Australian VANADIUM LIMITED

Annual Report 2023

ACN 116 221 740

Contents

Corporate Directory

DIRECTORS

Non-Executive Chair
Mr Cliff Lawrenson

Non-Executive Directors
Mr Daniel Harris

Ms Miriam Stanborough
(appointed 13 February 2023)

Mr Peter Watson
(appointed 13 February 2023)

Ms Anna Sudlow
(appointed 1 June 2023)

Executive Directors
Mr Vincent Algar
(retired 14 July 2023)

Mr Leslie Ingraham
(retired 8 March 2023)

Chief Executive Officer
Mr Graham Arvidson

Chief Financial Officer
Mr Tom Plant

Joint Company Secretaries
Mr Neville Bassett

Mr Louis Mostert
(appointed 14 February 2023)

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SHARE REGISTRY
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Level 5, 191 St Georges Terrace
Perth WA 6000
Telephone (Australia): 1300 288 664
Telephone (International): +61 (0)2 9698 5414

AUDITORS
BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

STOCK EXCHANGE LISTINGS
Australian Securities Exchange
ASX Code: AVL

OTCQB
Code: ATVVF

Berlin, Munich, Stuttgart
and Frankfurt Stock Exchanges
Code: JT71

Australian Vanadium Project Economics

PRE-PRODUCTION CAPEX
US$435M

C1 OPEX
US$4.43/lb
V_2O_5

EBITDA ANNUAL AVERAGE
A$175M

25+ YEARS
MINE LIFE

15 MONTH
CONSTRUCTION TIMEFRAME

ANNUAL V PRODUCTION
11,200t
V_2O_5

TARGETING PRODUCTION IN
2025

HIGHLY EXPERIENCED MANAGEMENT TEAM AND BOARD

Letter from the Chair

Dear Shareholders,

Financial Year 2023 saw Australian Vanadium Limited (AVL) continue to make material progress in advancing the Australian Vanadium Project (the Project) towards production. The Project remains one of the world's lowest cost and largest vanadium projects and we continue to target first production in 2025.

The global mega trends of supply security, decarbonisation and electrification provide a supportive demand backdrop for vanadium, underpinning the Project's strong operational and economic parameters.

The positive outlook for the Project continues to attract strong support from a range of government and export finance agencies, as well as potential offtake partners. During FY22, the Company secured a $49 million grant from the Australian Government which will be of benefit as we seek to optimise and finalise our financing and offtake arrangements. We are grateful to the Australian Government and the grant team for their support.

The Company continues to attract and retain some of the best talent in the industry. The appointment of CEO, Graham Arvidson, during the year has helped to crystallise the development of a team which contains the right mix of industry acumen and proven project development expertise, to ensure that the Company can successfully transition into project development and production.

We also significantly strengthened our Board through several appointments. The addition of Miriam Stanborough AM, Peter Watson and Anna Sudlow to the Board delivers a unique and distinct skill set that complements the existing Board members and ensures that the Company has the right depth and breadth of technical, project, financial and governance expertise required to bring the Project into production.

I would like to take this opportunity to recognise the retirement of Vincent Algar as Managing Director. Under Vincent's outstanding leadership, AVL has progressed the Project successfully through the exploration and study phases and delivered a deep technical understanding of what is required to transition the Project into production. On behalf of the Board, I would like to thank Vincent for his vision and enormous contribution to AVL.

On 25 September 2023, AVL announced its intention to merge with Technology Metals Australia Limited (TMT) via a proposed Scheme of Arrangement, under which AVL will acquire 100% of the TMT shares on issue. If approved, the merger will create a leading Australian vanadium developer with a world-class asset of scale, located in a Tier-1 mining jurisdiction. Consolidating two adjoining projects across one orebody provides a unique opportunity to realise operational and corporate synergies by creating a single integrated operation. We look forward to updating you on the progress of the transaction throughout the year.

The Board and management remain firmly focussed on the delivery of production from the Project and are confident in the Company's capacity to contribute to the global decarbonisation thematic and deliver value for our stakeholders.

Finally, I would like to thank our shareholders for your continued support and offer my sincere thanks to the Board, management team, Australian Vanadium Limited staff and our consultant and contractor partners, for your ongoing commitment to the Company.

Yours sincerely,

Cliff Lawrenson
Chair

Insights from the CEO

Dear Shareholders,

I am excited by the opportunity and responsibility of leading AVL as we look to deliver the Project and create meaningful and sustainable value for you, our shareholders. The Project's scale, low cost, long lifespan and location in a stable jurisdiction ensure that it is uniquely positioned to satisfy the growing demand for vanadium from the steel and battery storage markets.

The Australian Vanadium Project

The Project is a low-cost, long-life project located near Meekatharra in Western Australia. Key forecast operational and economic parameters from the Project include:

Average annual vanadium production of 24.7 Mlbs V_2O_5 (11,200t) as a 99.5% V_2O_5 high purity flake and 900,000 dry tonnes per annum of iron titanium (FeTi) coproduct.

Low operating C1 cost of US$4.43/lb V_2O_5 competitive with world primary vanadium producers, includes FeTi coproduct credit.

Project payback of 7.3 years after first production.

