VENUS METALS
CORPORATION LIMITED

ABN 99 123 250 582

ANNUAL REPORT
2023

CORPORATE DIRECTORY

DIRECTORS

Peter Charles Hawkins
Non-Executive Chairman

Matthew Vernon Hogan
Managing Director

Barry Fehlberg
Non-Executive Director

Selvakumar Arunachalam
Executive Director

COMPANY SECRETARY

Patrick Tan

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

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AUDITOR

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AUSTRALIAN SECURITIES EXCHANGE

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Perth WA 6000
AUSTRALIA

ASX CODE: **VMC**

WEBSITE

www.venusmetals.com.au

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REVIEW OF OPERATIONS

During 2022-2023, Venus Metals Corporation Ltd (VMC, Venus or the Company) carried out exploration activities on its diverse portfolio of projects **(Figure 1)** focusing mainly on Lithium, Gold, Rare Earth and Base Metals. The highlights of these exploration activities are summarised below:

Figure 1. Location of Venus Metals Projects in Western Australia

1. YOUANMI GOLD PROJECT

Venus (VMC) and Rox Resources Limited (Rox) entered into a binding agreement in March 2023 to consolidate their respective ownership interests in the Youanmi Gold Project in Western Australia (refer RXL ASX release 31 March 2023). The transaction simplified the ownership structure for the Youanmi Gold Project.

After the balance date of this Annual Report, completion of the transaction occurred on 7 July 2023, Rox acquired Venus' gold interests in each of its Youanmi joint ventures (30% of OYG JV (all minerals), 45% of Youanmi JV and Currans Find JV, and 50% of Venus Metals JV) for consideration of 110 million fully paid ordinary shares in Rox ("Rox Shares"). Venus undertook an in-specie distribution of 55 million Rox shares to Venus shareholders on 12 July 2023, while retaining 55 million Rox shares, subject to 12 months voluntary escrow.

Venus's holding in Rox is 60 million shares being 16.67% of the issued capital, making VMC the major shareholder. Venus has retained its non-gold interests in all JV tenements (Youanmi JV, Currans Find JV and Venus Metals JV) (refer ASX release 7 July 2023). In addition, Venus holds 1% NSR Royalty over Youanmi Gold Mining Leases (ASX release 9 May 2023).

2. YOUANMI SOUTH LITHIUM PROJECT (100% Venus):

The Deep South Lithium Prospect is located in the southern part of tenement E57/1078, about 450 km NE of Perth and 44 km south from the Youanmi Gold Mine **(Figure 2).** Lithium mineralization was discovered by Venus following a regional Ultrafine (UF) soil sampling programme that outlined an extensive, 1.4km x 0.4km, northeasterly trending lithium (Li) anomaly (>110ppmLi; refer ASX release 6 July 2023). Lithium-rich pegmatite was first identified in two outcrops returning samples with 4.6 %Li2O and 3.26 % Li2O respectively (ASX release 24 August 2023). These results confirmed the potential for LCT mineralization along the largely unexplored central and southern parts of the GSWA interpreted c. 45km long "pegmatite trap zone" (ASX release 6 July 2023) wrapping around the western margin of the Youanmi greenstone belt and the Youanmi intrusion.

Geological mapping shows three main zones of outcropping Lithium-rich pegmatite over a 300m x 200m area. Referred to as Central Zone (up to 4.5 %Li2O), East Zone (up to 4.6 %Li2O), and North Zone (up to 4.6 %Li2O) **(Figure 3)** common areas of high Li grade are associated with coarse grained petalite (LiAlSi4O10), a lithium mineral with similar composition to spodumene (LiAl(SiO3)2) and known to occur with spodumene in other Lithium deposits in the region (e.g. Mt Holland) (refer ASX release 18 September 2023).

The Deep South mineralization is shaping up as a significant new lithium find and exploration has been accelerated to better understand the dimensions of the pegmatites and map the distribution of lithium minerals within them.

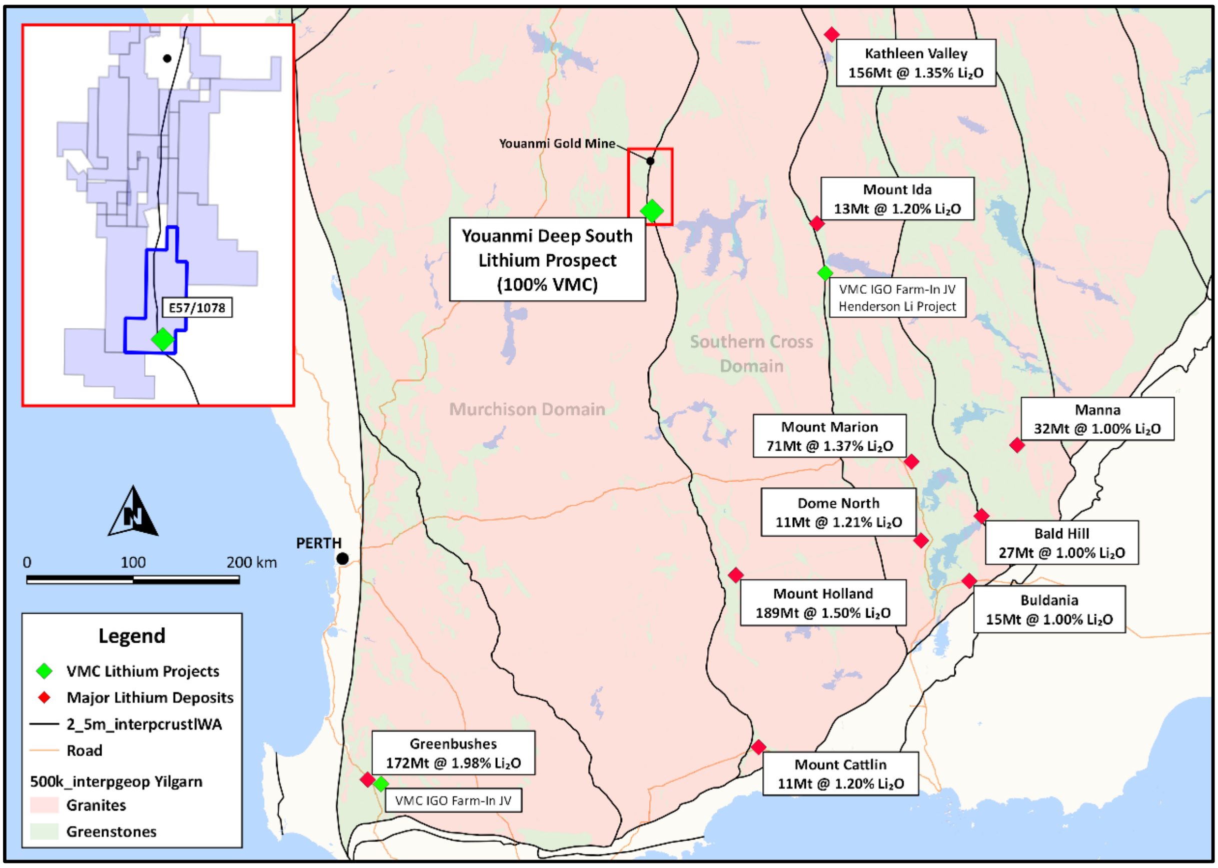

Figure 2. Youanmi Deep South Lithium Prospect. Location map with major Lithium deposits and tectonic boundaries of the Yilgarn Craton. Inset shows Youanmi tenements.

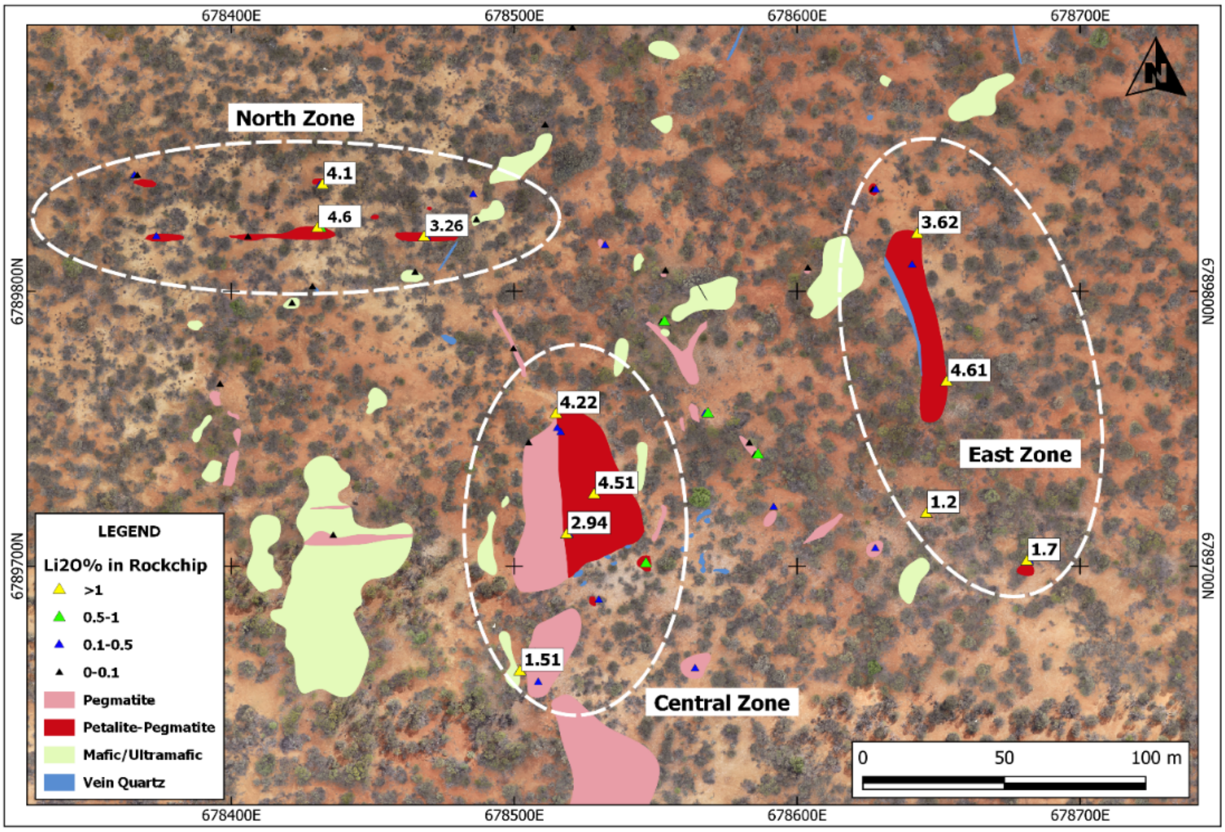

Figure 3. Youanmi Deep South Lithium Prospect. Mapped outcrop geology with rock chip sample locations over drone orthophoto.

3. HENDERSON NICKEL-LITHIUM PROJECT

The Henderson Project encompasses five granted tenements (E29/1112, E29/1120, E29/1121, E30/519, and E30/520). The project covers an area of approximately 800km[2] in the central section of the Western Australian Yilgarn Craton and includes about 25km strike length of the Mt Ida/ Ularring Greenstone Belt. This Greenstone Belt was historically known for its gold and nickel potential but more recently is also recognised as an emerging Lithium Province following the discovery of significant spodumene deposits near the historical Mt Ida Gold Mine by Delta Lithium Limited (DLI) (previously Red Dirt Metals- RDT ASX release 28 September 2021). Venus' Henderson Ni-Li Project is well positioned, bordering the DLI tenements to the south **(Figure 4).**

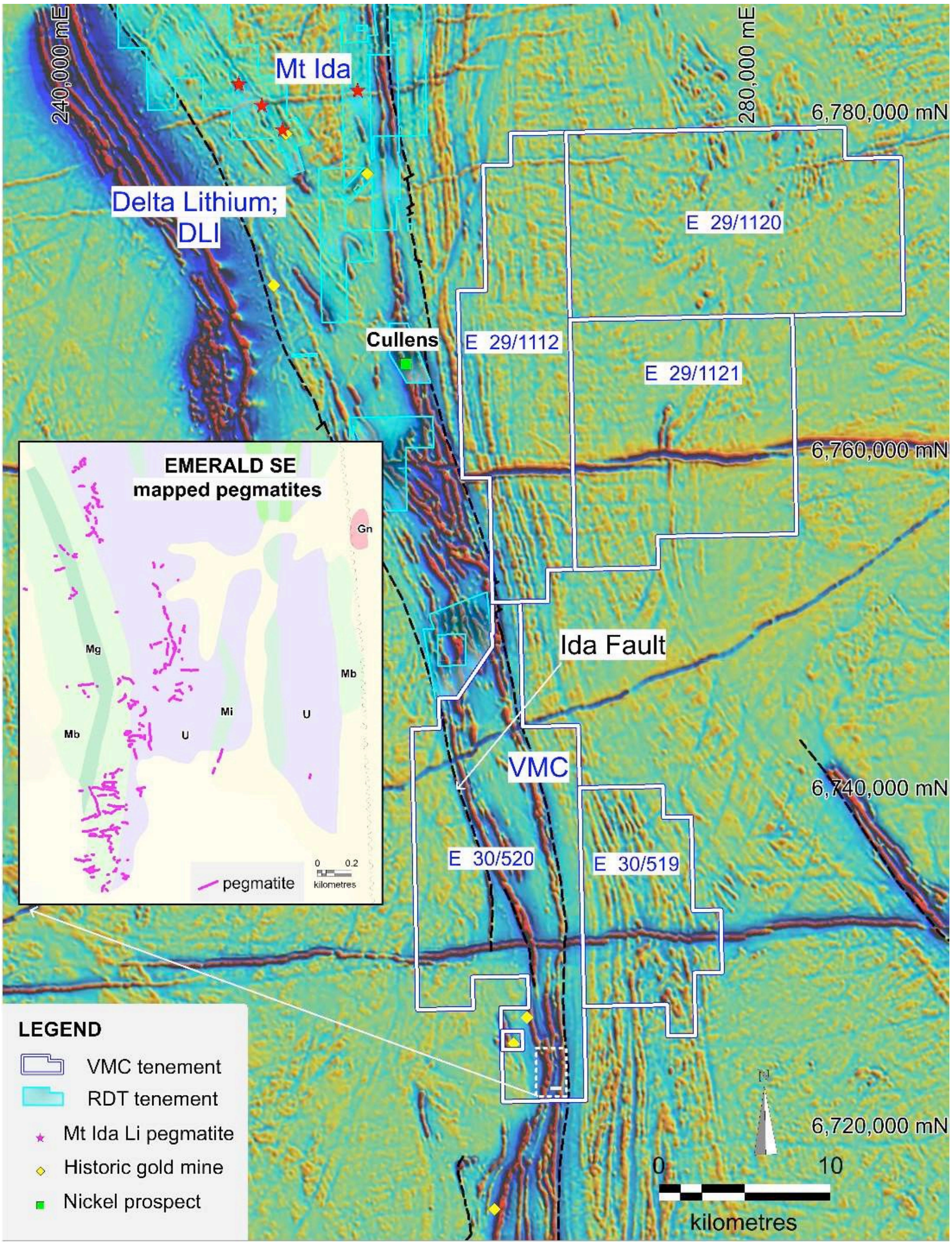

Figure 4. Henderson Project tenements over aeromagnetic image. Inset shows mapped pegmatites at the Emerald SE target area over simplified GSWA 100,000 scale outcrop geology.

Venus has entered a binding transaction with a subsidiary ("IGO Subsidiary") of IGO Limited (ASX: IGO) regarding exploration and, if warranted, development and mineral extraction at the Henderson Nickel-Lithium Project. The key terms are as follows:

Farm-in and Joint venture in which IGO Subsidiary can progressively acquire up to a 70% interest in the Project by incurring A$4,000,000 of exploration expenditure on the Project and reimbursing VMC A$1,000,000; IGO Subsidiary will sole fund all Joint Venture expenditure until the completion of a pre-feasibility study; If IGO Subsidiary completes a pre-feasibility study, it has the right to acquire Venus Subsidiary's 30% interest in the Project for a price based on fair market value less an apportioned aggregation of IGO Subsidiary expenditure incurred in relation to the Project; Should IGO Subsidiary elect not to acquire the 30% interest, the parties will continue to be associated in an unincorporated joint venture (refer ASX release 2 May 2023).

IGO commenced field activities including geological mapping and surface sampling at the Henderson Project. A site visit and associated project handover were conducted by geologists from IGO and VMC.

4. BRIDGETOWN GREENBUSHES Li and Ni-Cu-PGE EXPLORATION PROJECT

VMC's Greenbushes East Lithium and Bridgetown East Ni-Cu-PGE Project comprises five granted tenements E70/5315, E70/5316, E70/5620, E70/5712 and E70/6009, and E70/5675 held by a Venus' subsidiary. These tenements are subject to a Farm-in and Joint venture agreements with IGO Subsidiary (refer ASX release 27 June 2022). To date IGO has undertaken soil sampling, ground gravity and ground EM surveying, and reconnaissance field mapping across the Bridgetown-Greenbushes Project (refer IGO ASX releases 28 April 2023 and 31 July 2023).

