held in less than marketable parcels is 193 amounting to 2,054,211 options.

**ALBION RESOURCES LIMITED**  
**ASX INFORMATION**

- c. The names of substantial shareholders listed in the company's register as at 21 September 2022 are:

| Shareholder   | Ordinary Shares | %Held of Total Ordinary Shares |
|---------------|-----------------|--------------------------------|
| David Palumbo | 3,700,000       | 8.41                           |
| Brian Byass   | 3,332,500       | 7.57                           |
| Colin Locke   | 3,200,000       | 7.27                           |

- d. Voting Rights

The voting rights attached to the ordinary shares are as follows:

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

- e. 20 Largest Shareholders as at 21 September 2022 — Ordinary Shares

|    |  | Number of Ordinary Fully Paid Shares Held | % Held of Issued Ordinary Capital |
|----|--|---|-----------------------------------|
| 1  | MR DAVID LEE PALUMBO   | 3,700,000                                 | 8.41                              |
| 2  | MR BRIAN PETER BYASS   | 3,332,500                                 | 7.57                              |
| 3  | MR COLIN KENNETH LOCKE   | 3,200,000                                 | 7.27                              |
| 4  | MS LAURA BAILEY  | 1,842,000                                 | 4.19                              |
| 5  | JAPL NOMINEES PTY LTD <JAPL INVESTMENT A/C>                        | 1,700,000                                 | 3.86                              |
| 6  | BROWNNARROWS PTY LTD <EJM A/C>                                     | 1,600,000                                 | 3.64                              |
| 7  | ASP CAPITAL MANAGEMENT PTY LTD <ABG FAMILY A/C>                    | 1,500,000                                 | 3.41                              |
| 7  | COLLECTIVE PROSPERITY PTY LTD                                      | 1,500,000                                 | 3.41                              |
| 9  | STEVSAID HOLDINGS PTY LTD <FORMICA HORTICULTURAL A/C>              | 1,383,923                                 | 3.15                              |
| 10 | HELMSDALE INVESTMENTS PTY LTD                                      | 1,360,000                                 | 3.09                              |
| 11 | MR PETER FRANCIS SCANLAN   | 1,065,000                                 | 2.42                              |
| 12 | MR JAMES OWEN STROGUSZ + MRS MALGORZATA STROGUSZ                   | 1,000,000                                 | 2.27                              |
| 13 | GUINA NOMINEES PTY LTD <THE BYASS SUPER FUND A/C>                  | 650,000                                   | 1.48                              |
| 14 | MR ANDRE SZARUKAN + MS ROSE BRANISKA <THE A & R SUPER FUND A/C>    | 616,932                                   | 1.40                              |
| 15 | COFFEE ENTERPRISES VIC PTY LTD <SELLECK FAMILY A/C>                | 565,531                                   | 1.29                              |
| 16 | EXP1 ASSET MANAGEMENT PTY LTD <EXP1 A/C>                           | 500,000                                   | 1.14                              |
| 16 | ARIEL KING   | 500,000                                   | 1.14                              |
| 18 | S PURI PTY LTD <PURI SUPER A/C>                                    | 450,000                                   | 1.02                              |
| 19 | MR JOHN JAMES JARDINE + MRS MARYKE JARDINE <J & M JARDINE S/F A/C> | 404,856                                   | 0.92                              |
| 20 | MS GEMMA MARIE ALDRIDGE  | 400,000                                   | 0.91                              |
|    |  | <b>27,270,742</b>                         | <b>61.98</b>                      |