Forecast vanadium recovery to concentrate of 74.2% life of mine, supported by pilot testing and comparable to current international primary vanadium operations.

Strategic separation of processing plant from mine site and concentrator allows access to competitive natural gas near Geraldton, local workforce and FeTi coproduct sales opportunities through the Port of Geraldton.

Anticipated initial mine life of 25 years, supporting a long-life, consistent ore feed operation on AVL's granted mining lease.

Equity Project IRR 20.6%.

Project annual EBITDA average for 25 years of A$175M.

Pre-production plant and associated infrastructure capital cost of US$435M (A$604M), excluding any grant payments and before contingency.

Innovative process flowsheet recovers 90% of vanadium in concentrate, utilising tried-and-tested grate kiln technology, with valuable reductions in gas consumption and CO_2 emissions.

Approvals well advanced and Environmental, Social and Governance (ESG) standards and action plans in place.

During FY23 we made considerable progress across a range of activities which were aimed at de-risking development of the Project. Key activities included:

Appointment of GR Engineering Services Ltd and Primero Group Ltd to undertake a dual-party competitive Early Contractor Involvement process for the Project's crushing, milling and beneficiation plant Engineering, Procurement and Construction package.

Completion of a technical desktop due diligence study by independent technical consultant Hatch Pty Ltd, which was appointed to advise the Company and its lenders.

Water licence approval for the proposed processing plant.

Award of $49 million grant under the Australian Government Modern Manufacturing Initiative – Manufacturing Collaboration Stream.

Progression of discussions with potential vanadium offtake counterparties.

The activities we have undertaken, coupled with the detailed scope of works conducted as part of the 2022 Bankable Feasibility Study, leave the Project well positioned to deliver production in 2025. Key activities for FY24 include advancing primary and secondary approvals (including environmental), securing offtake volumes and working to establish the financing package required to deliver the Project into production.

Progressing the AVL Project to production

Delivered

- BFS completed
- Mining lease approval
- Completion of large-scale process plant pilot program
- Board and management team evolution to project execution skillset
- $49M Australian Government grant executed
- 1.2Gl pa water licence for processing plant granted

Target commencement of construction during 2024 and production in 2025

Catalysts

Project Development

- Completion of ECI & appointment of contractor for mine infrastructure
- Purchase of long lead items
- Appointment of mining contractor
- Process ECI and Feed completion
- Supply of gas, power, haulage and port

Approvals

- Finalise approvals including EPA and Native Title

Offtake

- Secure bankable vanadium offtake including option for project finance
- Secure FeTi coproduct offtake agreements

Finance

- Appoint Bank MLA Group from Project Finance
- Lenders' Independent Technical Expert due diligence assessment underway
- Progress discussions with Government debt and Export Finance agencies
- Additional grant milestone payments

Global Vanadium Markets

As the western world continues to look towards supply chain security for key raw materials, the location of the Project in Western Australia delivers a diversified source of vanadium supply to a market currently dominated by China, Russia and South Africa. Australia's stable geopolitical landscape, coupled with a reputation for operating mines with a strong environmental, social and governance overlay, ensures strong interest in our potential future production from a range of end market customers.

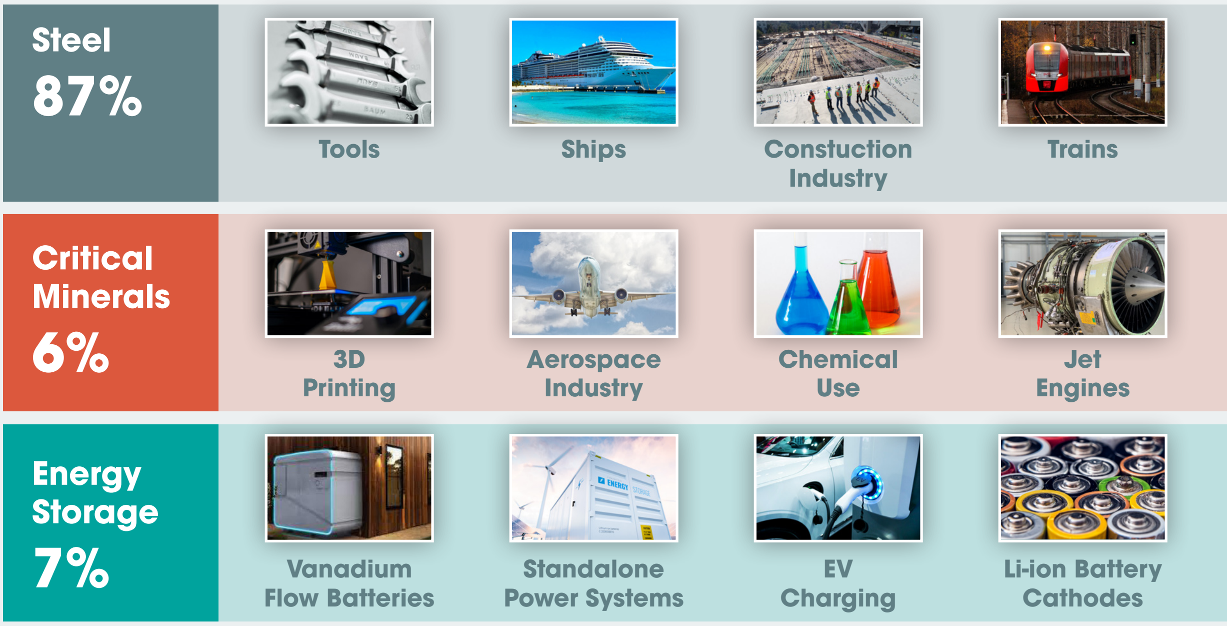
The global focus on decarbonisation continues to drive demand for vanadium from the global steel industry. The demand for high-strength, low-alloy steels is growing, due to the resulting reduced carbon emissions in the construction industry through the significant reduction of the amount of steel and concrete required for structures.