5. MARVEL LOCH EAST RARE EARTH PROJECT

The Marvel Loch East Project is located approximately 60km east from Marvel Loch, Western Australia. It is comprised of one granted exploration licence (E15/1796) and four applications (ELAs 15/1944, 15/1946, 15/1947 and 77/2721) for a total area of 283 blocks (828 km2). The project is considered prospective for rare earth mineralisation with initial soil sampling programs returning up to 6,092 ppm total rare earth oxides (TREO) (refer ASX release 30 September 2022).

Arcuate and ovoid magnetic highs within granite terrain in E15/1796 are suggestive of a regional scale magnetite-bearing monzogranite that is enriched in rare earth elements (REE). Rock chip samples from outcropping monzogranite have yielded maximum TREO concentrations of 4,365 ppm in the eastern target area and of 2,292 ppm in the western target area of E 15/1796 (refer ASX release16 January 2023). These results are ~10 to 20 times the average crustal abundance for TREO (Taylor & McLennan, 1995).

Scanning electron microscopy (SEM) and optical microscopy studies of the monzogranite show it is dominated by albite, k-feldspar, quartz, biotite, magnetite ± titanite, rutile, zircon, chlorite, apatite and Ca-Fe amphibole. The primary magmatic REE mineral throughout the monzogranite is allanite (Ce,Ca,Y,La)2(Al,Fe+3)3(SiO4)3(OH) along with minor REE-bearing titanite and apatite. Allanite occurs in association with biotite and magnetite, and the release of REEs from the primary REE host (allanite) in surface samples is favourable for the formation of REE-enriched clays (refer ASX release 16 January 2023).

A high resolution 50m line-spaced aeromagnetic survey totalling 9,356 line km was completed over project tenements E15/1796 and ELA 15/1946 to further refine magnetic and radiometric anomalies apparent in the wide-spaced regional government aeromagnetic survey considered prospective for REE. Three strong magnetic anomalies were defined by the aeromagnetic survey and two are within the granted tenement E15/1796 **(Figures 5,6).**

Of these, the most prominent (Anomaly 1) is a north-northeast trending lenticular anomaly approximately 700 m in width which can be traced semi continuously over a 25 km strike length. The southern and northern ends of this anomaly correspond to outcropping monzogranite anomalous in REE (refer ASX release 30 September 2022), also associated with anomalous potassium. The strong magnetic response of the monzogranite reflects a significant magnetite content. Anomaly 2 is an ovoid shaped, zoned magnetic anomaly approximately 2.5 km x 3 km in size. It is characterised by a strong magnetic aureole surrounding a non-magnetic core with limited outcrops of monzogranite that are also anomalous in REE (refer ASX release 30 September 2022). These magnetic anomalies (Figures 5a and 5b) represent significant zones prospective for REE mineralisation based on the previous soil and rock chip analyses **(Figure 6).**

Seven de-magnetised target zones identified from aeromagnetic imagery, suggestive of weathering of magnetite and formation of hematite, or, alternatively, due to clay zones above non-magnetite bearing basement rock over a combined strike length of 10 km have been selected to represent deep weathering of magnetic monzogranite as potential sites for clay-hosted secondary REE mineralisation (refer ASX release 14 March 2023).

Venus has been successful in its application to secure a grant under the Western Australian Government Co-Funded Exploration Incentive Scheme (EIS) for drilling at Marvel Loch East Rare Earth Project. The grant of up to $157,500 (contributing towards 50% of direct drilling costs and mobilisation) was awarded to Venus' subsidiary, Redscope Enterprises Pty Ltd, following a competitive application process under Round R27 of the WA Government's co-funded Exploration Incentive Scheme (ASX release 27 April 2023). Venus is planning to commence drilling immediately after successful completion of heritage clearance surveys.

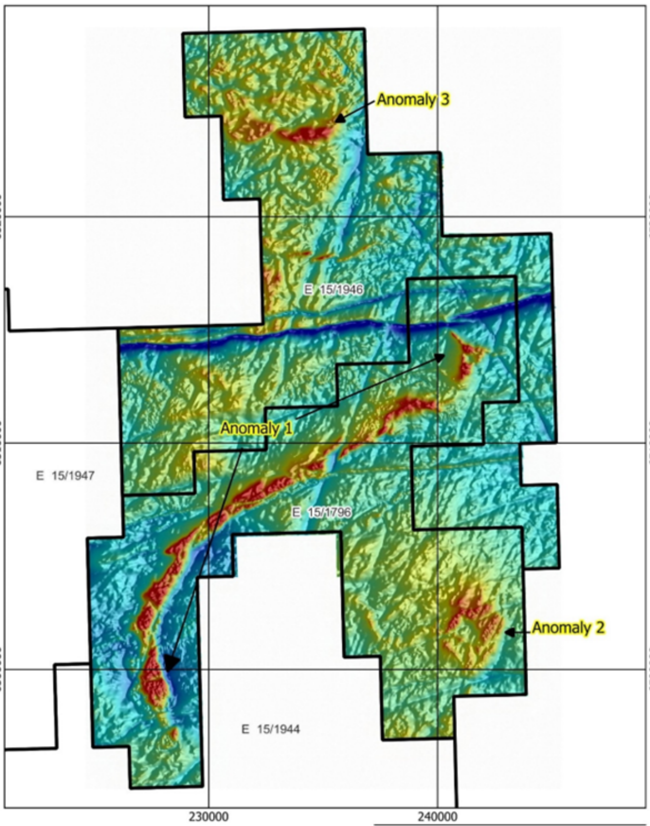

Figure 5a. Aeromagnetic TMIRTP image and Anomalies 1 and 2.

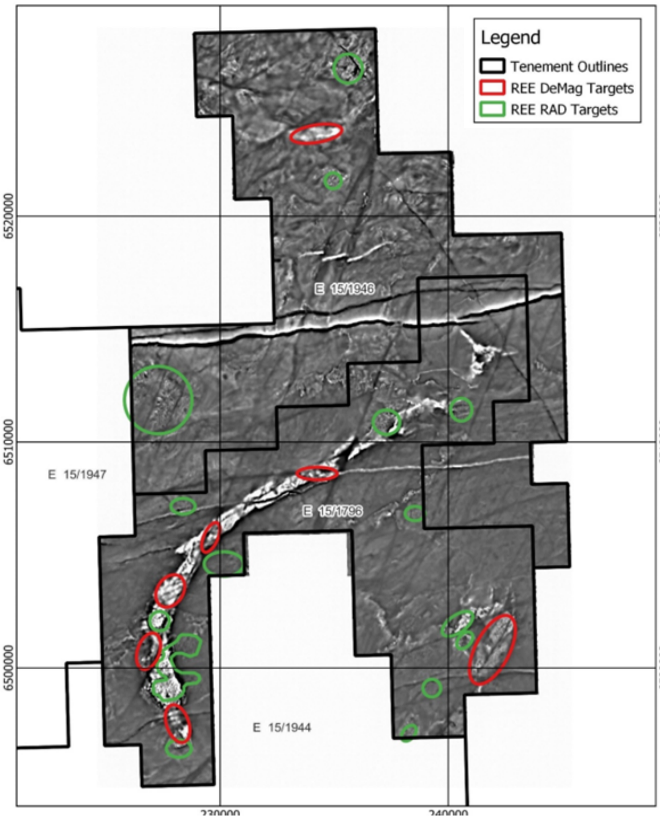

Figure 5b. REE targets-demagnetized zones and radiometric targets.

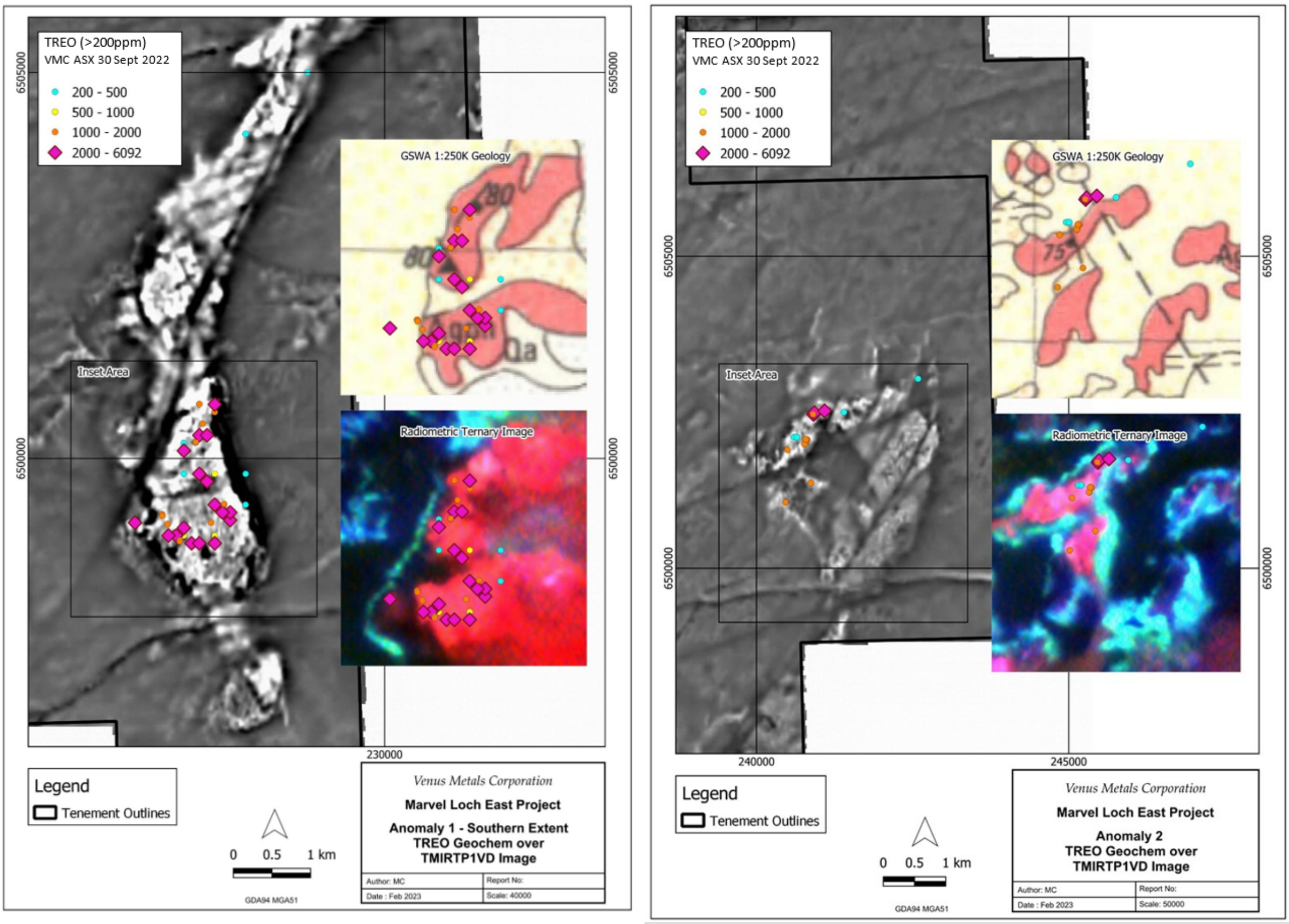

Figure 6. Anomalies 1 and 2 – Southern extent with TREO in UF soil on TMIRTP1VD Image with GSWA geology and radiometric ternary image for inset area.

6. MANGAROON NORTH BASE METALS-GOLD-RARE EARTH PROJECT (100% Venus)

Venus is well positioned with four tenements (E08/3229, ELA08/3375, E09/2422 and E09/2541) located adjacent to the Mangaroon-Yangibana REE mineralised zone. Venus' E09/2541 abuts tenements by Hastings Technology Metals Ltd (Yangibana), Dreadnought Resources Ltd (Yin) and Lanthanein Resources Ltd. The other three ELs (E08/3229, E09/2422 and ELA08/3755) abut Dreadnought's tenure **(Figure 7).**

Tenements E09/2422 and E08/3229 are located approximately 240km northeast of Carnarvon in Western Australia. The tenements encompass rocks of the Gascoyne Complex to the south (Paleoproterozoic igneous and metamorphic) and the Edmund Group to the north (Paleo/Mesoproterozoic metasedimentary). The regional scale Edmund Fault separates these two groups and is a crustal-scale structure. Geophysical consultants Core Geophysics identified prospective mineralisation zones for rare earth elements (REE), base and precious metals on E09/2422 based on an airborne geophysical survey (refer ASX release 17 April 2023). These new targets are in addition to previously identified multiple priority REE targets at Mangaroon North (E08/3229) that are based on remote-sensing, radiometric and geochemical data (refer ASX release 5 September 2022 & 23 January 2023). Importantly, several targets are located close to the Edmund Fault, a crustal-scale structure that may have acted as a pathway for carbonatitic or ferro-carbonatitic melts. A surface sampling program has now been completed on E08/3229 and E09/2422 to explore specific geophysical targets (refer ASX release 17 April 2023) and to follow up on previously identified geochemical anomalies. Interpretation of assay results is in progress.

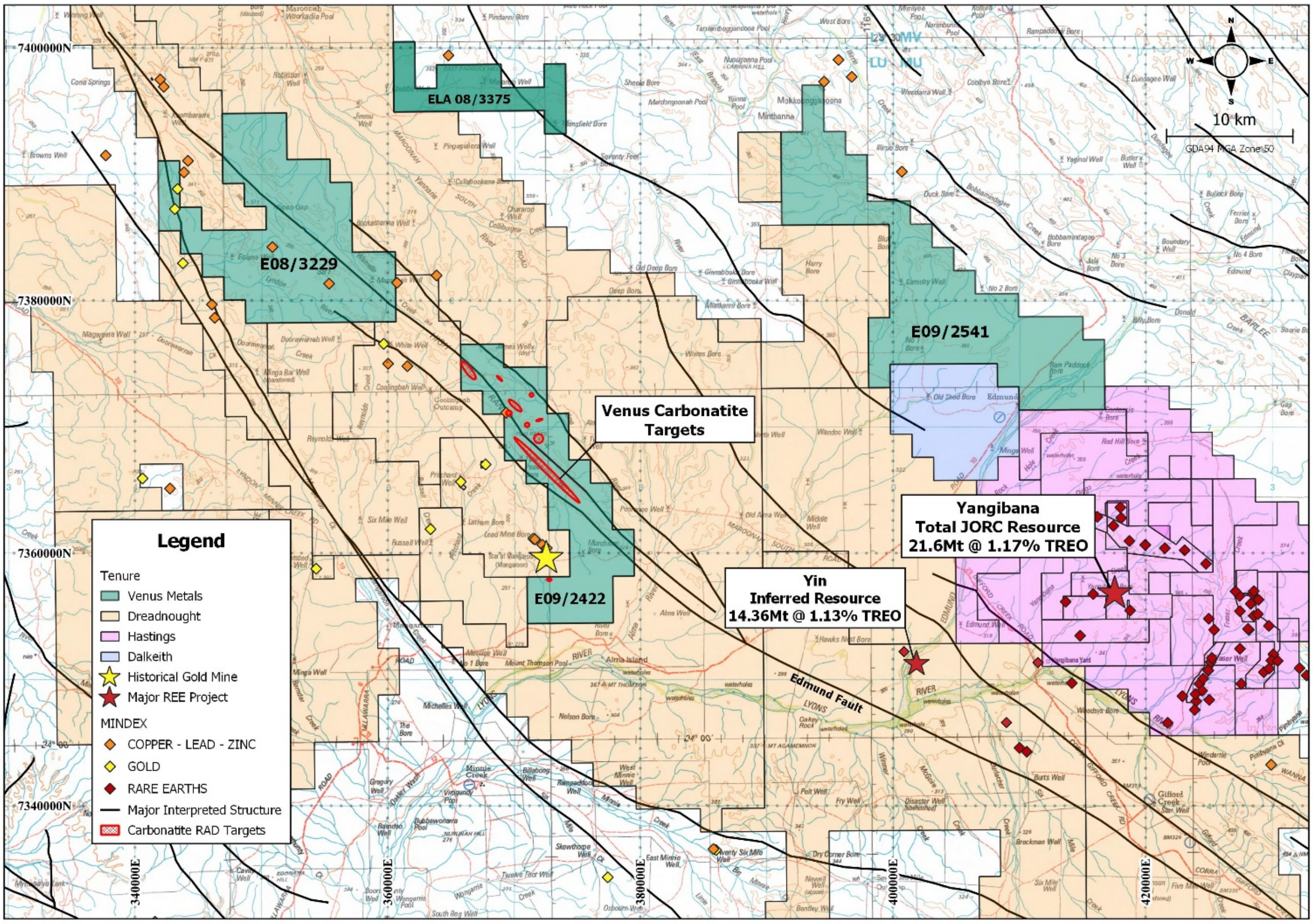

Figure 7. Location of VMC Mangaroon North Base Metals-Gold-REE Project Tenements

7. SANDSTONE GOLD PROJECT

The Sandstone Gold Project is within tenement E57/984 (125 km^2; 90% VMC). The Bellchambers mining area, first reported by Gibson in 1908, is located about 23 km southwest of the town of Sandstone **(Figure 8)** and is 70 km by road northeast from the Youanmi Gold Field.