**ALBION RESOURCES LIMITED**  
**ASX INFORMATION**

20 Largest Option holders as at 21 September 2022 – Listed Options

|    |   | <b>Number<br/>of Listed<br/>Options<br/>held</b> | <b>% Held of<br/>Listed<br/>Options</b> |
|----|---|--|---|
| 1  | MR DAVID LEE PALUMBO                              | 1,850,000  | 8.41                                    |
| 2  | MR COLIN KENNETH LOCKE                            | 1,600,000  | 7.27                                    |
| 3  | AUKERA CAPITAL PTY LTD <AUKERA DISCRETIONARY A/C> | 1,500,000  | 6.82                                    |
| 4  | JAPL NOMINEES PTY LTD <JAPL INVESTMENT A/C>       | 1,437,401  | 6.53                                    |
| 5  | CITYSIDE INVESTMENTS PTY LTD                      | 1,100,000  | 5.00                                    |
| 6  | MS LAURA BAILEY                                   | 921,000  | 4.19                                    |
| 7  | MR BRIAN PETER BYASS                              | 812,500  | 3.69                                    |
| 7  | MR BRIAN JOHN SHARP                               | 765,000  | 3.48                                    |
| 9  | SENTINEL CAPITAL PTY LTD                          | 700,000  | 3.18                                    |
| 10 | UNION SQUARE CAPITAL PTY LTD <ENDEAVOR A/C>       | 700,000  | 3.18                                    |
| 11 | HELMSDALE INVESTMENTS PTY LTD                     | 680,000  | 3.09                                    |
| 12 | CUMANI INVESTMENTS PTY LTD                        | 600,000  | 2.73                                    |
| 13 | LAKE SPRINGS PTY LTD <THE LAKE SPRINGS S/F A/C>   | 600,000  | 2.73                                    |
| 14 | ARCHFIELD HOLDINGS PTY LTD                        | 498,976  | 2.27                                    |
| 15 | MR JAMES OWEN STROGUSZ + MRS MALGORZATA STROGUSZ  | 469,000  | 2.13                                    |
| 16 | BROWNNARROWS PTY LTD <EJM A/C>                    | 428,500  | 1.95                                    |
| 16 | MR PETER FRANCIS SCANLAN                          | 365,000  | 1.66                                    |
| 18 | ARIEL KING  | 250,000  | 1.14                                    |
| 19 | DOMRAN INVESTMENTS PTY LTD                        | 200,000  | 0.91                                    |
| 20 | MR MATTHEW JAMES READ                             | 200,000  | 0.91                                    |
|    |   | <b>15,677,377</b>                                | <b>71.26</b>                            |

2. The name of the company secretary is David Palumbo.
3. The address of the principal registered office in Australia is:  
Level 8, 216 St Georges Terrace Perth WA 6000
4. Registers of securities are held at the following address:  
Computershare Investor Services Pty Ltd, Level 11, 172 St Georges Terrace, Perth WA 6000
5. Stock Exchange Listing  
Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the ASX Limited.



**ALBION RESOURCES LIMITED**  
**ASX INFORMATION**

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6. Use of Funds:

Between the date of listing on ASX and the date of this report the Company has used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives and as set out in the pursuant to the Prospectus dated 18 March 2021.

7. Restricted Securities:

The Company currently has the following restricted securities:

- 12,628,425 fully paid ordinary shares classified by ASX as restricted securities and to be held in escrow until 30 April 2023, being 24 months from the date of commencement of Official Quotation.
- 3,000,000 options exercisable at \$0.25 on or before 21 January 2024, classified by ASX as restricted securities and to be held in escrow until 30 April 2023, being 24 months from the date of commencement of Official Quotation.
- 6,000,000 options exercisable at \$0.25 on or before on or before 29 September 2023, subject to voluntary escrow until 10 October 2022 being 12 months from the date of issue.

**ALBION RESOURCES LIMITED  
TENEMENT SCHEDULE**

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| <b>Project</b> | <b>Sub-Project</b> | <b>Tenement</b> | <b>Status</b> | <b>% Held</b> |
|----------------|--------------------|-----------------|---------------|---------------|
| Lennard Shelf  | Pillara East       | E04/2499        | Granted       | 100%          |
| Lennard Shelf  | Pillara East       | E04/2637        | Granted       | 100%          |
| Lennard Shelf  | Pillara East       | E04/2672        | Granted       | 100%          |
| Lennard Shelf  | Prices Hill        | E04/2504        | Granted       | 100%          |
| Lennard Shelf  | Sadler Ridge       | E80/5352        | Granted       | 100%          |
| Leinster       | -                  | E36/1005        | Granted       | 100%          |
| Mongers Lake   | -                  | E59/2576        | Application   | -             |
| Mongers Lake   | -                  | E59/2641        | Application   | -             |