The ongoing electrification thematic provides long term upside. The growing demand for vanadium flow batteries (VFBs), which meet demand for long duration energy storage, has the potential to provide a sizeable end demand market for vanadium. Further, our VSUN Energy subsidiary, which creates safe and reliable renewable energy storage solutions using vanadium flow battery technology, is witnessing increased demand, particularly from the utility and mining sectors.

With a projected operating cost below US$5/lb, the Project is well positioned to deliver material value for our shareholders.

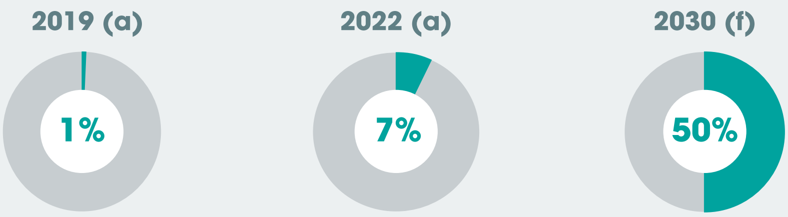
Vanadium Demand

Vandadium market demand is currently dominated by use in the steel industry, although its exposure to the energy transition through vanadium flow batteries (VFBs) could provide a sizeable diversification from steel



Vanadium Demand from Batteries
(% of total market)

(a) Actual
(f) Forecast



Source - US based vanadium market specialist: TTP Squared, Inc

Funding and the balance sheet

The Project continues to receive positive support from a range of potential funding agencies, including through the provision of grants, government debt providers and export finance agencies. It was exceptionally pleasing to receive a grant from Department of Industry, Science and Resources, as part of the Modern Manufacturing Initiative - Manufacturing Collaboration Stream. The grant provides up to $49 million in funding support for the Project to assist the Company, in collaboration with industry partners, to create an Australian vanadium battery industry. The scope of the grant encompasses support for all stages of the vanadium production value chain, from mining and concentrating, to vanadium processing for use in electrolyte production, a key enabler for the Australian vanadium redox flow battery industry.

We remain engaged with other Australian Government agencies to provide further support for the Project, both in terms of debt and export finance assistance. I look forward to updating shareholders on our progress during the year. With over $27 million in cash at bank at 30 June 2023 and access to the $49 million Government grant, we remain well capitalised to progress Project activities.

Offtake

Part of our funding activity is focused on securing offtake agreements for the production from the Project. Our strategy is focused on securing bankable parties to help secure Project financing. We remain actively engaged with a number of end users and will continue to progress offtakes for both vanadium and our FeTi coproduct. We are confident, given the growing demand for vanadium and the strong project economics, that we will secure the capital required to commence production from the Project.

Sustainability

Sustainable development is a principle that the Board, management and staff of Australian Vanadium Limited remain focussed upon. We will continue to develop our ESG policies and goals and ensure that our reporting framework aligns with global industry best practice.

Further information on AVL's ESG strategies can be found in the Environmental, Social and Governance section of this report.

Our People

The health, safety and wellbeing of our workforce is paramount to AVL. We are continuing to evolve our policies and culture to create a safe, diverse and inclusive workplace. Our safety performance during the year was a zero lost time injury frequency rate.

We have continued to strengthen our team during FY23, bringing in the right people with the background and skill sets required to progress the Project to production. Our finance team has been bolstered by the recruitment of Chief Financial Officer, Tom Plant. Tom's background, along with the remainder of our finance team, will be crucial in continuing to progress our discussions with Government agencies and debt providers to deliver the capital required to bring the Project into production. We have added to our technical and operations team via the recruitment of Flormirza Cabalteja as Executive General Manager Project Delivery – Downstream and we have invested in our culture and safety through the appointment of Ross Jennings as Chief Safety and People Officer. The depth of experience of our senior management team significantly reduces the risk in progressing the Project to production.

I would also like to thank our outgoing Managing Director, Vincent Algar, for his support and guidance. With an executive management team and Board with a broad and diverse skill set, I am confident in our ability as an organisation to successfully deliver the Project. I would like to take the opportunity to thank everyone at AVL for their ongoing commitment and dedication to our shared vision.