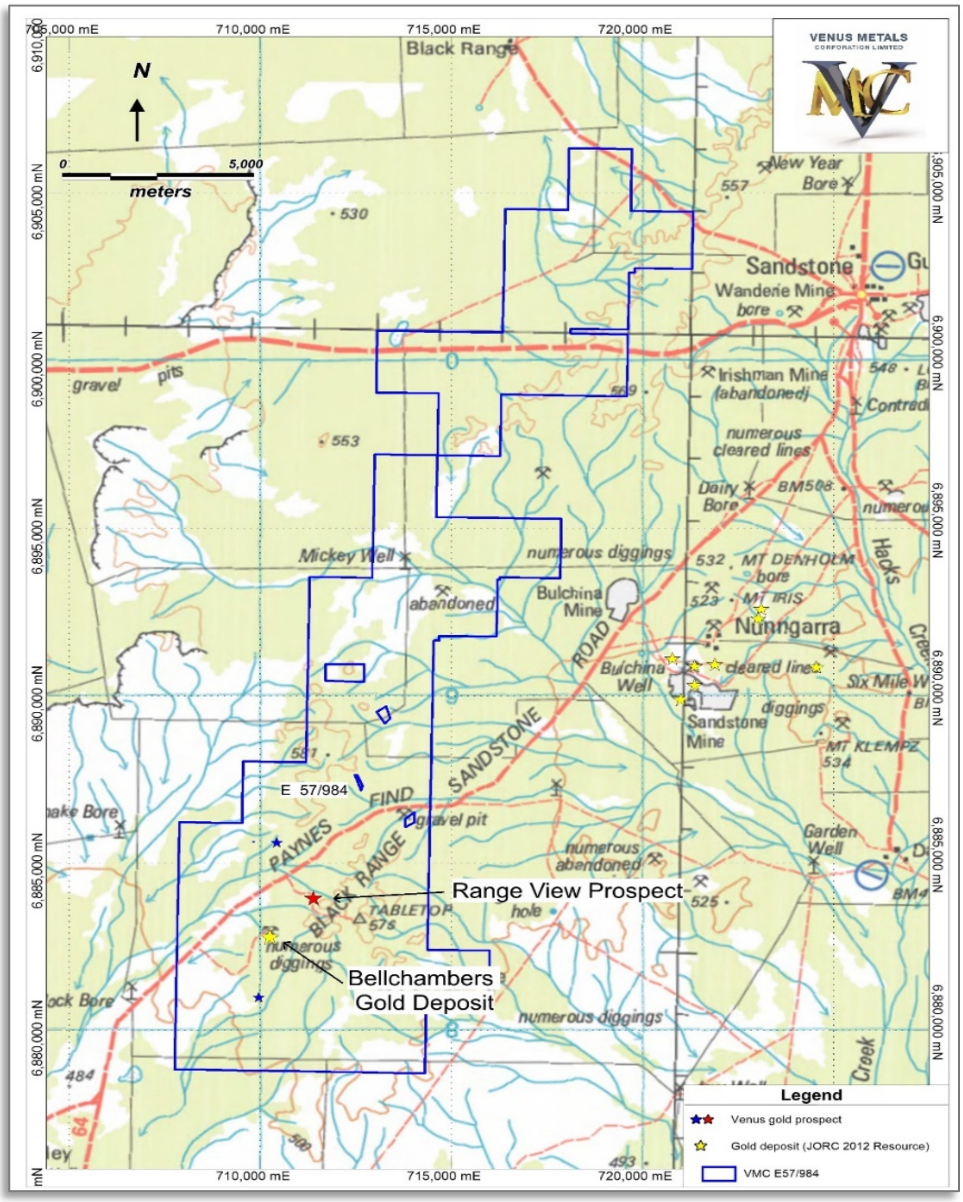

Figure 8. Location of Sandstone Gold Project

The recent drilling programme (refer ASX release 21 February 2023) specifically targeted the depth continuation of the up to 30m wide and steeply plunging core of the southern mineralised domain outlined in the Bellchambers 2020 resource model (refer ASX release 25 September 2020). It also included a single hole drilled at the Range View gold prospect. All three Bellchambers drill holes intersected significant zones of gold mineralisation that spatially are in good agreement with the projected down-plunge continuation of the 2020 resource model, extending the vertical depth of known mineralisation from about 100m to 175m from surface. These very encouraging results allowed for a significant increase in calculated mineral resource for the Bellchambers gold deposit.

Gold intersections from the drilling programme include:

BCRC141; 34m @ 1.25 g/t Au from 160m incl 11m @2.93 g/t Au1 including 1m @ 9.47 g/t Au from 178m

BCRC142; 25m @ 1.19 g/t Au from 86m incl 4m @ 2.06 g/t Au; BCRC143; 17m @ 1.16 g/t Au from 155m incl 4m @ 2.12 g/t Au

Widenbar and Associates ("WAA") was commissioned by Venus to produce an updated Mineral Resource Estimate for the Bellchambers Gold Deposit.

- New JORC2012 gold resource estimate is **722,000 tonnes @ 1.31 g/t Au for 30,500 ounces,** with 22,100 ounces classified in the indicated mineral resource category **(Table 1)** (ASX release 4 April 2023).
- **Increase of 35% in tonnes and 40% in ounces** at 0.5 g/t Au cut-off (compared to the previous resource reported in 2020).

Table 1. Bellchambers JORC 2012 Resource Summary

Class	Cut-off	Volume	Tonnes	Density	Au	Ounces
Indicated	0.5	192,000	526,000	2.73	**1.31**	**22,100**
Inferred	0.5	69,000	197,000	2.83	**1.33**	**8,400**
Total	0.5	262,000	722,000	2.76	**1.31**	**30,500**

Exploration at Bellchambers is ongoing and metallugical and geological studies will be instigated; **Venus has agreed with Rox Resources Ltd to negotiate a mine gate sale agreement for the Bellchambers deposit on a best endeavours basis** (subject to certain conditions) (refer ASX release 31 March 2023).

References:

Taylor, S. R., and McLennan, S. M., 1995, The geochemical evolution of the continental crust. Reviews of Geophysics, ***33****, 241–265.*

SQM, 25 April 2022; Technical Report Summary, Mt Holland Lithium Project.

Kidman Resources, ASX release 8 February 2019; Developing a leading integrated Lithium Project.

Competent Person's Statement

The information in this report that relates to Exploration Results that relates to Youanmi South Li, Marvel Loch and Mangaroon Rare Earths Metals Projects are based on information compiled by Dr M. Cornelius, geological consultant and part-time employee of Venus Metals Corporation Ltd, who is a member of The Australian Institute of Geoscientists (AIG). Dr Cornelius has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking 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. Dr Cornelius consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Bellchambers Gold Project and Youanmi South Lithium Exploration Results, Mineral Resources or Ore Resources is based on information compiled by Dr F Vanderhor, Geological Consultant who is a member of The Australian Institute of Geoscientists (AIG). Dr Vanderhor has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking 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. Dr Vanderhor consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Marvel Loch and Mangaroon Rare Earths Metals Project geophysical data interpretation Results is based on information compiled by Mr Mathew Cooper who is a member of The Australian Institute of Geoscientists. Mr Cooper is Principal Geophysicist of Core Geophysics Pty Ltd who are consultants to Venus Metals Corporation Limited. Mr Cooper has sufficient experience which is relevant to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cooper consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Bellchambers Gold Project Exploration Results, Mineral Resources or Ore Resources is based on information compiled by Mr Widenbar, who is a Member of the Australasian Institute of Mining and Metallurgy, is a full time employee of Widenbar and Associates and produced the Mineral Resource Estimate based on data and geological information supplied by Venus. Mr Widenbar has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Widenbar consents to the inclusion in this report of the matters based on his information in the form and context that the information appears.

The information in this report has also been prepared by Mr Kumar Arunachalam, who is a Member of The Australasian Institute of Mining and Metallurgy and a full-time employee of the Company. Mr Arunachalam has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Arunachalam consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Venus Metals Corporation Limited planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Venus Metals Corporation Ltd believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

DIRECTORS' REPORT

Your Directors submit their report for the year ended 30 June 2023.

DIRECTORS

The names of Directors in office during the financial year and until the date of this report are as follows.

Directors were in the office for this entire period unless otherwise stated.

Peter Charles Hawkins
Matthew Vernon Hogan
Barry Fehlberg
Selvakumar Arunachalam

COMPANY SECRETARY

Patrick Tan

PRINCIPAL ACTIVITIES

The principal activity of the Group during course of the financial year was the exploration of mineral tenements in Western Australia.

There were no other significant changes in the nature of the activities of the Group during the year.

OPERATING RESULTS

The loss of the Group amounted to $5,150,010 (2022: loss of $7,347,390).

DIVIDENDS PAID OR RECOMMENDED

No dividend has been declared or paid by the Company and the Directors do not, at present, recommend a dividend.

REVIEW OF OPERATIONS

For details on the Review of Operations refer to pages 2 to 12.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

EVENTS SUBSEQUENT TO REPORTING DATE

On 30 March 2023, the Group entered into an asset sale and purchase agreement with Rox Resources Limited (Rox), for Rox to acquire, subject to conditions precedent, for consideration of 110 million Rox shares at the deemed price of $0.25 each, the Group's 30% interest in the OYG JV (Youanmi Gold Project) and all the Group's gold interest in their other joint ventures covering other regional areas in Youanmi.

The Company's shareholders approved the sale of the assets at the General Meeting on 23 June 2023.

All conditions precedent were satisfied on 7 July 2023 and the Company was issued the Rox shares on that day. The Company then distributed 55 million Rox shares as in-specie distribution to its shareholders on 12 July 2023, , and the remaining 55 million of Rox shares are held by the Company in escrow for 12 months.

Other than the above, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affair of the Group, in the future financial years.

LIKELY DEVELOPMENTS

Other than likely developments contained in the "Review of Operations", further information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

ENVIRONMENTAL REGULATION

There were no known significant breaches of the Group's licence conditions or any environmental regulations to which it is subject to.

DIRECTORS' MEETINGS

Directors	Number eligible to attend	Number attended
Peter Hawkins	6	6
Matthew Hogan	6	6
Barry Fehlberg	6	6
Selvakumar Arunachalam	6	6

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Peter Charles Hawkins
Non - Executive Director/Chairman (appointed 31 July 2019)

Qualifications
B Comm

Experience
Peter Hawkins was appointed to the Board on 31 July 2019 and has over 50 years diverse corporate experience. He has held numerous Managing Director or Partner level positions in several stockbroking firms and has been part of the successful establishment and growth of a number of public and private companies. He has served as the Chairman of the Stock Exchange Perth Limited as a member of the ASX national committee and has also served as Deputy Chairman of the West Australian TAB.

He was Chairman of the Diggers and Dealers conference and has also held Non-Executive Director positions of several publicly listed companies over the past decade.

Directorships Held in Other Listed Entities
In the past three years Mr Hawkins has not held directorships in any ASX listed companies.

Relevant Interest in Shares, Options and Performance Rights as at the date of this report
600,000 ordinary shares.
300,000 unlisted options ex-price 30c expiring 30/11/2023.
750,000 unlisted options ex-price 20c expiring 30/11/2025.
500,000 performance rights expiring 20/12/2024*.

* As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise these performance rights if any milestones are met.

Matthew Vernon Hogan
Managing Director (appointed 22 December 2006)

Qualifications
MAICD

Experience
Mr Matthew Hogan until February 2010 was the Executive Director and Chief Executive Officer of United Minerals Corporation NL (UMC), which successfully discovered the Railway direct shipping iron ore deposit in the Central Pilbara. In February 2010 UMC was acquired by BHP Billiton for $204m through a scheme of arrangement.

Mr Hogan has over 25 years' experience in the stockbroking industry and was closely involved in bringing a number of company listings to the ASX, the underwriting of shareholder entitlement issues and corporate placements.

Mr Hogan has previously worked in the business services division of international accounting firm Ernst & Young.

Relevant Interest in Shares, Options and Performance Rights as at the date of this report
4,920,056 ordinary shares.
600,000 unlisted options ex-price 30c expiring 30/11/2023.
2,500,000 unlisted options ex-price 20c expiring 30/11/2025.
3,500,000 performance rights expiring 20/12/2024*.

* As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise these performance rights if any milestones are met.

Directorships Held in Other Listed Entities
Mr Hogan is currently a Non-Executive Director of Rox Resources Limited (ASX:RXL).

Barry Fehlberg
Non- Executive Director (appointed 7 May 2018)

Qualifications
BSc (Hons), MAusIMM

Experience
Mr Fehlberg has 50 years of successful experience in exploration for gold, base metals, diamonds and iron ore.

Mr Fehlberg has been director of exploration for various ASX listed Companies since 1978, and during his career he has made numerous discoveries in all these commodities.

In 1980 he led the drilling team for Spargos Exploration N.L. that discovered the depth extensions of the Bellevue Gold mine which was successfully brought into production.

In more recent times, Mr Fehlberg led the exploration team as Technical Director that discovered the Railway Iron Ore deposit for United Minerals Corporation NL. This Company was taken over by BHP Billiton in 2010 in a $204 million transaction.

Mr Barry Fehlberg is an Honours Geology graduate of the University of Adelaide (1968).

Relevant Interest in Shares, Options and Performance Rights as at the date of this report
6,675,000 ordinary shares.
400,000 unlisted options ex-price 30c expiring 30/11/2023.
750,000 unlisted options ex-price 20c expiring 30/11/2025.
2,000,000 performance rights expiring 20/12/2024*.

* As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise these performance rights if any milestones are met.

Directorships Held in Other Listed Entities
In the past three years Mr Fehlberg has not held directorships in any ASX listed companies.

Selvakumar Arunachalam
Executive Director/General Manager (appointed 15 July 2011)

Qualifications
MAusIMM M.Sc (Geology), M.Tech (Hydrogeology), PG Dip in Geothermal Tech (NZ), Dip in Science (GIS) (NZ)

Experience
Mr Selvakumar Arunachalam has over 30 years' experience in geology in India, New Zealand and Australia.

Mr Arunachalam until February 2010 was also an employee of United Minerals Corporation NL.

Directorships Held in Other Listed Entities
In the past three years Mr Arunachalam has not held directorships in any ASX listed companies.

Relevant Interest in Shares, Options and Performance Rights as at the date of this report
1,675,000 ordinary shares.
500,000 unlisted options ex-price 30c expiring 30/11/2023.
1,000,000 unlisted options ex-price 20c expiring 30/11/2025.
1,500,000 performance rights expiring 20/12/2024*.

* As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise these performance rights if any milestones are met.

Patrick Tan
Company Secretary (appointed 1 July 2018)

Qualifications
B.Acc, FCPA

Experience
Patrick Tan has over 35 years of experience in accounting, taxation and company secretarial.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited)

This report details the nature and amount of remuneration for each Director of the Group and for the Executives receiving the highest remuneration.

Remuneration Policy

The Group has a Remuneration Policy for determining the nature and amount of remuneration. The amount of emoluments for Board members of the Group is as follows.

The Group's remuneration policy for Executive Directors is designed to promote superior performance and long term commitment to the Group. Executives received a base remuneration which is market related.

The remuneration policy, setting the terms and conditions for the Executive Directors and other Senior Executives, was developed by the Board after seeking professional advice from independent external consultants.

The Board's policy reflects its obligation to align Executives' remuneration with Shareholders' interests and to retain appropriately qualified Executive talent for the benefit of the Group. The main principles of the policy are:

- reward reflects the competitive market in which the Group operates;
- individual reward should be linked to performance criteria; and
- Executives should be rewarded for both financial and non-financial performance.

Executives are also entitled to participate in the employee share and option arrangements.

The Executive Director and Executives receive a superannuation guarantee contribution required by the government, which is 11.0% from 1 July 2023, and do not receive any other retirement benefits.

Group Performance, Shareholder Wealth and Director and Executive Remuneration

The remuneration policy has been tailored to increase goal congruence between Shareholders, Directors and Executives. There have been two methods applied in achieving this aim, the first being a performance based bonus based on key performance indicators, and the second being the issue of options to the majority of Directors and Executives to encourage the alignment of personal and Shareholders' interests.

Employment Agreements

Remuneration and other terms of employment are formalised in employment agreements.

Matthew Hogan – Managing Director

- Updated term of agreement – commenced 1 July 2018.
- Effective from 1 July 2023, Mr Hogan's base salary was increased to $300,000 per annum (2022: $250,000 per annum).
- Provision of four weeks annual leave.
- May be terminated by Mr Hogan by giving to the Company one months' notice in writing.
- May be terminated by the Company by giving 12 months' notice in writing to Mr Hogan.

Selvakumar Arunachalam – Executive Director

- Updated term of agreement – commenced 1 August 2019.
- Effective from 1 July 2023, Mr Arunachalam's base salary was increased to $225,000 per annum (2022: $175,000 per annum).
- Provision of four weeks annual leave.
- May be terminated by Mr Arunachalam or by the Company by giving one month's notice in writing.
- May be terminated by the Company by giving 12 months' notice in writing to Mr Arunachalam.

Barry Fehlberg – Non-Executive Director

- Term of agreement – commenced 1 July 2018.
- Effective from 1 July 2023, Mr Fehlberg's base salary was increased to $50,000 per annum (2022: $40,000 per annum).

Peter Charles Hawkins – Non-Executive Director/Chairman

- Term of agreement – commenced 31 July 2019.
- Effective from 1 July 2023, Mr Hawkins' base salary was increased to $50,000 per annum (2022: $40,000 per annum).

Non-Executive Directors

Fees to Non-Executives Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-Executive Directors' remuneration consists of set fee amounts and statutory superannuation. Directors' base fees are presently up to $50,000 per annum.

Non-Executives Directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The total compensation for all Non-Executive Directors, last voted upon by shareholders at the 2010 AGM, is not to exceed $250,000 per annum. There is no provision for retirement allowances for Non-Executive Directors apart from statutory superannuation. Non-Executive Directors are eligible to be granted options to provide a material additional incentive for their ongoing commitment and dedication to the continued growth of the Group.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Details of Remuneration for the year ended 30 June 2023 and 30 June 2022

		Short Term		Post-employment	Share-based payments		S300A(1)(e)(i) Proportion of remuneration performance related
	Year	Salary & Fees	Non-monetary benefits [(1)]	Superannuation Contribution	Options	Total	
		$	$	$	$	$	%
Key Management Person (Directors)							
Matthew Vernon Hogan	**2023**	**250,000**	**26,116**	**25,292**	**131,680**	**433,088**	Nil
	2022	250,000	40,184	23,315	-	313,499	Nil*
Peter Charles Hawkins	**2023**	**40,000**	**-**	**4,200**	**39,505**	**83,705**	Nil
	2022	40,000	-	4,000	-	44,000	Nil*
Barry Fehlberg	**2023**	**40,000**	**-**	**4,200**	**39,505**	**83,705**	Nil
	2022	40,000	-	4,000	-	44,000	Nil*
Selvakumar Arunachalam	**2023**	**175,000**	**190**	**18,275**	**52,672**	**246,137**	Nil
	2022	175,000	(2,647)	17,500	-	189,853	Nil*
Total	**2023**	**505,000**	**26,306**	**51,967**	**263,362**	**846,635**	
Total	2022	505,000	37,537	48,815	-	591,352	

(1) Movements in the KMP's annual and long service leave during the year.

* Nil % as the options do not have any performance related conditions.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Options awarded and vested during the year

Terms and Conditions for each Grant during the year

	Year	Awarded No.	Award date	Fair value per option at award date ($)	Exercise price ($)	Expiry date	No. unvested during the year	No. vested during the year
Key Management Person (Directors)								
Matthew Vernon Hogan	**2023**	**2,500,000**	**25/11/2022**	**0.0528**	**0.20**	**30/11/2025**	**-**	**2,500,000**
	2022	-	-	-	-	-	-	-
Peter Charles Hawkins	**2023**	**750,000**	**25/11/2022**	**0.0528**	**0.20**	**30/11/2025**	**-**	**750,000**
	2022	-	-	-	-	-	-	-
Barry Fehlberg	**2023**	**750,000**	**25/11/2022**	**0.0528**	**0.20**	**30/11/2025**	**-**	**750,000**
	2022	-	-	-	-	-	-	-
Selvakumar Arunachalam	**2023**	**1,000,000**	**25/11/2022**	**0.0528**	**0.20**	**30/11/2025**	**-**	**1,000,000**
	2022	-	-	-	-	-	-	-
Total	**2023**	**5,000,000**	**25/11/2022**	**0.0528**	**0.20**	**30/11/2025**	**-**	**5,000,000**
	2022	-	-	-	-	-	-	-

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Options lapsed during the year

	Year	Awarded No.	Award date	Fair value per option at award date ($)	Exercise price ($)	Expiry date	No. lapsed during the year
Key Management Person (Directors)							
Matthew Vernon Hogan	**2023**	**2,500,000**	**20/12/2019**	**$0.1125**	**$0.30**	**30/11/2022**	**2,500,000**
	2022	750,000	11/12/2018	$0.0674	$0.25	30/11/2021	750,000
Peter Charles Hawkins	**2023**	**750,000**	**20/12/2019**	**$0.1125**	**$0.30**	**30/11/2022**	**750,000**
	2022	-	-	-	-	-	-
Barry Fehlberg	**2023**	**750,000**	**20/12/2019**	**$0.1125**	**$0.30**	**30/11/2022**	**750,000**
	2022	750,000	11/12/2018	$0.0674	$0.25	30/11/2021	750,000
Selvakumar Arunachalam	**2023**	**1,000,000**	**20/12/2019**	**$0.1125**	**$0.30**	**30/11/2022**	**1,000,000**
	2022	500,000	11/12/2018	$0.0674	$0.25	30/11/2021	500,000
Total	**2023**	**5,000,000**	**20/12/2019**	**$0.1125**	**$0.30**	**30/11/2022**	**5,000,000**
	2022	2,000,000	11/12/2018	$0.0674	$0.25	30/11/2021	2,000,000

Value of options held by key management personnel, exercised and lapsed during the year.

For details on the valuation of the options, including models and assumptions used, please refer to note 19 below.

There were no alterations to the terms and conditions of options awarded as remuneration since their award date.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Options over equity instruments

The movement during the reporting period in the number of options over ordinary shares in the Company held, directly, indirectly or beneficially, by key management persons, including their related parties, is as follows:

	Balance 1 July 2022	Granted as compen-sation	Exer-cised	Net change Others [1]	Held at 30 June 2023	Vested during the year	Vested and exercisable at 30 June 2023
Directors							
M Hogan	3,100,000	2,500,000	-	(2,500,000)	3,100,000	2,500,000	3,100,000
P Hawkins	1,050,000	750,000	-	(750,000)	1,050,000	750,000	1,050,000
B Fehlberg	1,150,000	750,000	-	(750,000)	1,150,000	750,000	1,150,000
S Arunachalam	1,500,000	1,000,000	-	(1,000,000)	1,500,000	1,000,000	1,500,000
	6,800,000	**5,000,000**	**-**	**(5,000,000)**	**6,800,000**	**5,000,000**	**6,800,000**

	Balance 1 July 2021	Granted as compen-sation	Exer-cised	Net change Others[1]	Held at 30 June 2022	Vested during the year	Vested and exercisable at 30 June 2022
Directors							
M Hogan	3,850,000	-	-	(750,000)	3,100,000	-	3,100,000
P Hawkins	1,050,000	-	-	-	1,050,000	-	1,050,000
B Fehlberg	1,900,000	-	-	(750,000)	1,150,000	-	1,150,000
S Arunachalam	2,000,000	-	-	(500,000)	1,500,000	-	1,500,000
	8,800,000	**-**	**-**	**(2,000,000)**	**6,800,000**	**-**	**6,800,000**

(1) Other changes represent options that were acquired, expired, transferred or were forfeited during the year.

Performance rights over equity instruments [1]

The movement during the reporting period in the number of performance rights over ordinary shares in the Company held, directly, indirectly or beneficially, by key management persons, including their related parties, is as follows:

	Held at 1 July 2022	Acquired	On exercise of rights	Other change [2]	Held at 30 June 2023
Directors					
M Hogan	3,500,000	-	-	-	3,500,000
P Hawkins	500,000	-	-	-	500,000
B Fehlberg	2,000,000	-	-	-	2,000,000
S Arunachalam	1,500,000	-	-	-	1,500,000
	7,500,000	**-**	**-**	**-**	**7,500,000**

	Held at 1 July 2021	Acquired	On exercise of options	Other change [2]	Held at 30 June 2022
Directors					
M Hogan	3,500,000	-	-	-	3,500,000
P Hawkins	500,000	-	-	-	500,000
B Fehlberg	2,000,000	-	-	-	2,000,000
S Arunachalam	1,500,000	-	-	-	1,500,000
	7,500,000	**-**	**-**	**-**	**7,500,000**

(1) As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise these performance rights if any milestones are met.

(2) Other changes represent performance rights that were acquired, expired, transferred or were forfeited during the year.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Shareholdings of key management personnel

The movement during the reporting period in the number of shares in the Company held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	Held at 1 July 2022	Acquired	On exercise of options	Other change [1]	Held at 30 June 2023
Directors					
M Hogan	1,320,056	100,000	-	-	1,420,056
P Hawkins	-	100,000	-	-	100,000
B Fehlberg	4,585,000	90,000	-	-	4,675,000
S Arunachalam	175,000	-	-	-	175,000
	6,080,056	**290,000**	**-**	**-**	**6,370,056**

	Held at 1 July 2021	Acquired	On exercise of options	Other change [1]	Held at 30 June 2022
Directors					
M Hogan	1,320,056	-	-	-	1,320,056
P Hawkins	-	-	-	-	-
B Fehlberg	4,585,000	-	-	-	4,585,000
S Arunachalam	175,000	-	-	-	175,000
	6,080,056	**-**	**-**	**-**	**6,080,056**

[1] Other change represents on and off-market trade.

End Remuneration Report

DIRECTORS' REPORT

Business Risks

The Group identified and actively manages the material risks and internal control systems. The risk framework is overseen by Executives and the Board of Directors. The framework assists the organization to identify, classify, document, manage and report on the risks facing the Group. The perceived likelihood and potential consequence of each risk are used to determine the risk level, which in turn determines the actions required to manage the risk and reporting obligations. The Board of Directors will ensure relevant risks have been recognised and perform oversight of the risk management systems.

The prospects of the Group in progressing their exploration and development projects and successfully operating mines may be affected by a number of factors. These factors are similar to most exploration and development companies moving the exploration phase and advancing projects into development and production. The risks described below are considered to have the greatest potential impact to the Group's ability to successfully execute its strategy, however additional or unknown risks not listed below may also have the ability to impair business operations.

A summary of the significant risks facing the entity include the following:

Government regulation

The Group's current and future exploration activities are subject to various laws and statutory regulations governing prospecting, development, production, taxes, royalty payments, labour standards and occupational health, mine safety, toxic substances, land use, water use, communications, land claims of local people and other matters, and to obtaining and maintaining the necessary titles, authorisations, permits and licences.

No assurance can be given that new laws, rules and regulations will not be enacted or that existing laws, rules and regulations will not be applied in a manner which could have an adverse effect on the Group's financial position and results of operations, or on the success of development projects. Any such amendments to current laws, regulations and permits governing operations and activities of mining, exploration and development projects, or more stringent implementation thereof, could have a material adverse impact on the Group's result of operations, financial condition and prospects. Failure to comply with any applicable laws, regulations or permitting requirements may result in enforcement actions against the Group, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

Tenure, Native Title, Aboriginal Heritage and Land Claims risks

Interests in exploration and mining tenements in Australia are governed by state legislation and are evidenced by the granting of leases or licences. Each lease or licence is for a specific term and carries with it annual expenditure and reporting conditions as well as other conditions requiring compliance.

These conditions include the requirement, for exploration licences, for reduction in the area held under licence from time to time unless it is considered that special circumstances apply. Consequently, the Group could lose title to, or its interest in, its tenements if licence conditions are not met or if expenditure commitments are not met.

It is possible that, in relation to tenements in which the Group has an interest or may acquire such an interest, there may be areas over which legitimate native title rights exist or which are subject to native title claims made under the *Native Title Act 1993* (Cth). In such circumstances, the ability of the Group to progress from the exploration phase to the development and mining phases of the operation, may be adversely affected.

Further, it is possible that there will exist on the Group's mining tenements, areas containing sacred sites or sites of significance to Aboriginal people in accordance with their tradition that are protected under the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth). As a result, land within the tenements may be subject to restrictions on exploration, mining or other uses and/or significant approval hurdles may apply.

Tenement Renewals

Renewal of tenements owned by the Group is made by way of application to the relevant department. There is no guarantee that a renewal will be automatically granted other than in accordance with the applicable state or territory mining legislation. In addition, the relevant department may impose conditions on any renewal, including relinquishment of ground.

Exploration and development risks

Exploration is a high-risk activity that requires large amounts of expenditure over extended periods of time. The Group's exploration activities will also be subject to all the hazards and risks normally encountered in the exploration of minerals, including climatic conditions, hazards of operating vehicles and plant, risks associated with operating in remote areas and other similar considerations. Conclusions drawn during exploration and development are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

DIRECTORS' REPORT

Although the Group's activities are primarily directed towards exploration for mineral deposits and the possibility of third- party arrangements including joint ventures, partnerships, ore purchase arrangements or other third-party contracts, its activities also include the development of mineral deposits into mining operations. An ability to sustain or increase the current level of production in the longer term is in part dependent on the success of the Group's exploration activities and development projects.

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. It is impossible to ensure that the exploration or development programs the Group plans will result in a profitable mining operation.

Commodity prices

The Group's future prospects and the company share price will be influenced by the prices obtained for the commodities produced and targeted in the Group's exploration and development programs. Commodity prices fluctuate and are impacted by factors including the relationship between global supply and demand for minerals, forward selling by producers, costs of production, geopolitical factors (including trade tensions), hostilities and general global economic conditions.

Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand factors. These factors may have an adverse effect on the Group's production and exploration activities and any subsequent development and production activities, as well as its ability to fund its future activities. Further, rare earth products are not exchange traded commodities.

Occupational health and safety

Exploration activities may expose the Group's contractors to potentially dangerous working environments. Occupational health and safety legislation and regulations differ in each jurisdiction. If any of the Group's contractors suffers injury or death, compensation payments or fines may be payable and such circumstances could result in the loss of a licence or permit required to carry on the business. Such an incident may also have an adverse effect on the Group's business and reputation.

Environment

The Group's projects are subject to the environmental laws and regulations of Australia (including statutory rehabilitation obligations that the Group will need to comply with in the future and which may be material). While the Group proposes to comply with applicable laws and regulations and conduct its programs in a responsible manner with regard to the environment, there is the risk that the Group may incur liability for any breaches of these laws and regulations.
The Group is also unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Group's cost of doing business or affect its operations. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Group to incur significant expenses and undertake significant investments which could have a material adverse effect on the Group's business, financial condition and performance.

Insurance

The Group maintains insurance to protect against certain risks. However, the Group's insurance will not cover all the potential risks associated with an exploration company's operations. The Group may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution, or other hazards as a result of exploration is not generally available to the Group, or to other companies in the mining industry on acceptable terms.

Reliance on key personnel

The Group is dependent on its directors and consultants to implement its business strategy. A number of factors including the departure of key management personnel or a failure to attract or retain suitable qualified key personnel, could adversely affect the Group's business strategy.

Access to and dependence on capital raisings

The Group's exploration activities require substantial expenditure going forward. The Group's objectives when managing capital is to safeguard its ability to continue as a going concern. Although the company believes that additional funding can be obtained via capital raising, no assurances can be made that appropriate funding will be available when required. If the Group is unable to obtain additional financing as required, it may be required to scale back its exploration and development program. As a result, the Group's ability to continue as a going concern may be diminished.

DIRECTORS' REPORT

SHARES ISSUED ON EXERCISE OF OPTIONS

During the year, 500,000 shares were issued upon exercise of Options at $0.20 each.

OPTIONS AND PERFORMANCE RIGHTS

At the date of this report, the number of options and performance rights over ordinary shares in the Company are as follows:

Unlisted Options

Expiry date	Exercise price	Number of options
30-Nov-2023	$0.30	2,775,000
30-Nov-2025	$0.20	18,500,000
		21,275,000

Unlisted Performance Rights

Expiry date	Exercise price	Number of rights
20-Dec-2024	Nil	7,500,000

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

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

Indemnification

The Group has agreed to indemnify the following current directors of the Company, Mr P C Hawkins, Mr M V Hogan, Mr B Fehlberg, and Mr S Arunachalam against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

Insurance premium

Since the end of the previous financial year the Company has paid insurance premiums of $25,185 in respect of directors' and officers' liability insurance for current directors, including senior executives of the Company. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a willful breach of duty or improper use of information or position to gain a personal advantage.

PROCEEDINGS ON BEHALF OF GROUP

No person has applied for leave of court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

ENVIRONMENTAL LIABILITIES

There were no environmental liabilities at the date of this report.

NON-AUDIT SERVICES

During the year there were no non-audit services provided by the Group's auditor, Stantons.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 24 and forms part of the Director's Report for the financial year ended 30 June 2023.

This report is made with a resolution of the Directors.

Matthew Vernon Hogan
Managing Director
Perth, Western Australia

26 September 2023

Stantons

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26 September 2023

Board of Directors
Venus Metals Corporation Limited
Unit 2, 8 Alvan St
Subiaco WA 6008
Australia

Dear Directors

RE: Venus Metals Corporation Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Venus Metals Corporation Limited.

As Audit Director for the audit of the financial statements of Venus Metals Corporation Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Samir Tirodkar
Director

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CORPORATE GOVERNANCE STATEMENT

Approach to Corporate Governance

The Group has adopted systems of control and accountability as the basis for the administration of corporate governance. Some of these policies and procedures are summarised in this statement. Commensurate with the spirit of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th edition (**Principles & Recommendations**), the Group has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Group's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Group's corporate governance practices depart from a recommendation, the Board has offered full disclosure and an explanation for the adoption of its own practice.

Further information about the Group's corporate governance practices may be found on the Group's website at www.venusmetals.com.au, under the section marked "Group - Corporate Governance".

The Group reports below on how it has followed (or otherwise departed from) each of the Principles & Recommendations during the financial year ended 30 June 2023 (**Reporting Period**).