Downstream opportunities

While our primary focus for value creation as a Company is advancing the Australian Vanadium Project towards production, we continue to explore other opportunities, such as our wholly owned subsidiary VSUN Energy Pty Ltd (VSUN Energy). VSUN Energy creates safe and reliable renewable energy storage solutions using VFB technology. VFBs offer long duration energy storage and can provide smooth power delivery for over four hours. We are seeing increasing demand for alternate storage technology, and it was pleasing to receive orders for our battery technology from a range of end customers including Western Australian utility Horizon Power. As demand for renewable energy grows, the acceptance and demand for VFBs creates a new end market demand for vanadium. We remain excited about VSUN Energy and the future demand for vanadium, as VFB technology increases its presence across the global battery storage sector.

To complete the Company's 'pit to battery' strategy, AVL is building a vanadium electrolyte manufacturing facility at a site in Perth. The facility will initially have capacity to produce 33MWh of vanadium electrolyte equivalent per annum. Vanadium electrolyte is the critical component in VFBs and as a single element solution, offers the opportunity for full value creation in Australia.

Outlook

The Australian Vanadium Project is uniquely positioned as one of the largest and lowest cost vanadium projects globally with a near term production horizon. With growing demand for vanadium from the steel sector and an increasing end market opportunity via electrification and VFBs, the pricing outlook for vanadium looks robust. With a long-life, low-cost asset, located in a stable and safe jurisdiction, we are poised to create significant value for our stakeholders.

Finally, I would like to recognise and thank all our shareholders for your continued support of our Company. I look forward to updating you on our milestones over the coming year, as we look to secure funding and bring the Project into production.

Yours sincerely,

Graham Arvidson
Chief Executive Officer

Review of Operations

THE AUSTRALIAN VANADIUM PROJECT

The Project comprises a mine site south of Meekatharra in Western Australia, with a strategically located processing plant close to the port city of Geraldton. The Project has a granted Mining Lease. Open cut mining of the Vanadium Titanium Magnetite orebody will be followed by crushing, milling and beneficiation onsite. Concentrate will be transported to the processing plant for conversion to high quality vanadium pentoxide for sale or further conversion and use in steel, energy storage, catalyst, chemical and defence applications.