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
Principle 1 - Lay solid foundations for management and oversight			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Y	The Group has established the functions reserved to the Board, and those delegated to senior executives and has set out these functions in its Board Charter. The Charter is available on the Group's website at https://www.venusmetals.com.au/company/corporate-governance. The number of times the Board met during the Reporting Period is disclosed in the Directors' Report section above. In addition to formal Board and Board Committee meetings throughout the Reporting Period, members of the Board spent time with senior executives and other management personnel of the Company and engaged with other key stakeholders.
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	Y	The Board undertakes appropriate checks before appointing a person or putting forward to shareholders a candidate for election as a director and provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. The checks which are undertaken, and the information provided to shareholders are set out in the *Group's Policy and Procedure for the Selection and (Re) Appointment of Directors* which is disclosed on the Group's website.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Y	The Group has a written agreement with each director and senior executive setting out the terms of their appointment. The material terms of any employment, service or consultancy agreement the Group has entered into with any director or senior executive has been disclosed in accordance with ASX Listing Rule 3.16.4.
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Y	The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board as outlined in the *Board Charter*, including preparation of meeting papers and meeting minutes.

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
1.5	A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	N	The Board is responsible for establishing and monitoring on an annual basis the achievement against gender diversity objectives and strategies, including the representation of women at all levels of the organisation. The proportion of women employees in the whole organisation as at Reporting Period was approximately 2 out of 7 (29%). The Board acknowledges the absence of female participation on the Board of Directors. However, the Board has determined that the composition of the current Board represents the best mix of Directors that have an appropriate range of qualifications and expertise, can understand and competently deal with current and emerging business issues and can effectively review and challenge the performance of management. The Group has not set or disclosed measurable objectives for achieving gender diversity. Due to the size of the Group, the Board does not deem it practical to limit the Group to specific targets for gender diversity as it operates in a very competitive labour market where positions are sometimes difficult to fill. However, every candidate suitably qualified for a position has an equal opportunity of appointment regardless of gender, age, ethnicity or cultural background.
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	Y	The Group recognizes the pivotal role that the Board has in the governance framework of the Group. Under the Board Charter, the Chairman is responsible for scheduling regular and effective evaluation of the Board's performance. An annual Board evaluation was completed in the Reporting Period.

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	Y	The Group has developed its formal processes for the performance evaluation of senior executives in conjunction with the Nominations and Remuneration Committee. The Committee developed and agreed key performance measures for the Managing Director having regard to the Group's strategic, financial and operational objectives for the year. The evaluation is conducted at the time of the executive's annual remuneration review and involves an interview with the Managing Director to discuss performance against the senior executive's contract with the Group. The Managing Director also evaluates the performance of the senior executives on an ongoing basis via informal discussions about performance. A formal review of the Managing Director's and each senior executive's performance occurs at least annually and was undertaken in the Reporting Period.
Principle 2 - Structure the board to be effective and add value			
2.1	The board of a listed entity should: (a) have a nomination committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.	N	The Board has not established a separate Nomination Committee. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Nomination Committee. Accordingly, the Board performs the role of the Nomination Committee. Items that are usually required to be discussed by a nomination committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the Nomination Committee it carries out those functions which are delegated to it in the Group's Nomination Committee Charter. The Board deals with any conflicts of interest that may occur when convening in the capacity of the Nomination Committee by ensuring that the director with conflicting interests is not party to the relevant discussions. The full Board, in its capacity as the Nomination Committee, has not held any meetings during the Reporting Period. The Board has adopted a Nomination Committee Charter which describes the role, composition, functions and responsibilities of the Nomination Committee. A copy of the Nomination Committee Charter is available on the Group's website at https://www.venusmetals.com.au/company/corporate-governance.
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	Y	The mix of skills and diversity for which the Board is looking to achieve in its membership is represented by the Board's current composition. The skill of each director is set out in the Directors' Report section in this Annual Report on pages 13-14.

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	Y	The Board considers the independence of directors having regard to the relationships listed in Box 2.3 of the Principles & Recommendations. During the Reporting Period, the two independent directors of the Group were Mr Peter Hawkins and Mr Barry Fehlberg. The Board has considered both Mr Hawkins and Mr Fehlberg's independence that both are sufficiently independent because they are not a member of management, they are free of any business or other relationship that could materially interfere with the independent exercise of their judgement and consistently makes decisions that are in the best interests of the Group. Accordingly, the Board considers both Mr Hawkins and Mr Fehlberg to be independent directors. The length of service of each director is set out in the Directors' Report pages 13-14.
2.4	A majority of the board of a listed entity should be independent directors.	N	The Board does not have a majority of directors who are independent. The Board considers that its composition is appropriate for the Group's circumstances and includes an appropriate mix of skills and expertise relevant to the Group. The Group gives consideration to the balance of independence on the Board and will continue to review its composition in accordance with the Nomination Committee Charter.
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Y	During the Reporting Period, the Group's independent Chair is Mr Peter Hawkins. The Board believes that Mr Hawkins is the most appropriate person for the position of Chair because of his industry experience and knowledge. The Board believes that Mr Hawkins makes decisions that are in the best interests of the Group. The Managing Director of the Group is Mr Matthew Hogan.
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	N	Given the size of the Group there is no formal induction process for new directors. Board considers that if any new director is to be appointed, that new director will be provided with a personalized induction dependent upon the skills, experience and knowledge of the Group that the new director possesses. All directors are expected to maintain and enhance their skills and knowledge so as to exercise their responsibilities and discharge their obligations to the Group. Directors are expected to participate in appropriate professional development activities.
Principle 3 - Instil a culture of acting lawfully, ethically and responsibly			
3.1	A listed entity should articulate and disclose its values.	Y	The Group has adopted a Code of Conduct which requires Directors, management and employees to deal with the Company's customers, suppliers, competitors and each other with honesty, fairness and integrity and to observe the rule and spirit of the legal and regulatory environment in which the Company operates. The values set up in the Code of Conduct are inculcated across the Group's corporate group and supported by the standards and behaviours set out in the Group's Code of Conduct.

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	Y	The Group has established a Code of Conduct as to the practices necessary to maintain confidence in the Group's integrity, the practices necessary to take into account its legal obligations and the reasonable expectations of its stakeholders, and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices. A summary of the Group's Code of Conduct is available on the Group's website at https://www.venusmetals.com.au/company/corporate-governance.
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	Y	The Group has introduced a Whistleblower Policy in December 2019, which reflects the amended Australian whistleblowing laws passed in February 2019 and effective 1 January 2020. The Whistleblower Policy is a practical tool for helping the Group identify non-compliant conduct that may not be uncovered unless there is a safe and secure means for disclosing such conduct. The Policy is available at Group's website at https://www.venusmetals.com.au/company/corporate-governance.
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	Y	The Group's position on bribery and corruption are covered in the Group's Anti-Bribery and Corruption Policy and is available on the Group's website https://www.venusmetals.com.au/company/corporate-governance.
Principle 4 - Safeguard integrity in corporate reports			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	Y	The Board has established an Audit Committee and adopted an Audit Committee Charter which describes the role, composition functions and responsibilities of the Audit Committee. The members of the Audit Committee are Peter Hawkins (Chair), Barry Fehlberg, Matthew Hogan, and the Company Secretary, Patrick Tan. All members of the Audit Committee consider themselves to be financially literate and have an understanding of the industry in which the Group operates. The details of qualifications and experience of each Committee member are detailed in the Directors Report above. The Group has established procedures for the selection, appointment and rotation of its external auditor. The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises, as recommended by the Audit Committee (or its equivalent). Candidates for the position of external auditor must demonstrate complete independence from the Group through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Group's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Audit Committee (or its equivalent) and any recommendations are made to the Board. The Group's Audit Committee Charter and the Group's Procedure for Selection, Appointment and Rotation of External Auditor are available on the Group's website.

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Y	The Managing Director and Chief Financial Officer/Company Secretary declared in writing to the Board that the financial records of the Group for the financial year have been properly maintained, the Group's financial reports for the Reporting Period comply with accounting standards and present a true and fair view of the Group's financial condition and operation results. The statement is required annually.
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Y	The Group has implemented process to verify certain periodic corporate reports prepared and released during the Reporting Period, where those reports are not subject to audit or review by an external auditor, to satisfy itself that each report was materially accurate and balanced and provided investors. With appropriate information to make investment decisions. Such periodic corporate reports are drafted by staff with responsibility for, or expertise in, the subject matter and are verified, including by documenting the sources of information and consultation undertaken within the Group or with external parties. The Board or, where appropriate, Board committees, review and approve statutory and other periodic corporate reports prior to release to the market.
Principle 5 - Make timely and balanced disclosure			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Y	The Group has established written policies and procedures for complying with its continuous disclosure obligations under the ASX Listing Rules. A summary of the Group's *Policy on Continuous Disclosure* is disclosed the Group's website https://www.venusmetals.com.au/company/corporate-governance.
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Y	Copies of all material market announcements are provided to the Group's Board immediately after they have been made.
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Y	The Group releases a copy of materials for all new and substantive investor and analyst presentations to the ASX Market Announcement Platform ahead of such presentations. These presentations include results presentations as well as presentations given at the Group's Annual General Meeting, at investor days and to broker conferences.
Principle 6 - Respect the rights of security holders			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Y	The Group provides information about itself and its governance to security holders via the Investor Centre on its website at https://www.venusmetals.com.au/company/corporate-governance.
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Y	The Group has implemented an investor relations program, which includes the Annual General Meeting to facilitate effective two-way communication with investors. The program is set out in the *Shareholder Communication Policy* at https://www.venusmetals.com.au/company/corporate-governance.

<table>
<tr><th>Principle</th><th>Corporate Governance Council Recommendation</th><th>Conform (Y/N)</th><th>Disclosure</th></tr>
<tr><td>6.3</td><td>A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.</td><td>Y</td><td>The Group has in place a Shareholder Communication Policy which outlines the policies and processes that it has in place to facilitate and encourage participation at meeting of shareholders.</td></tr>
<tr><td>6.4</td><td>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</td><td>Y</td><td>The Group ensures that all substantive resolutions at meeting of security holders are decided by a poll rather than by a show of hands.</td></tr>
<tr><td>6.5</td><td>A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</td><td>Y</td><td>Shareholders are given the option to receive communications from, and send communications to, the Group and its share registry electronically. The contact details of the Group and its share registry are available on the website. Further, shareholders may register to receive ASX Announcements through the website.</td></tr>
<tr><td colspan="4">Principle 7 - Recognise and manage risk</td></tr>
<tr><td>7.1</td><td>The board of a listed entity should:
(a) have a committee or committees to oversee risk, each of which:
(1) has at least three members, a majority of whom are independent directors; and
(2) is chaired by an independent director,
and disclose:
(3) the charter of the committee;
(4) the members of the committee; and
(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</td><td>N</td><td>The Board has adopted a Risk Management Policy, which sets out the Group's risk profile. Under the policy, the Board is responsible for approving the Group's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

Under the policy, the Board delegates day-to-day management of risk to the Managing Director, who is responsible for identifying, assessing, monitoring and managing risks. The Managing Director is also responsible for updating the Group's material business risks to reflect any material changes, with the approval of the Board.

In fulfilling the duties of risk management, the Managing Director may have unrestricted access to Group employees, contractors and records and may obtain independent expert advice on any matter he/she deems appropriate, with the prior approval of the Board.

In addition, the following risk management measures have been adopted by the Board to manage the Group's material business risks:

• the Board has established authority limits for management, which, if proposed to be exceeded, requires prior Board' s approval;
• the Board has adopted a compliance procedure for the purpose of ensuring compliance with the Group's continuous disclosure obligations; and
• the Board has adopted a corporate governance manual which contains other policies to assist the Group to establish and maintain its governance practices.

The Group considers the following categories of risk to have a material effect impact its business and hence are included in the Group's risk profile.
• Financial reporting;
• Operational;
• Environmental;
• Sustainability;
• Occupational Health & Safety;
• Ethical conduct;
• Reputation; and
• Legal and Compliance.</td></tr>
</table>

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	Y	The Board has required management to design, implement and maintain risk management and internal control systems to manage the Group's material business risks. The Board also requires management to report to it confirming that those risks are being managed effectively. The Board has received a report from management as to the effectiveness of the Group's management of its material business risks for the Reporting Period. The Managing Director has provided assurance in writing to the Board that the Group's financial reports are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board. Monthly actual results are reported against budgets approved by the Directors and revised forecasts for the year are prepared regularly. All Directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Group. Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Group. The Board has developed procedures to assist Directors to disclosed potential conflict of interest. Where the Board believes that a significant conflict exists for a Director on a board matter, the Director concerned does not receive the relevant board papers and is not present at the meeting whilst the item is considered. A summary of the Group's *Risk Management Policy* is available on the Group's website.
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	N	The Group does not have an internal audit function. To evaluate and continually improve the effectiveness of the Group's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Group's *Risk Management Policy* at https://www.venusmetals.com.au/company/corporate-governance.

<table>
<tr><th>Principle</th><th>Corporate Governance Council Recommendation</th><th>Conform (Y/N)</th><th>Disclosure</th></tr>
<tr><td>7.4</td><td>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</td><td>Y</td><td>Using its risk management framework, the Board has identified the following risk categories – liquidity, strategic risk, operational, environmental, compliance, human capital, workplace, health and safety, financial reporting, market and commodity related.

As the Group is not in production nor has any major operations, the Group has not identified any material exposure to any economic, environmental and/or social sustainability risks.

<table>
<tr><th>Economic risk</th><th>Mitigation strategies</th></tr>
<tr><td>Market risk – movements in commodity prices</td><td>The group manages its exposure to market risk by monitoring market conditions and making decisions based on industry experience.</td></tr>
<tr><td>Future capital – cost and availability of funds to meet the Group's business needs</td><td>The Group monitors its cash reserves and manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid finance requirements to finance the group's current and future operations.</td></tr>
</table></td></tr>
<tr><td colspan="4">Principle 8 - Remunerate fairly and responsibly</td></tr>
<tr><td>8.1</td><td>The board of a listed entity should:
(a) have a remuneration committee which:
(1) has at least three members, a majority of whom are independent directors; and
(2) is chaired by an independent director,
and disclose:
(3) the charter of the committee;
(4) the members of the committee; and
(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</td><td>Y</td><td>The Board has established a Remuneration Committee. The members of the Remuneration Committee are Peter Hawkins (Chair), Matthew Hogan and Barry Fehlberg.

During the year the Remuneration Committee has met to discuss the remuneration of the Executive Directors.

The members of the Committee collectively have appropriate skills, and a sufficient understanding of the business and industry sector in which the Group operates, to discharge the Committee's mandate effectively.</td></tr>
<tr><td>8.2</td><td>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</td><td>Y</td><td>Details of remuneration, including the Group's policy on remuneration, are contained in the "Remuneration Report" which forms of part of the Directors' Report above.</td></tr>
</table>

Principle	**Corporate Governance Council Recommendation**	**Conform (Y/N)**	**Disclosure**
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	N/A	The Group does not have an equity-based remuneration scheme and this recommendation is therefore not applicable.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

	Note	2023 $	2022 $
Revenue	4	46,084	1,030
Other income	4	14,154	32,474
(Loss) / Profit on sale of investments		(35,000)	174,803
Profit on sale of fixed assets		-	29,818
Employee benefit expenses	5	(1,225,229)	(1,090,097)
Exploration expense		(3,769,113)	(4,966,710)
Depreciation and amortisation expense		(70,452)	(66,277)
Changes in market value of shares		579,167	(1,030,157)
Other expenses		(689,621)	(432,274)
Loss before income tax		**(5,150,010)**	**(7,347,390)**
Income tax	6	-	-
Loss for the year		**(5,150,010)**	**(7,347,390)**
Other comprehensive income		-	-
Income tax on other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		**(5,150,010)**	**(7,347,390)**
Net loss attributable to:			
Owners of the Company		(5,150,010)	(7,347,390)
Net loss for the year		**(5,150,010)**	**(7,347,390)**
Total comprehensive loss attributable to:			
Owners of the Company		(5,150,010)	(7,347,390)
Total comprehensive loss for the year		**(5,150,010)**	**(7,347,390)**
Earnings per share			
Basic loss per share	8	(0.030)	(0.049)
Diluted loss per share	8	(0.030)	(0.049)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Note	2023 $	2022 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	3,501,632	5,476,698
Trade and other receivables	9	364,724	277,561
Financial assets at fair value through profit or loss	25	1,575,000	1,004,167
Assets held for sale	12	2,233,257	-
Prepayments		245,073	138,181
TOTAL CURRENT ASSETS		**7,919,686**	**6,896,607**
NON-CURRENT ASSETS			
Property, plant and equipment	11	197,496	194,924
Capitalised acquisition costs	12	120,700	2,278,957
Intangibles	13	1,040,000	-
Right-of-use assets	14	-	21,421
TOTAL NON-CURRENT ASSETS		**1,358,196**	**2,495,302**
TOTAL ASSETS		**9,277,882**	**9,391,909**
CURRENT LIABILITIES			
Trade and other payables	15	299,728	313,612
Employee benefits	16	161,739	124,495
Lease liability	14	-	26,113
Other current liabilities	17	6,697,051	4,546,990
TOTAL CURRENT LIABILITIES		**7,158,518**	**5,011,210**
NON-CURRENT LIABILITIES			
Lease liability	14	-	1,058
TOTAL NON-CURRENT LIABILITIES		**-**	**1,058**
TOTAL LIABILITIES		**7,158,518**	**5,012,268**
NET ASSETS		**2,119,364**	**4,379,641**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2023