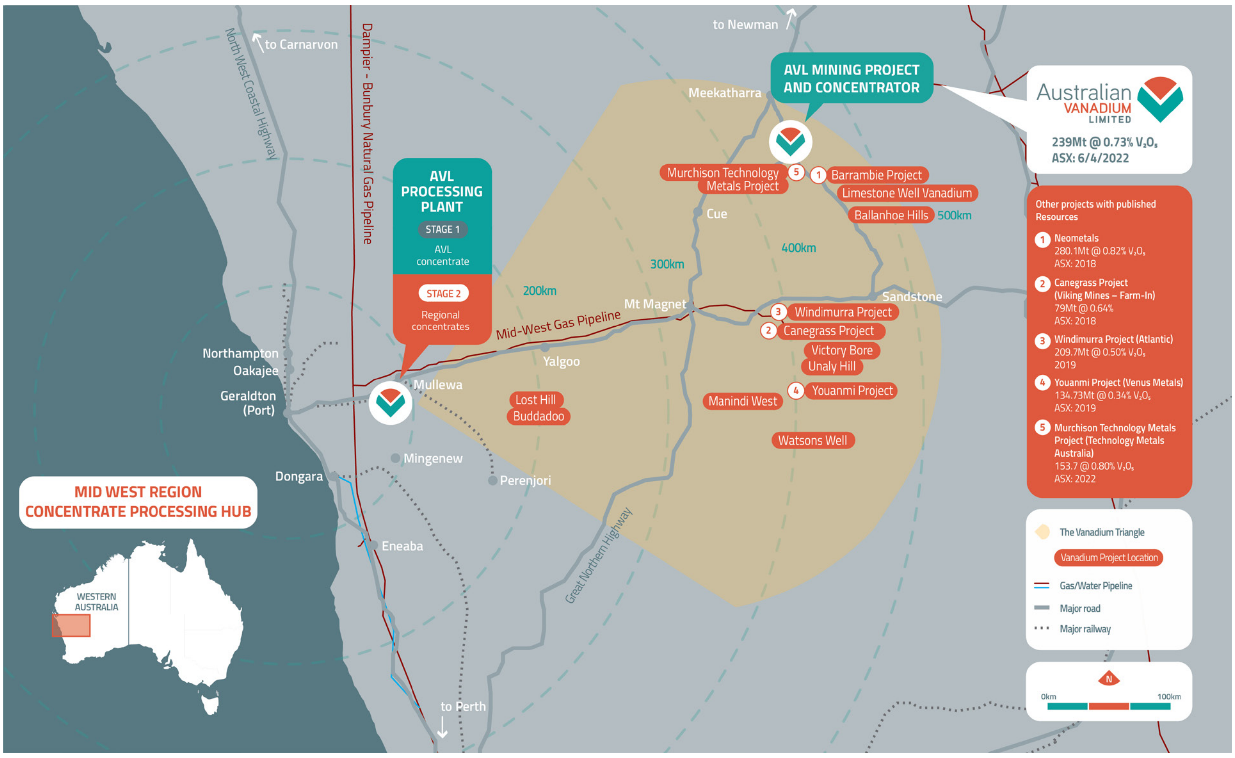


Figure 1 - Location of the Australian Vanadium Project

HIGHLIGHTS

Health and Safety

- No lost time injuries reported during the year

Project development activity

- GR Engineering Services Ltd and Primero Group Ltd were appointed to undertake a dual-party Early Contractor Involvement (ECI) process for the Project's crushing milling and beneficiation plant Engineering, Procurement and Construction (EPC) package. Both Primero and GR Engineering are industry leaders in EPC delivery and AVL sees the ECI process as a critical part of being execution ready once a final investment decision is made.
- Wood Minerals and Metals has been appointed to undertake ECI services for the Project's pyrometallurgical processing plant. Wood has extensive experience with the Project and is qualified to deliver high quality results as AVL progresses to the final design for the plant which will be located at Tenindewa east of Geraldton. Completion of the ECI will position AVL to select vendors who will be pre-qualified for supply of key pyrometallurgical equipment as part of the process to expedite long lead time and critical equipment.
- AVL signed a non-binding Term Sheet with Neometals (ASX: NMT and AIM: NMT) to explore opportunities for AVL to process co-product vanadium concentrate from Neometals' 100% owned Barrambie Project and to co-locate or share non-process infrastructure near AVL's proposed Tenindewa processing plant site. The collaboration will provide synergies, allowing the two projects to move forward even more confidently, using mutual understanding of the ores and processing.
- Hatch Pty Ltd (Hatch) was appointed in April 2023 as an independent technical consultant to advise the Company and its potential lenders and government funding agencies (the Lenders) who may be involved in financing selected aspects of the Project. Hatch was engaged for its unique vanadium expertise and its extensive experience in the metals and mining sector, particularly in Western Australia. As the first step in the technical due diligence process, Hatch completed a technical desktop study aimed at assessing risks and opportunities for the Project and to direct the future due diligence process for the Lenders.
- The City of Greater Geraldton approved a scheme amendment for the Project's proposed processing plant site at Tenindewa, near Geraldton in Western Australia. The approval allows progression of the development application process for the site. The Company has taken a strategic initiative to separate the mining and processing activities for the Project. Concentrate from the mine, located at Gabanintha, near Meekatharra, will be transported to the planned processing plant at Tenindewa. The location of the processing plant near Geraldton provides access to required infrastructure and lower cost power, ultimately enabling the production of a value-add FeTi coproduct and reducing the overall forecast capital and unit cost of the Project.
- AVL has completed detailed design, ordered long lead items and secured a site for its first high purity vanadium electrolyte manufacturing facility which will be located in Western Australia. The facility will be capable of producing up to 33MWh per year of VFB high purity electrolyte.

Environmental, Social and Governance (ESG)

AVL is committed to working ethically and with respect for the environment and society, to create sustainable results for all our stakeholders.

In 2021, AVL appointed external consultant Advisian to undertake an analysis of the Company's ESG policies and reporting framework. The external analysis provided clarity and improved the depth of understanding of the reporting frameworks for AVL to measure its ESG performance against. The analysis has allowed the Company to align its ESG actions, identify areas for improvement and develop a pathway towards improved ESG disclosure as the Company transitions towards production.

Recommendations on next steps from this report included maturation of the AVL ESG Governance framework and the formalisation of an ESG Strategy.

AVL has expanded its ESG Governance suite of policy documentation and has incorporated provisions for future training programs within its initiatives. The AVL Board has a Technical and Sustainability Committee which is responsible for the oversight of ESG and sustainability.

AVL understands that ESG is not a standalone discipline, but an approach which needs to be embedded throughout the Company's activities. The Company strives to deliver tangible outcomes and to genuinely live the values of Safety, Integrity, Excellence, Respect, Collaboration and Honesty.

vsun energy

VSUN Energy

VSUN Energy Pty Ltd is the Company's wholly owned subsidiary, with the sole focus of developing the Australian market for VFBs. The expansion of the Australian and global VFB market presents significant new opportunities for additional consumption of high-purity vanadium products used in vanadium electrolyte.

HIGHLIGHTS

VSUN Energy is installing a standalone power system (SPS) at the IGO (ASX: IGO) Nova Nickel Operation.[1] The VFB for this project is currently under factory acceptance testing (FAT) by the VSUN Energy team. E22 has provided an engineer from Spain to assist with FAT.

VSUN Energy has been working to develop a residential version of the VFB. This product is of interest to people who are looking for an alternative to a lithium-ion solution. The Company has taken the decision to design its own VFB, with the stacks to be purchased from a reputable supplier. The battery will be a 5kW/15kWh size, which will provide enough power to take an average house through the evening and into the morning when the solar begins to generate.

VSUN Energy's second VFB ordered from E22 is a 20kW/80kWh which will be paired with 100kW of solar and is destined for an agricultural client in Victoria. The system will be grid connected and help to achieve greater renewable energy penetration for our client.

Post year end VSUN Energy signed an agreement with Western Australia's regional energy provider, Horizon Power, for the purchase, installation and commissioning of a VFB in Kununurra, Western Australia. The use of long lasting, safe, stable and commercialised long duration energy storage, in the form of VFBs, will assist Horizon Power to accelerate decarbonisation of its energy network which covers 2.3 million square kilometres.

1 See ASX announcement dated 11 November 2021 *'IGO's Nova Nickel Operation to Trial VSUN Energy Vanadium Battery Standalone Power System'*

EXPLORATION

Drilling results for Mineral Resource classification upgrade

AVL announced results from infill drilling at the Project. The drilling was undertaken to support a Mineral Resource Estimate update. The infill drilling program confirms higher vanadium and iron grades and more shallow weathering profiles.

The drill results improve the Company's geotechnical and geometallurgical understanding of the Mineral Resource inventory, which will play a key role in maximising the value of the Project. These positive results will enable the geometallurgical team to further optimise concentrate grade, yield and recovery outcomes, while maximising the Project economics and further de-risking the ramp-up period of the Project.

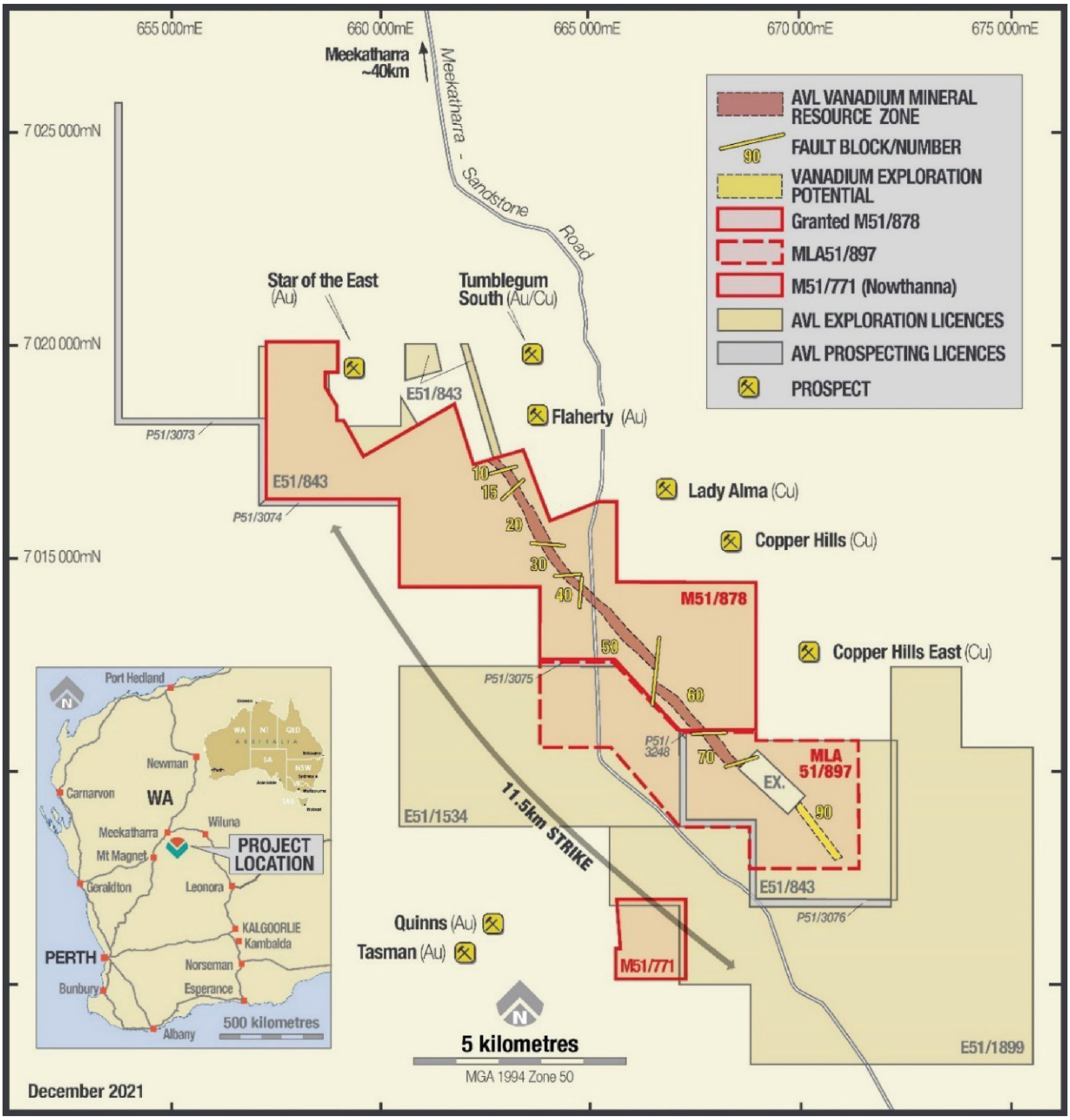


Figure 2 - The Australian Vanadium Project Site Location and Block Numbers for reference

With all results returned for the reverse circulation (RC) portion of the resource development drilling program, an update of the geological model is underway. Diamond core drilled during 2022 will be utilised for variability and geometallurgy studies, as well as Mineral Resource QAQC purposes. Samples have been submitted to the laboratory, with results pending. Sampling of the remainder of the 2020 and 2022 diamond core is planned, for geometallurgy programs which are aimed at further de-risking the Project.

During 2023 the geological model update will be completed, followed by an update of the Mineral Resource for the Project.

COATES NICKEL-COPPER-PGE PROJECT

The Coates Nickel-Copper-PGE Project is a secondary project for the Company.