	Note	2023 $	2022 $
EQUITY			
Share capital	18	38,354,041	36,002,702
Reserves	18	5,246,873	4,708,479
Accumulated losses		(41,481,550)	(36,331,540)
TOTAL EQUITY		**2,119,364**	**4,379,641**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

	Attributable to owners of the Company			
	Share Capital	**Share Options Reserve**	**Accumulated Losses**	**Total Equity**
	$	$	$	$
As at 1 July 2022	**36,002,702**	**4,708,479**	**(36,331,540)**	**4,379,641**
Total comprehensive income for the year				
Loss for the year	-	-	(5,150,010)	(5,150,010)
Total comprehensive loss for the year	**-**	**-**	**(5,150,010)**	**(5,150,010)**
Transactions with owners recorded directly into equity				
Contributions by and distributions to owners				
Issue of ordinary shares	2,800,000	-	-	2,800,000
Issue of options as share-based payments	-	537,894	-	537,894
Options fee received	-	500	-	500
Transaction costs	(448,661)	-	-	(448,661)
Balance at 30 June 2023	**38,354,041**	**5,246,873**	**(41,481,550)**	**2,119,364**

	Attributable to owners of the Company			
	Share Capital	**Share Options Reserve**	**Accumulated Losses**	**Total Equity**
	$	$	$	$
As at 1 July 2021	**33,941,282**	**4,650,969**	**(28,984,150)**	**9,608,101**
Total comprehensive income for the year				
Loss for the year	-	-	(7,347,390)	(7,347,390)
Total comprehensive loss for the year	**-**	**-**	**(7,347,390)**	**(7,347,390)**
Transactions with owners recorded directly into equity				
Contributions by and distributions to owners				
Issue of ordinary shares	2,070,000	-	-	2,070,000
Issue of options as share-based payments	-	57,510	-	57,510
Transaction costs	(8,580)	-	-	(8,580)
Balance at 30 June 2022	**36,002,702**	**4,708,479**	**(36,331,540)**	**4,379,641**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2023

	Note	2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		46,084	1,030
Cash paid to suppliers and employees		(1,686,392)	(1,751,772)
Exploration expenditure		(1,722,320)	(2,140,056)
R&D tax credit		14,154	32,474
Net cash flows used in operating activities	10 (b)	**(3,348,474)**	**(3,858,324)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of plant and equipment		(51,374)	(45,732)
Acquisition of royalty		(575,000)	-
Acquisition of listed investments		(366,667)	-
Proceeds from sale of fixed assets		-	1,818
Proceeds from sale of listed investments		340,000	174,803
Proceeds from sale of tenements		-	2,475,000
Net cash flows (used) / provided by investing activities		**(653,041)**	**2,605,889**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of shares (net of costs)		2,075,199	2,061,420
Payment of finance lease liability		(49,250)	(27,600)
Proceeds from issues of unlisted options		500	-
Net cash flows provided by financing activities		**2,026,449**	**2,033,820**
Net (decrease) / increase in cash and cash equivalents		**(1,975,066)**	**781,385**
Cash and cash equivalents at 1 July		5,476,698	4,695,313
Cash and cash equivalents at 30 June	10(a)	**3,501,632**	**5,476,698**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1 Reporting entity

Venus Metals Corporation Limited (the "Company") is a company domiciled in Australia. The Company's registered address is at Unit 2, 8 Alvan Street, Subiaco, WA 6008, Australia. The consolidated financial statements of the Group as at and for the year ended 30 June 2023 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group Entities") and the Group's jointly controlled entities. The Group is a for-profit entity and primarily is involved in exploration for gold, vanadium, cobalt-nickel, rare earth and lithium.

Note 2 Summaries of significant accounting policies

(a) Basis of Preparation

The consolidated financial statements are a general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001.* The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB). The consolidated financial statements are presented in Australian Dollars (AUD).

Except for cashflow information, the consolidated financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The consolidated financial statements were authorised for issue by the Board of Directors on 26 September 2023.

(b) Going concern

The financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation and extinguishment of liabilities in the ordinary courses of business.

For the year ended 30 June 2023 the Group incurred a loss of $5,150,010 (2022: loss of $7,347,390 and had working capital excess of $761,168 (2022: Working capital excess of $1,885,397). Based upon the Group's existing cash resources and short-term investments of $5,076,632 (2022: $6,480,865) the ability to modify expenditure outlays if required, and to source additional funds, the Directors consider there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and therefore the going concern basis of preparation is considered to be appropriate for the Group's 2023 financial report.

The Board of Directors is aware of the Group's working capital requirements and the need to access additional equity funding or asset divestment if required within the next 12 months.

In the event that the Group is not able to continue as a going concern, it may be required to realise assets and extinguish liabilities other than in the normal course of business and perhaps at amounts different to those stated in its financial report.

(c) New and Amended Accounting Standards Adopted by the Group

The Group has considered the implications of new and amended Accounting Standards which have become applicable for the current financial reporting period.

- **AASB 2020-3: *Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments***

The Entity adopted AASB 2020-3 which makes some small amendments to a number of standards including the following: AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141.

The adoption of the amendment did not have a material impact on the financial statements.

- **AASB 2021-7a: *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections***

AASB 2020-7a makes various editorial corrections to a number of standards effective for reporting periods beginning on or after 1 January 2022.

The adoption of the amendment did not have a material impact on the financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

(d) New and Amended Accounting Policies Not Yet Adopted by the Group

- ***AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current***

The amendment amends AASB 101 to clarify whether a liability should be presented as current or non-current.

The Group plans on adopting the amendment for the reporting period ending 30 June 2024 along with the adoption of AASB 2022-6. The amendment is not expected to have a material impact on the financial statements once adopted.

- ***AASB 2022-6: Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants***

AASB 2022-6 amends AASB 101 to improve the information an entity provides in its financial statements about liabilities arising from loan arrangements for which the entity's right to defer settlement of those liabilities for at least 12 months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. It also amends an example in Practice Statement 2 regarding assessing whether information about covenants is material for disclosure.

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

- ***AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates***

The amendment amends AASB 7, AASB 101, AASB 108, AASB 134 and AASB Practice Statement 2. These amendments arise from the issuance by the IASB of the following International Financial Reporting Standards: Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) and Definition of Accounting Estimates (Amendments to IAS 8).

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

- ***AASB 2021-5: Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction***

The amendment amends the initial recognition exemption in AASB 112: *Income Taxes* such that it is not applicable to leases and decommissioning obligations – transactions for which companies recognise both an asset and liability and that give rise to equal taxable and deductible temporary differences.

The Group plans on adopting the amendment for the reporting period ending 30 June 2024. The impact of the initial application is not yet known.

- **AASB 2021-7b & c: *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections***

AASB 2021-7b makes various editorial corrections to AASB 17 *Insurance Contracts* which applies to annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

AASB 2021-7c defers the mandatory effective date (application date) of amendments to AASB 10 and AASB 128 that were originally made in AASB 2014-10: *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2025 instead of 1 January 2018.

The Group plans on adopting the amendments for the reporting periods ending 30 June 2024 and 30 June 2026. The impact of initial application is not yet known.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

- **AASB 2022-7:** ***Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards***

AASB 2022-7 makes editorial corrections to the following standards: AASB 7, AASB 116, AASB 124, AASB 128, AASB 134 and AASB as well as to AASB Practice Statement 2. It also formally repeals superseded and redundant Australian Account Standards as set out in Schedules 1 and 2 to the Standard.

The Group plans on adopting the amendments for the reporting period ending 30 June 2024. The amendment is not expected to have a material impact on the financial statements once adopted.

(e) Significant accounting policies

Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Venus Metals Corporation Limited) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 20.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the consolidated statement of financial position and consolidated statement of comprehensive income.

Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a "joint venture" and accounted for using the equity method.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Group's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the consolidated financial statements.

Gains and losses resulting from sales to a joint operation are recognised to the extent of the other parties' interests. When the Group makes purchases from a joint operation, it does not recognise its share of the gains and losses from the joint arrangement until it resells those goods/assets to a third party.

Details of the Group's interests in joint arrangements are provided in Note 24.

Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

(i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
(ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

(f) Subsidiaries

Subsidiaries are entities controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(g) Jointly controlled operations

A jointly controlled operation is a joint venture by each venture using its own assets in pursuit of the joint operations. The consolidated financial statements include the assets that the Group controls and the liabilities that it incurs in the course of pursuing the joint operations, and the expenses that the Group incurs and its share of the income that it earns from the joint operation.

(h) Income tax

Income tax expense comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and associates and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(i) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- The cost of materials and direct labour,
- Any other costs directly attributable to bringing the assets to a working condition for their intended use,
- When the Group has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located, and
- Capitalised borrowing costs.

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

Any gain or loss on disposal of an item of property, plant and equipment (calculated as difference between the net proceeds from the disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date the asset is completed and ready for use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a reducing balance basis over their useful lives to the entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	40%
Computer equipment	40%
Motor vehicles	40%
Building improvements	40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated losses.

(j) Exploration and development expenditure

Exploration and evaluation costs are expensed as incurred. Acquisition expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

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

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis in determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(k) Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial instruments (except for trade receivables) are measured initially at fair value adjusted by transactions costs, except for those carried "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets and financial liabilities are described below.

Trade receivables are initially measured at the transaction price if the receivables do not contain a significant financing component in accordance with AASB 15.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Classification and subsequent measurement

Financial assets

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

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments,are classified into the following categories upon initial recognition:
- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:
- The contractual cash flow characteristics of the financial assets; and
- The entities business model for managing the financial asset.

Financial assets at amortised cost

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

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and

- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through other comprehensive income (Equity instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 *Financial Instruments: Presentatio*n and are not held for trading.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Financial assets at fair value through profit or loss (FVPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. The Group's financial assets at FVPL is disclosed in Note 25 to the financial statements.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

Impairment

From 1 July 2019, the Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (ie the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

(l) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

(m) Revenue recognition

Interest Income

Interest income is recognised using the effective interest method.

Government Grant

An unconditional government grant is recognised in the statement of profit or loss as other income when the grant becomes receivable. Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the same period in which the expenses are recognised.

Research and development tax incentives are recognised in the statement of profit or loss as other income when received or when the amount to be received can be reliably estimated.

(n) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are generally paid within 30 days of recognition.

(p) Earnings per share

(i) Basic earnings per share

Basic earnings per share is determined by dividing net profits after income tax attributable to members of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares during the year.

(ii) Diluted earnings per share

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

(q) Critical accounting estimates and judgments

The Directors evaluated 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 externally.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

(i) Key Estimates – Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimate.

(ii) Acquisition Costs

The Group is required to estimate whether there has been an impairment of mineral acquisition costs capitalised.

(iii) Option and Performance Right Valuations

Estimating the fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or performance right, volatility and making assumptions about them.

The fair value is determined by a valuation using the Black Scholes Option Pricing Model, using the assumptions detailed in Note 19.

(r) Financial risk management objectives and policies

The Group's principal financial instruments comprise cash and cash equivalents and financial assets at FVPL.

The main risks arise from the Group's financial instruments are fair value interest rate risks and market risks. The Board reviews and agrees policies for managing this risk are summarised below.

Details of the significant accounting policies and methods adopted, including the criterion for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed elsewhere in Note 2 to the consolidated financial statements.

(i) Interest Risk

The Group's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market rates.

(ii) Credit Risk

The Group does not have any material credit risk exposure to any single debtor under financial instruments.

(iii) Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows.

(s) Interest in joint ventures

(i) Reimbursement of the joint venture operator's costs

When the Group, acting as an operator, receives reimbursement of direct costs recharges to the joint venture such recharges represent reimbursements of cost that the operator incurred as an agent for the joint venture and therefore have no effect on the consolidated statement of comprehensive income.

In many cases, the Group also incurs certain general overhead expenses in carrying out activities on behalf of the joint venture. As these costs can often not be specifically identified, joint venture agreements allow the operator to recover the general overhead expenses incurred by charging an overhead fee that is based on a fixed percentage of the total costs incurred for the year, often in the form of a management fee. Although the purpose of this recharge is very similar to the reimbursement of direct costs, the Group is not acting as an agent in this case. Therefore, the general overhead expenses and the overhead fee are recognised in the consolidated statement of comprehensive income as an expense and income respectively.

(ii) Jointly controlled assets

A jointly controlled asset involves joint control and offers joint ownership by the Group and other ventures of assets contributed to or acquired for the purpose of the joint venture, without the formation of a corporation partnership or other entity.

Where the Group's activities are conducted through jointly controlled assets, the Group recognises its share of jointly controlled assets, and liabilities it has incurred, its share of liabilities incurred jointly with other venturers, related revenue and operating costs in the consolidated financial statements and share of their production.

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(iii) Jointly controlled entities

A jointly controlled entity is a corporation, partnership or other entity in which each venturer holds an interest. A jointly controlled entity operates in the same way as other entities, except that a contractual arrangement established joint control. A jointly controlled entity controls the assets of the joint venture earns its own income and incurs its own liabilities and expenses. Interests in jointly controlled entities are accounted for using the equity method.

Under the equity method, the investment in the joint venture is carried in the consolidated statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The consolidated statement of comprehensive income reflects the Group's share of the result of operations of the joint venture. Where there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes and discloses this, when applicable, in the consolidate statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The share of the joint venture net profit is shown on the face of the consolidated statement of comprehensive income. This is the profit attributable to venturers in the joint venture.

The consolidated financial statements of the joint controlled entities are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the account policies in line with those of the Group.

(t) Provisions

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

(u) Employees benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(ii) Share-based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 19.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

(v) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquire and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with AASB 112: *Income Taxes* and AASB 119: *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with AASB 2: *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with AASB 5: *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with AASB 139: *Financial Instruments: Recognition and Measurement* or AASB 137: *Provisions, Contingent Liabilities and Contingent Assets,* as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

(w) Right-of-use assets

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

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(x) Lease liabilities

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

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.

(y) Intangibles

Intangibles relating to royalty rights are initially valued at cost. After initial recognition, royalty rights shall be carried at loss less any accumulated amortisation and accumulated impairment losses.

Note 3 Operating segments

The Group operates predominantly in the mineral exploration industry in Australia. For management purposes, the Group is organised into one main operating segment which involves the exploration of minerals in Australia. All of the Group's activities are interrelated and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment.

The financial results from this segment are equivalent to the financial statements of the Group as a whole.

Geographical information

The Group operates solely in one country, Australia.

Note 4 Revenue and other income

	2023	2022
	$	$
Interest income	46,084	1,030
Revenue	**46,084**	**1,030**
R&D Tax credit	14,154	32,474
Other income	**14,154**	**32,474**

Note 5 Employee benefits expense

	2023	2022
	$	$
Wages and salaries	858,089	938,616
Compulsory social security contributions	93,106	93,971
Share-based payment transaction expense	274,034	57,510
	1,225,229	**1,090,097**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 6 Income tax

	2023 $	2022 $
(a) Numerical reconciliation of income tax expense to prima facie tax payable		
Accounting loss before income tax	(5,150,010)	(7,347,390)
Less: R&D tax credit	(14,154)	(32,474)
Loss from continuing operations before tax credit	(5,164,164)	(7,379,864)
Prima facie tax benefit from ordinary activities at 30.0% (2022: 25.0%)	(1,549,249)	(1,844,966)
Tax effect of amounts which are not deductible in calculating taxable income (including R&D tax credit)	86,432	15,479
Movement in unrecognised temporary differences	(34,918)	398,480
Tax effect of current year losses for which no deferred tax assets have been recognised	1,497,735	1,431,007
Income tax expense	-	-

	2023 $	2022 $
(b) Tax losses		
Revenue losses	33,455,637	27,464,697
Capital losses	1,164,557	1,001,631
Total	**34,620,194**	**28,466,328**
Potential tax benefit at 30.0% (2022: 25.0%)	10,386,058	7,116,582

The tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future profit will be available against which the Group can utilise the benefit.

(c) Deferred tax asset / (liability) not brought to account and carried forward in relation to:

	2023 $	2022 $
Tax losses	10,386,058	7,116,582
Section 40-880 deduction	130,663	102,266
Exploration acquisition costs	(905,434)	(477,029)
Prepayment	(73,522)	(34,546)
Provisions	68,358	39,595
Plant & Equipment	(39,970)	(31,228)
	9,566,153	**6,715,640**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 7 Related party disclosures

Key management personnel compensation

	2023 $	2022 $
Short-term employee benefits	505,000	505,000
Post-employment benefits	51,967	48,815
Other costs	26,306	37,537
Share-based payments	263,362	-
	846,635	**591,352**

Information regarding individual directors' and executives' compensation and some equity instruments disclosures as required by Corporate Regulation 2M.3.03 is provided in the remuneration report section of the Directors' Report.

Apart from the details disclosed in this note, no director has entered into a material contract with the Company or the Group since the end of the previous financial year and there were no material contracts involving Director's interests existing at year-end.

Transactions with related parties

Transaction between each parent company and its subsidiary which are related parties of that Company are eliminated on consolidation and are not disclosed in this note.

Loan to key management personnel and their related parties

There are no loans made to directors or other key management personnel of the Company or the Group.

Key management personnel and director transaction

A number of key management persons, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

Zoe Hogan, daughter of Mr Matthew Hogan, is an employee of the Company. She received total remuneration inclusive of superannuation during the financial year of $70,720 (2022: $52,617) as Office Administrator.

Paul Hogan, brother of Mr Matthew Hogan, is an employee of the Company. He received total remuneration inclusive of superannuation during the financial year of $84,293 (2022: $Nil) as Health & Safety Officer and Logistic Manager.

There were no other transactions with related parties during the year.

Note 8 Loss per share

The calculation of basic and diluted loss per share for the years ended 30 June 2023 and 30 June 2022 were based on the following:

	2023 $	2022 $
Net loss attributable to ordinary equity holders of the Company	(5,150,010)	(7,347,390)

	2023 No.	2022 No.
Weighted average number of ordinary shares used in calculating basic loss per share	172,315,806	150,689,427

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Note 8 Loss per share (continued)

	2023 $	2022 $
Basic loss per share	(0.030)	(0.049)
Diluted loss per share	(0.030)	(0.049)

Note 9 Trade and other receivables

	2023 $	2022 $
Other receivables	364,724	277,561

None of the receivables are past due or impaired.

Note 10 Cash and cash equivalents

(a) Cash and cash equivalents

	2023 $	2022 $
Cash at bank and on hand	3,501,632	5,476,698

Cash at bank earns interest at floating rates based on daily bank deposit rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 10 Cash and cash equivalents (continued)

(b) Reconciliation of cash flows from operating activities

	2023 $	2022 $
Loss for the year	(5,150,010)	(7,347,390)
Adjustments for:		
- Loss on sale of listed investments	35,000	-
- Depreciation and amortisation	70,452	66,277
- Share-based payment transaction expenses	274,034	57,510
- Interest on lease	429	1,647
- Profit on disposal of fixed assets	-	(29,818)
- Gain on sale of tenements	-	-
- Fair value (gain) / loss on revaluation of listed investments	(579,167)	1,030,157
Changes in:		
- Prepayments	(106,892)	39,517
- Trade and other receivables	(87,163)	(65,715)
- Trade and other payables	(13,886)	(112,342)
- Employee benefits	37,244	49,137
- Other current liabilities	2,171,485	2,452,696
Net cash used in operating activities	**(3,348,474)**	**(3,858,324)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 11 Property, plant and equipment

	Motor vehicles $	Plant & equipment $	Total $
Cost			
Balance 1 July 2022	285,538	506,946	792,484
Additions	-	51,374	51,374
Disposals	(143,070)	(275,726)	(418,796)
Balance at 30 June 2023	**142,468**	**282,594**	**425,062**
Balance 1 July 2021	222,080	502,606	724,686
Additions	63,458	4,340	67,798
Disposals	-	-	-
Balance at 30 June 2022	**285,538**	**506,946**	**792,484**
Accumulated depreciation			
Balance 1 July 2022	201,407	396,153	597,560
Depreciation charge for the year	21,089	27,943	49,032
Disposal	(143,294)	(275,732)	(419,026)
Balance at 30 June 2023	**79,202**	**148,364**	**227,566**
Balance 1 July 2021	185,725	357,700	543,425
Depreciation charge for the year	15,682	38,453	54,135
Disposal	-	-	-
Balance at 30 June 2022	**201,407**	**396,153**	**597,560**
Carrying amounts			
At 30 June 2023	**63,266**	**134,230**	**197,496**
At 30 June 2022	84,131	110,793	194,924

Note 12 Capitalised acquisition costs

	2023 $	2022 $
Cost		
Balance at 1 July	5,260,390	5,260,390
Acquisition costs during the year	75,000	-
Reclass during the year [(1)]	(2,233,257)	-
Balance at 30 June	3,102,133	5,260,390
Impairment		
Balance at 1 July	(2,981,433)	(2,981,433)
Impairment	-	-
Balance at 30 June	(2,981,433)	(2,981,433)
Carrying amounts	**120,700**	**2,278,957**

The ultimate recoupment of capitalised acquisition costs carried forward is dependent on successful development and commercial exploitation or, alternatively, sale of the respective project areas.

[(1)] Capitalised acquisition costs amounting to $2,233,257 relating to Youanmi Gold Project and Regional Joint Ventures with Rox Resources Ltd were reclassified to Assets held for sale as a result of sale of the project to Rox Resources Limited (refer to Note 27 Subsequent Event).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 13 Intangibles

	2023 $	2022 $
Non-current assets		
Royalty rights acquired during the year– at cost	1,040,000	-
Less: Accumulated amortization	-	-
Less: Impairment	-	-
Balance at 30 June 2023	**1,040,000**	**-**

The Group acquired a 0.3% net smelter royalty in relation to the Youanmi Gold Mining Leases by paying $1,040,000 (consist of cash $500,000 and 3 million ordinary shares with a deemed price of $0.18 each) to the vendor.

Note 14 Right-of-use assets and lease liability

The Group's lease portfolio includes the office lease. The average term of the lease is 3 years with option to extend for an additional 3 years. Where the option to extend is reasonably certain, this has been included in the calculation.

(a) Carrying value

	2023 $	2022 $
Balance at inception of the lease	64,262	64,262
Accumulated depreciation	(64,262)	(42,841)
	-	**21,421**

(b) AASB related amounts recognised in the consolidated statement of profit or loss and other comprehensive income

	2023 $	2022 $
Depreciation expense	21,420	21,420
Interest expenses (included in administrative expenses)	589	1,647
	22,009	**23,067**

(c) Total cash outflows for leases

	2023 $	2022 $
Repayment of lease liability	27,171	25,953

(d) Option to extend or terminate

The Group uses hindsight in determining the lease term where contract contains option to extend or terminate the lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 14 Right-of-use assets and lease liability (continued)

(e) Lease liability

	2023 $	2022 $
Balance at 1 July	27,171	53,124
Less: Principal repayments	(27,171)	(25,953)
	-	**27,171**
Current lease liability	-	26,113
Non-Current lease liability	-	1,058

(f) The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year $	1-5 years $	> 5 years $	Total undiscounted lease liability $	Lease liability included in the Consolidated Statement of Financial Position $
30 June 2023					
Lease liability	**-**	**-**	**-**	**-**	**-**
30 June 2022					
Lease liability	25,300	2,300	-	27,600	27,171

Note 15 Trade and other payables

	2023 $	2022 $
Trade payables	157,292	240,693
Accrued expenses	48,476	33,083
Other payables (including GST payable)	93,960	39,836
	299,728	**313,612**

The Group's exposure to liquidity risk related to trade and other payables is disclosed in Note 22.

Note 16 Employee benefits

	2023 $	2022 $
Liability for annual leave	125,612	97,041
Liability for long service leave	36,127	27,454
	161,739	**124,495**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 17 Other current liabilities

	2023	2022
	$	$
Amount owing to a joint venture partner	6,697,051	4,546,990

(1) This amount includes a limited recourse loan which amounted to $6,697,051 (2022: $4,546,990) advanced by joint venture partner, Rox Resources Limited (Rox) to the Group's subsidiary, Oz Youanmi Gold Pty Ltd, on exploration expenditure pertaining to OYG Joint Venture which was 70% held by Rox.

Oz Youanmi Gold Pty Ltd has opted not to contribute its 30% share of exploration expenditure under the joint venture and entered into a limited recourse loan arrangement and repayment under the Deed of Variation, Assignment and Assumption dated 10 May 22 - (Annexure A - Term Sheet - Youanmi Gold Project Clause 24). The term of the loan is interest free with no fixed maturity.

(2) On 30 March 2023, the Group entered into an asset sale and purchase agreement with Rox Resources Limited (Rox), for Rox to acquire, subject to conditions precedent, for consideration of 110 million Rox shares at the deemed price of $0.25 each, the Group's 30% interest in the OYG JV (Youanmi Gold Project) and all the Group's gold interest in their other joint venture covering other regional areas in Youanmi.

As part of the agreement above, the amount owing to Rox with a value of $6,697,051 will be extinguished via a Deed of Forgiveness. The Group will record the extinguished loan amount on the completion of transaction on 7 July 2023.

Note 18 Capital and reserves

Share capital

	2023	2022
	$	$
181,578,683 (2022: 160,078,683) fully paid ordinary shares	38,354,041	36,002,702

	2023	2022	2023	2022
	No.	No.	$	$
On issue at 1 July	160,078,683	151,078,683	36,002,702	33,941,282
Issued during the year (1)	21,500,000	9,000,000	2,800,000	2,070,000
Share issue costs (2)	-	-	(448,661)	(8,580)
On issue at 30 June	**181,578,683**	**160,078,683**	**38,354,041**	**36,002,702**

Note (1)

1. On 3 November 2022, 18 million of ordinary fully paid shares at the issue price of $0.12 each were issued to various sophisticated investors in a placement.
2. On 9 May 2023, 3 million of ordinary fully paid shares at the deemed issued price of $0.18 each were issued to St Clair Resources Pty Ltd as part of purchase consideration for the acquisition of 0.3% royalty in the Youanmi Gold Project.
3. During the year, 500,000 of unlisted options were exercised into ordinary fully paid shares at the issue price of $0.20 each.

Note (2)

1. On 28 November 2022, the Company issued 5 million unlisted options with an exercise price of $0.20 each and expiry date of 30 November 2025 to RM Corporate Finance Pty Ltd in exchange for lead manager and book running services provided to the Company in relation to the placement of 18 million ordinary shares to various sophisticated investors on 3 November 2022. The options are valued at $0.0528 each (Black-Scholes option pricing), total $263,860.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 18 Capital and reserves (continued)

Capital Management

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital include ordinary share capital and financial liabilities, supported by financial assets.

The Group is not subject to any externally imposed capital requirements.

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

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

Reserves – Share Option Reserve

	2023 $	2022 $
As at 1 July	4,708,479	4,650,969
Share-based payment transactions	537,894	57,510
Option fee received	500	-
As at 30 June	**5,246,873**	**4,708,479**

Options	2023 No.	2022 No.
As at 1 July	8,525,000	11,775,000
Issued during the year (1)	19,000,000	-
Exercised during the year	(500,000)	-
Lapsed during the year	(5,750,000)	(3,250,000)
As at 30 June	**21,275,000**	**8,525,000**

Performance rights (2)	2023 No.	2022 No.
As at 1 July	7,500,000	7,500,000
Issued during the year	-	-
Exercised during the year	-	-
Lapsed during the year	-	-
As at 30 June	**7,500,000**	**7,500,000**

(1) Options issued during the year:

(1) On 3 November 2022, the Company issued 9 million unlisted options with an exercise price of $0.20 each and expiry date of 30 November 2025 as attaching options for every two shares issued under the placement of 18 million ordinary shares to various sophisticated investors on 3 November 2022.

(2) On 28 November 2022, the Company issued 5 million unlisted options with an exercise price of $0.20 each and expiry date of 30 November 2025 to RM Corporate Finance Pty Ltd in exchange for lead manager and book running services provided to the Company in relation to the placement of 18 million ordinary shares to various sophisticated investors on 3 November 2022.

(3) On 6 December 2022, the Company issued 5 million unlisted options with an exercise price of $0.20 each and expiry date of 30 November 2025 to the Directors (or their nominees) as approved by shareholders during the Annual General Meeting held on 25 November 2022.

(2) Performance rights

As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise these performance rights if any milestones are met.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 18 Capital and reserves (continued)

Nature and purpose of the share option reserve

Share-based payment reserve

The share option reserve is used to recognise the value of equity-settled share-based payment transaction provided to employees, including key management personnel, as part of their remuneration and the value of issued options issued during the year net of listing costs. Refer to Note 19 for further details of these plans.

Note 19 Share-based payment arrangements

Description of the share-based payment arrangements

Employee Award Plan (Plan)

On 25 November 2022, the Company adopted the Employee Awards Plan (Plan) under which employees and or directors, or individuals who provide services to, a Group Company (Eligible Employees) may be offered the opportunity to subscribe for equity securities in the form of shares, options and/or performance rights (together, the Incentives) in order to increase the range of potential incentives available to them and to strengthen links between the Company and its eligible employees.

The Plan is designed to provide incentives to the Eligible Employees of the Company and to recognise their contribution to the Company's success. Under the Company's current circumstances, the Directors consider that the incentives to Eligible Employees are a cost effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure Eligible Employees who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The Plan is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain significant shareholdings in the Company.

The Plan was approved by shareholders during the Company's Annual General Meeting on 25 November 2022.

On 25 November 2022, the shareholders approved to issue 5,000,000 unlisted options at an issue price of $0.0001 per option (each option having an exercise price of $0.20 and an expiry date of 30 November 2025) to the Directors (or their nominees) as set out below. There are no additional vesting conditions attached to the options other than continuous employment with the Company.

Director/Nominee	Number of Options
Matthew Vernon Hogan & Zoe Louise Hogan <Hogan Superannuation Fund> (Mr Matthew Hogan's nominee)	2,500,000
Yafco Pty Ltd <3 Bears Super Fund No 1 A/C> (Mr Barry Fehlberg's nominee)	750,000
Mr Peter Charles Hawkins	750,000
Mrs Sivagami Selvakumar (Mr Selvakumar Arunachalam's nominee)	1,000,000
Total	**5,000,000**

Options issued to third parties

On 28 November 2022, the Company issued 5 million unlisted options to RM Corporate Finance Pty Ltd and vested immediately (refer to note 18(2) above).

Inputs for measurement of grant date fair values

The fair value at grant date is measured using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. Expected volatility is estimated by considering historic average share price volatility.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 19 Share-based payment arrangements (continued)

The model inputs for the Unlisted Options are:

Grant Date	Expiry Date	Exercise Price	Life of option	Share price at grant date	Expected share price volatility	Dividend yield	Risk-free Interest rate	Fair value at grant date
25-Nov-22	30-Nov-25	$0.20	3 Years	$0.145	65%	-	3.213%	$0.0528

Reconciliation of outstanding unlisted share options

The number and weighted average exercise prices (WAEP) of, and movements in, unlisted share options during the year are as follows:

	Number of options 2023	WAEP 2023	Number of options 2022	WAEP 2022
Outstanding at 1 July	8,525,000	$0.30	11,775,000	$0.28
Granted during the year	19,000,000	$0.20	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	(500,000)	$0.20	-	-
Expired during the year	(5,750,000)	($0.30)	(3,250,000)	($0.25)
Outstanding at 30 June	**21,275,000**	**$0.21**	**8,525,000**	**$0.30**
Exercisable at 30 June	21,275,000	$0.21	8,037,500	$0.30

The options outstanding at 30 June 2023 have an exercise price of $0.20 to $0.30 (2022: $0.30) and weighted average remaining contractual life of 3 years (2022: 0.38 years).

The weighted average share price at the date of exercise for share options exercised in 2023 was $0.20 (2022: nil).

Directors, employees and consultants' expenses

The expenses recognised for directors, employees and consultants during the year is shown in the following tables:

	2023 $	2022 $
Expenses arising from equity-settled share-based transaction	274,034	57,510
Total expenses arising from share-based payment transactions	**274,034**	**57,510**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 20 Group entities

	Country of Incorporation	Ownership interest 2023	Ownership interest 2022
Parent entity			
Venus Metals Corporation Limited			
Subsidiaries			
Redscope Enterprises Pty Ltd	Australia	100%	100%
Oz Youanmi Gold Pty Ltd	Australia	100%	100%
Vanadium Power Corporation Pty Ltd*	Australia	100%	100%

**Dormant during the year*

Note 21 Capital commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure as specified by Department of Mines and Petroleum.

	2023 $	2022 $
Contracted for but not provided and payable		
Less than one year	857,100	1,468,193
Between one and five years	929,736	3,892,178
More than five years	-	240,056
	1,786,836	**5,600,427**

Note 22 Financial instruments

Financial risk management

Overview

The Group has exposure to the following risks arising from financial instrument:

- credit risk
- liquidity risk
- market risk (interest rate risk and other price risk)

The note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishing and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies. The policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 22 Financial instruments (continued)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at end of the reporting period are as follows:

	Carrying amount	
	2023	**2022**
	$	**$**
Cash and cash equivalents	3,501,632	5,476,698
Trade and other receivables	364,724	277,561
Financial assets at fair value through profit or loss	1,575,000	1,004,167
	5,441,356	**6,758,426**

Trade and other receivables

The maximum exposure to credit risk for other receivables at the end of the reporting period by geographic region was as follows:

	Carrying amount	
	2023	**2022**
	$	**$**
Australia	364,724	277,561

Impairment losses

None of the Group's other receivables are past due (2022: nil).