AVL's tenure is in the Coates Mafic Intrusive Complex near Wundowie, 80km NE of Perth in Western Australia. The AVL tenement at the Coates Project covers 11.68 km^2 over a southern extension of similar mafic-ultramafic rocks to the sequence that is host to the nickel-copper-PGE Julimar Project discovery by Chalice Gold Mines Limited (ASX: CHN).

BRYAH RESOURCES LIMITED

As at the date of this report, AVL holds 18.5 million shares in Bryah Resources Limited (Bryah), which represents a 5.38% holding in that company. AVL also holds 3.08 million listed options ($0.035 expiry 1/12/2025). Bryah Resources Limited is a gold, base metals and manganese exploration company with tenements exclusively in Western Australia.

MATERIAL BUSINESS RISKS

There are specific risks associated with the activities of the Group and general risks that are largely beyond the control of the Group and the Directors. The Group seeks to manage risk to its business through appropriate risk controls and mitigants, however, if any of the following risks materialise, business, financial condition and operating results are likely to be adversely impacted. The risks are categorised as follows:

- Business risks
- Finance risks
- Market risks

The risks set out below do not constitute an exhaustive list of risks involved with an investment in the Company.

1. Business Risks

Development of the Australian Vanadium Project

The Group's ability to successfully develop and commercialise the Australian Vanadium Project, may be affected by numerous factors including but not limited to macro-economic conditions, obtaining required approvals, ability to obtain sufficient funding (both debt and equity), customer offtakes, delays in commissioning or ramp up, the plant not performing in accordance with expectations and costs overruns.

If the Group is unable to mitigate these factors and others not listed here, this could result in:

- the Group not realising its development plans at the Australian Vanadium Project;
- the Group not realising the full potential of the Australian Vanadium Project; or
- the development of the Australian Vanadium Project costing more than expected or taking longer to realise than expected.

Ultimately, these factors could have an adverse impact on the Company's share price.

Operating risk

The proposed activities, costs and use of the Group's cash resources are based on certain assumptions with respect to the method and timing of exploration, metallurgy and other technical tests, analysis and feasibility studies. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from the Group's estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Group's viability.

The proposed activities of the Group including economic studies are dependent on economic inputs from commodity prices, metallurgical tests, electrochemical testing and market tests of which there is no guarantee of positive economics. It is a risk that studies may not be completed or may be delayed indefinitely where key inputs show negative economic outcomes. No assurances can be given that the Group will achieve commercial viability through the successful:

- exploration and/or mining and processing of its mineral interests; or
- construction and operation of the electrolyte plant that is currently under construction by the Group.

Until the Group can realise value from its projects, it will likely incur ongoing operating losses.

The Company has successfully piloted its production flow sheet. It continues to conduct value and technical improvement refinements of its flow sheet at laboratory and pilot plant level working in conjunction with key (or preferred) OEM equipment suppliers and technology providers.

Investment in the Company should be considered taking into account the risks, expenses and difficulties frequently encountered by companies at this stage of development, including factors such as design and construction of efficient mining and processing facilities within capital expenditure budgets.

With all mining operations, there can be a level of uncertainty and, therefore, risk associated with operating parameters and costs. This is also true with the scaling up of processing technology tested in pilot conditions. The nature of the technology risk is the cost of developing an economically viable commercial operation and production facility.

Mineral Resource and Ore Reserve Estimates

Mineral Resource and Ore Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may alter when new information or techniques become available. In addition, by their very nature, Mineral Resource and Ore Reserve estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the Mineral Resource and Ore Reserve estimates may change.

Accordingly, the actual Mineral Resources and Ore Reserves may materially differ from these estimates and assumptions and no assurances can be given that the Mineral Resource and Ore Reserve estimates and the underlying assumptions will be realised. This could result in alterations to development and mining/extraction plans which may in turn affect the Group's operations, its financial performance and the value of its shares.

Exploration 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 evaluation 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.

Title and tenure

Interests in exploration and mining tenements in Australia are governed by state legislation and are evidenced by the granting of leases or licences. Currently, the Group wholly owns all tenements required to operate and develop the Australian Vanadium Project.

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. Renewal of titles 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 the relinquishment of ground.

Consequently, AVL could lose title to, or its interest in, its tenements if licence conditions are not met or if expenditure commitments are not met.

Native Title, Aboriginal heritage and land claims risks

It is possible that, in relation to tenements in which AVL 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) or Aboriginal land claims made under the Aboriginal Heritage Act 1972 (WA). In such circumstances, the ability of AVL 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 AVL'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.

Legislative changes, government policy and approvals

Changes in government, monetary policies, taxation and other laws in Australia or internationally may impact the Group's operations and the value of its shares.

The Group requires government regulatory approvals for its operations. As at the date of this report, the Group is yet to receive all local, state and federal approvals and licences required for execution of the Australian Vanadium Project.

Delays and inactions, by local, state and federal governments may affect the Group's activities including such matters as access to lands and infrastructure, compliance with environmental regulations, construction activities and exploration.

No guarantee can be given that all necessary permits, authorisations, agreements or licences will be granted to AVL or will be renewed in the future as required or that where further permits, authorisations, agreements or licences are required, that they will be provided to the Group by government bodies.