Cash and cash equivalents

The Group held cash and cash equivalents of $3,501,632 as at 30 June 2023 (2022: $5,476,698), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with a bank which is rated AA-, by S&P Global Ratings.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following are the remaining contractual maturities at the end of the reporting period of financial liabilities, excluding the impact of netting agreements:

	Carrying amount	Contractual cash flows	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
30 June 2023							
Trade and other payables	299,728	(299,728)	(299,728)	-	-	-	-
Lease liability	-	-	-	-	-	-	
	299,728	**(299,728)**	**(299,728)**	**-**	**-**	**-**	**-**
30 June 2022							
Trade and other payables	313,612	(313,612)	(313,612)	-	-	-	-
Lease liability	27,171	(27,171)	-	(26,113)	(1,058)	-	-
	340,783	**(340,783)**	**(313,612)**	**(26,113)**	**(1,058)**	**-**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 22 Financial instruments (continued)

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Interest rate risk

Profile

At the end of the reporting period the interest rate profile of the Group's interest bearing financial instruments as reported to the management of the Group was as follows:

	2023 $	2022 $
Variable rate instruments		
Financial assets	3,384,962	5,451,113
Financial liabilities	-	-
	3,384,962	**5,451,113**

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the end of reporting period would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Equity	
	100bp increase $	100bp decrease $	100bp increase $	100bp decrease $
30 June 2023				
Variable rate instruments	(33,849)	33,849	(33,849)	33,849
Cash flow sensitivity (net)	**(33,849)**	**33,849**	**(33,849)**	**33,849**
30 June 2022				
Variable rate instruments	(54,511)	54,511	(54,511)	54,511
Cash flow sensitivity (net)	**(54,511)**	**54,511**	**(54,511)**	**54,511**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 22 Financial instruments (continued)

Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors (other than those arising from interest rate risk or foreign currency risk) for commodities.

The Group is also exposed to securities price risk on investments held for trading over the medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations.

The Group's investments are held in the following sectors at the end of the reporting period:

	2023 %	2022 %
Mining and minerals	100	100
	100	**100**

Fair values

Fair value versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the consolidated statement of financial position are as follows:

	30 June 2023		30 June 2022	
	Carrying amount $	Fair value $	Carrying amount $	Fair value $
Assets				
Cash and cash equivalents	3,501,632	3,501,632	5,476,698	5,476,698
Other receivables	364,724	364,724	277,561	277,561
Other financial assets	1,575,000	1,575,000	1,004,167	1,004,167
	5,441,356	**5,441,356**	**6,758,426**	**6,758,426**
Liabilities				
Trade and other payables	299,728	299,728	313,612	313,612
Lease liability	-	-	27,171	27,171
Other current liabilities	6,697,051	6,697,051	4,546,990	4,546,990
	6,996,779	**6,996,779**	**4,887,773**	**4,887,773**

Financial risk management objectives

The Group's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including fair value interest rate risk and price risk), credit risk and liquidity risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 23 Contingent liabilities

Royalty payable under the Henderson Nickel-Lithium Project's tenement (E20/520)

- 1% Net Smelter Return royalty payable on minerals, base metals and or precious metals extracted and sold from the tenements.
- This tenement is currently formed part of the Farmin and Joint Venture Agreement with a subsidiary of IGO Limited.

Royalty payable under the Bridgetown Greenbushes Li and Ni-Cu-PGE Project's tenements (E70/5315 & E70/5316)

- 1% Net Smelter Return royalty payable on minerals, base metals and or precious metals extracted and sold from the tenements.
- This tenement is currently formed part of the Farmin and Joint Venture Agreement with a subsidiary of IGO Limited.

Royalty payable under the Penny East Project's tenements (E57/1128)

- 1% Net Smelter Return royalty payable on base metals and precious metals mined, processed or sold from the tenement.

No material losses are anticipated in respect of any of the above contingent liabilities.

Note 24 Parent entity disclosures

As at, and throughout, the financial year ended 30 June 2023 the parent entity of the Group was Venus Metals Corporation Limited.

	2023 $	2022 $
Result of parent entity		
Loss for the year	(4,798,897)	(5,952,727)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(4,798,897)**	**(5,952,727)**

	2023 $	2022 $
Financial position of parent entity at year end		
Current assets	9,922,905	5,891,956
Non-current assets	284,000	6,228,214
Total assets	**10,206,905**	**12,120,170**
Current liabilities	6,460,628	6,463,671
Non-current liabilities	-	1,058
Total liabilities	**6,406,628**	**6,464,729**
Net assets	**3,746,277**	**5,655,441**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 24 Parent entity disclosures (continued)

Total equity of the parent entity comprising of:		
Share capital	38,044,362	35,693,023
Reserves	5,246,873	4,708,479
Accumulated losses	(39,544,958)	(34,746,061)
Total equity	**3,746,277**	**5,655,441**

Parent entity contingencies

Other than those disclosed in Notes 21 and 23, the parent entity has no other guarantees, capital commitments and contingent liabilities as at 30 June 2023 (2022: nil).

Note 25 Financial assets at fair value through profit or loss

	2023 $	2022 $
Equity securities	1,575,000	1,004,167
	1,575,000	**1,004,167**

The Group holds 5 million ordinary shares in Rox Resources Limited (ASX: RXL) at reporting date.

The fair value of the equity securities and share options as at 30 June 2023 was based on the ASX quoted market value. These investments are a financial asset at fair value through profit or loss.

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- financial assets at fair value through profit or loss

The Group does not subsequently measure any liabilities at fair value on a non-recurring basis.

Fair Value Hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	**Level 2**	**Level 3**
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 25 Financial assets at fair value through profit or loss (continued)

Valuation techniques

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach converts estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach reflects the current replacement cost of an asset at its current service capacity.

The following tables provide the fair values of the Group's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

	30 June 2023			
	Level 1 **$**	**Level 2** **$**	**Level 3** **$**	**Total** **$**
Recurring fair value measurements				
Financial assets				
Financial assets at fair value through profit or loss:				
– Australian listed shares	1,575,000	-	-	1,575,000
Total financial assets recognised at fair value on a recurring basis	**1,575,000**	**-**	**-**	**1,575,000**

	30 June 2022			
	Level 1 **$**	**Level 2** **$**	**Level 3** **$**	**Total** **$**
Recurring fair value measurements				
Financial assets				
Financial assets at fair value through profit or loss:				
– Australian listed shares	1,004,167	-	-	1,004,167
Total financial assets recognised at fair value on a recurring basis	**1,004,167**	**-**	**-**	**1,004,167**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 26 Auditor's remuneration

	2023 $	2022 $
Audit services		
Auditors of the Group		
Stantons		
Audit and review of financial statements	55,468	58,506

Note 27 Subsequent events

On 30 March 2023, the Group entered into an asset sale and purchase agreement with Rox Resources Limited (Rox), for Rox to acquire, subject to conditions precedent, for consideration of 110 million Rox shares at the deemed price of $0.25 each, the Group's 30% interest in the OYG JV (Youanmi Gold Project) and all the Group's gold interest in their other joint ventures covering other regional areas in Youanmi.

The Company's shareholders approved the sale of the assets at the General Meeting on 23 June 2023.

All conditions precedent were satisfied on 7 July 2023 and the Company was issued the Rox shares on that day. The Company then distributed 55 million Rox shares as in-specie distribution to its shareholders on 12 July 2023, and the remaining 55 million of Rox shares are held by the Company in escrow for 12 months.

As part of the agreement above, the amount owing by the Group to Rox at a value of $6,697,051 will be extinguished via a Deed of Forgiveness. The Group will record the extinguished loan amount on the completion of transaction on 7 July 2023.

Other than the above, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affair of the Group, in the future financial years.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Venus Metals Corporation Limited (the "Company"):

(a) The consolidated financial statements and notes, and the Remuneration Report in the Directors' Report are in accordance with the *Corporations Act 2001*, including:

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

   (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the 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, and

2. The directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Managing Director for the financial year ended 30 June 2023.

3. The consolidated financial statements also comply with International Financial Reporting Standards as disclosed in note 2(a) to the consolidated financial statements.

Signed in accordance with a resolution of the Directors.

Matthew Vernon Hogan
Managing Director

Perth, Western Australia
26 September 2023

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
VENUS METALS CORPORATION LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Venus Metals Corporation Limited (the "Company") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

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

Basis for Opinion

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

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

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

Key Audit Matters

We have determined the matter described below to be Key Audit Matter to be communicated in our report.

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

<table>
<tr><th>Key Audit Matters</th><th>How the matter was addressed in the audit</th></tr>
<tr><td>

Carrying value of the Assets held for sale

As at 30 June 2023, the Assets held for sale amounted to $2,233,257.

As disclosed in Note 12 of the financial report, Capitalised acquisition costs amounting to $2,233,257 relating to Youanmi Gold Project and Regional Joint Ventures with Rox Resources Ltd were reclassified to Assets held for sale as a result of sale of the project to Rox Resources Limited. The sale transaction has been completed post the year end on 7th July 2023.

We consider the classification, measurement and presentation of assets held for sale as a key audit matter due to

- the specific Accounting standard requirements- AASB 5"- Non-current Assets Held for Sale and Discontinued Operations which have to be met for this classification and the impact of the presentation on the balance sheet and the statement of comprehensive income.
- the amount classified as Asset held for sale is material to the financial statements and their proper classification and measurement have direct implications for the company's financial position and results of operations.

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Inter alia, our audit procedures included the following:

i. We assessed whether the requirements of AASB 5"- Non-current Assets Held for Sale and Discontinued Operations were met with regard to the reclassification of the Capitalised acquisition costs as assets held for sale. Our procedures included but not limited to

- review of minutes of meetings of the Board
- review of the Announcements made by the Company to the Australian Securities Exchange; and
- review of the Agreement for sale of assets

ii. Considered the requirements of accounting standard AASB 5 and ensured correctly presented and adequate disclosures made in the financial report.

</td></tr>
<tr><td>

Valuation of Share-based payments

As disclosed in Note 18 and Note 19 of the financial report , the Company granted options to Directors and broker of the Company as a component of payment for providing lead manager services. In addition, the Company also has some options issued in prior years, the fair value for which is being expensed over the vesting period.

Total share-based payments recognized for the year ended 30 June 2023 amounted to $537,894.

The Company accounted for these options in accordance with its accounting policy and the accounting standard AASB 2 - Share-based Payment.

Measurement of share-based payments was a key audit matter due to the complex and judgmental estimates used in determining the fair value of the share-based payments.

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In assessing the measurement of share-based payment, Inter alia, our audit procedures included the following:

i. Obtaining an understanding of the underlying transactions, reviewing agreements, minutes of the Board meeting and ASX announcements.

ii. Verifying the terms and conditions of the share-based payments including the vesting period and other key assumptions used in valuing these share-based payments;

iii. Assessing the accounting treatment and its application in accordance with AASB 2; and

iv. Assessing the adequacy of disclosure made by the Group in the financial report.

</td></tr>
</table>

Stantons

Key Audit Matters	How the matter was addressed in the audit
Acquisition of Royalty rights As disclosed in Note 13 of the financial report, the Group acquired a 0.3% net smelter royalty in relation to the Youanmi Gold Mining Leases by paying $1,040,000 (consist of cash $500,000 and 3 million ordinary shares with a deemed price of $0.18 each) to the vendor. We consider the classification, measurement and presentation of these Royalty rights as a key audit matter due to ▪ the specific Accounting standard requirements of *AASB 138- Intangible assets* which lays down the accounting treatment for this transaction ▪ Intangibles relating to Royalty rights are material to the financial statements and their proper classification and measurement have direct implications for the company's financial position and results of operations.	Inter alia, our audit procedures included the following: I. We concurred with management assessment to conclude that the amount paid for royalty rights met the definition of Intangible assets under *AASB 138-Intangible assets.* Our procedures included but not limited to • review of minutes of meetings of the Board • review of the Announcements made by the Company to the Australian Securities Exchange; and • review of the Agreement for the purchase of royalty rights II. Considered the requirements of accounting standard AASB 138 and ensured correctly presented and adequate disclosures made in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, 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 opinion 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 preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control.

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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We 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 Group'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 Group to cease to continue as a going concern.

We 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.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group 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.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. 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 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

Opinion on the Remuneration Report

We have audited the Remuneration Report in pages 15-20 included in the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Venus Metals Corporation Limited for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit and Consulting Pty Ltd

Samir Tirodkar
Director
West Perth, Western Australia
26 September 2023

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 20 September 2023.

1. Voting Rights

Ordinary Share

All issued ordinary shares carry voting rights on a one-for-one basis.

Unquoted Options:

There are no voting rights attached to unquoted options.

Unquoted Performance Rights:

There are no voting rights attached to unquoted performance rights.

There are no other classes of equity securities.

2. Substantial Shareholders

Ordinary Shareholders	Fully paid ordinary shares Number	Percentage
QGOLD PTY LTD	30,222,822	15.93%
PAZIFIK PTY LTD <PAZIFIK A/C>	20,000,000	10.54%

3. Distribution of Holders of Ordinary Shares

Category	No of holders	No of ordinary shares	Percentage
1 – 1,000	205	30,234	0.02%
1,001 – 5,000	309	1,063,793	0.56%
5,001 – 10,000	243	2,002,094	1.06%
10,001 – 100,000	522	19,494,940	10.28%
100,001 and over	185	167,131,622	88.09%
Total	**1,464**	**189,728,683**	**100.00%**

The number of shareholders holding less than a marketable parcel of ordinary shares (market value less than $500) is 446.

ASX ADDITIONAL INFORMATION

4. Distribution of Holders of Unquoted Options

Category	No of holders	No of unquoted options	Percentage
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	21	1,507,703	7.315
100,001 and over	31	19,117,297	92.695
Total	**52**	**20,625,000**	**100.00%**

5. Distribution of Holders of Unquoted Performance Rights*

Category	No of holders	No of unquoted performance rights	Percentage
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	0	0	0.00%
100,001 and over	4	7,500,000	100.00%
Total	**4**	**7,500,000**	**100.00%**

* As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise these performance rights if any milestones are met.

6. Twenty Largest Holders of Quoted Equity Securities

Name	Number	Percentage
Qgold Pty Ltd	30,222,822	15.93%
Pazifik Pty Ltd <Pazifik A/c>	20,000,000	10.54%
IGO Limited	9,000,000	4.74%
Investment Securities Nominees <Accumulation A/c>	9,000,000	4.74%
Mr Lafras Luitingh	6,720,155	3.54%
Investment Holdings Pty Ltd <Investment Holdings Unit A/c>	5,310,000	2.80%
Mr Matthew Vernon Hogan & Miss Zoe Louise Hogan <Hogan Super Fund A/c>	3,600,000	1.90%
Yafco Pty Ltd <3 Bears Super Fund No 1 A/c>	3,390,000	1.79%
St Clair Resources Pty Ltd	3,000,000	1.58%
Helmdale Investments Pty Ltd	2,500,000	1.32%
Mrs Marisa Mackow	2,264,099	1.19%
Bazco Pty Ltd	2,250,000	1.19%
TT Nicolls Pty Ltd <TT Nicholls P/L S/F A/c>	2,245,445	1.18%
Est Mr Peter Piotr Mackow	2,212,962	1.17%
HD Mining & Investment Pty Ltd	2,000,000	1.05%
NDPM Pty Ltd <Morris Family Super Fund A/c>	1,940,000	1.02%
BNP Paribas Nominees Pty Ltd <IB Au Noms Retail Client Drp>	1,791,707	0.92%
Sancoast Pty Ltd	1,700,000	0.90%
Ita Vero Pty Ltd <The Richmond A/c>	1,558,150	0.82%
Mr Selvakumar Arunanchalam <Sai Jayam Family A/c>	1,500,000	0.79%
Top 20 Total	**112,205,340**	**59.14%**

7. On-Market Buy-Back

There is currently no on-market-buy back.

ASX ADDITIONAL INFORMATION

8. Schedule of Tenements

Project	Tenement ID	% interest
Youanmi	E57/986*	90% All metals except Gold
Youanmi	E57/985*	90% All metals except Gold
Youanmi	P57/1365*	90% All metals except Gold
Youanmi	P57/1366*	90% All metals except Gold
Currans Well	E57/1011-I*	90% All metals except Gold
Pincher Well	E57/1018*	100% All metals except Gold
Pincher Well	E57/1019-I*	100% All metals except Gold
Youanmi	E57/1023-I*	100% All metals except Gold
Youanmi South	E57/1078*	100% All metals except Gold
PennyWest East	E57/1128	100%
Youanmi East	E57/1129	100%
Youanmi	E57/983	100%
Bellchambers/Sandstone	E57/984	90%
Bridgetown East	E70/5315**	100%
Bridgetown East	E70/5316**	100%
Bridgetown East	E70/5620**	100%
Bridgetown East	E70/6009**	100%
Bridgetown South	E70/5712**	100%
Henderson	E30/519***	100%
Henderson	E30/520***	100%
Henderson North	E29/1112***	100%
Henderson North	E29/1120***	100%
Henderson North	E29/1121***	100%
Mangaroon North	E08/3229	100%
Mangaroon North	E09/2422	100%
Yangibana North	E09/2541	100%
Marvel Loch East	E15/1796	100%
DeGrussa North	E52/3068-I	20%
DeGrussa North	E52/3486	20%
Curara Well	E52/3069-I	20%

Note:

*Venus and Rox Resources Limited have entered into a binding agreement in March 2023. The Transaction completed on 7 July 2023. The % of interest in these tenements changed from July 2023 (refer ASX announcement dated 7 July 2023).

**Bridgetown-Greenbushes Exploration Project Farm-in and Joint venture agreements with IGO Limited's subsidiary (refer ASX announcement dated 27 June 2022).

***Henderson Nickel-Lithium Project Farm-in and Joint venture agreements with IGO Limited's subsidiary (refer ASX announcement dated 2 May 2023)

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