Environment

The Australian Vanadium Project is subject to environmental laws and regulations, including statutory rehabilitation obligations that the Group will need to comply with in the future and which may be material. While AVL intends 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 AVL 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.

Occupational health and safety

Exploration, construction and production activities may expose AVL's staff and contractors to potentially dangerous working environments. If any of the Group's employees or 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.

Reliance on key personnel

AVL is a development company and will be dependent on its directors, managers and consultants to implement its business strategy. Several factors, including the departure of senior management of AVL or a failure to attract or retain suitably qualified key employees, could adversely affect AVL's business strategy.

Supply chain

AVL's exploration programs and the construction of its electrolyte plant depend on and, if it proceeds, the development of the Australian Vanadium Project will depend on, suppliers and contractors to provide raw materials, services, equipment and infrastructure, and on logistics providers to ensure products are delivered.

Failure of significant components of this supply chain could have an adverse effect on the Group's business and results of operations. Risks associated with contractors or service providers include:

- The counterparties being unable or unwilling to fulfil their obligations;
- The counterparties taking actions contrary to AVL's instructions or requests; or
- Financial failure or default of such counterparties.

Finding replacement contractors or service providers on acceptable terms if they do not perform as AVL expects may materially and adversely affect operations and its financial performance.

Completion of the Scheme

On 25 September 2023, AVL announced its intention to acquire Technology Metals Australia Limited (TMT) via a proposed Scheme of Arrangement (Scheme), under which AVL will acquire 100% of the TMT shares on issue. The Scheme is unanimously recommended by the directors of TMT and each director of TMT intends to vote all TMT shares they control in favour of the Scheme, in the absence of a superior proposal, and subject to an Independent Expert opining (and continuing to opine) that the Scheme is in the best interests of the TMT shareholders. TMT's largest shareholder, Resource Capital Fund VII LP, has agreed to vote its ~18% shareholding in TMT in favour of the Scheme, subject to the same qualifications.

If approved, the merger would create a leading Australian vanadium developer with a world-class asset of scale, located in a Tier-1 mining jurisdiction. Consolidating two adjoining projects across one orebody provides a unique opportunity to realise operational and corporate synergies by creating a single integrated operation.

However, completion of the Scheme is subject to several conditions precedent. There can be no certainty, nor can AVL or TMT provide any assurance, that the conditions to the Scheme will be satisfied or waived (where applicable), or if satisfied or waived (where applicable), when that will occur. In addition, there are several other conditions precedent to the Scheme that are outside the control of AVL and TMT, including, but not limited to, approval of the Scheme by the requisite majorities of TMT shareholders, approval of the Scheme by the Court and the parties receiving all regulatory approvals required to implement the Scheme.

If the Scheme did not complete, the benefits of consolidating the neighbouring projects across a single ore body would not be realised by AVL shareholders. However, if this were to occur, the Group does not believe it would adversely impact the standalone economics of the Australian Vanadium Project and the Group would seek to continue to progress the Project independently.

2. Finance Risks

Additional requirements for capital

The Group is seeking to develop the Australian Vanadium Project with a view to selling high-purity V_2O_5 into the global steel and battery markets. The Group's capital requirements depend on numerous factors, including whether it proceeds with the construction of the Australian Vanadium Project.

No decision has been made in relation to the development or the funding of the Australian Vanadium Project, but AVL may seek to raise further funds through equity or debt financing, joint ventures, product offtake arrangements or other means. Failure to obtain sufficient financing for the Group's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Group's properties, or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Group and might involve substantial dilution to shareholders. Further, any debt financing may involve restrictive covenants which limit the Group's operations and business strategy.

3. Market Risks

Substitution

Steel additives

The steel industry heavily relies on the use of micro-alloys like vanadium and niobium to enhance the properties of high-strength, low-alloy (HSLA) steel. In 2022, the steel market accounted for around 90% of both vanadium and niobium demand.

A risk faced by vanadium producers is the potential for substitution by niobium or other similar alloying elements in the production of HSLA steel. This risk arises due to the similarities in the functional benefits of both vanadium and niobium in steel alloys, including increased strength, toughness, and improved corrosion resistance. For niobium in particular, the substitution risk is mitigated in that niobium cannot substitute satisfactorily in all micro-alloy applications of vanadium in a range of steel products.

This substitution risk is affected by many factors beyond the control of the Group. Such factors include price volatility of both vanadium and niobium, supply chain dynamics, technological advances and customer preferences.

Alternative battery technologies

Vanadium flow batteries are a proven and accepted technology in stationary energy storage. Vanadium flow battery technology is currently the most cost-effective where storage durations exceed four hours.

A risk faced by vanadium producers is the potential substitution of vanadium flow batteries by alternative battery technologies. The evolving energy storage landscape presents a range of competing battery technologies, each with its own advantages and capabilities. This substitution risk is affected by many factors beyond the control of the Group. Such factors include technological advances, cost competitiveness, availability and price of mineral inputs, application specific suitability, market perception and familiarity and regulatory and policy influences.

If substitution was to occur in one or both market segments, it could affect both the demand and price for vanadium products, such as the high-purity V_2O_5 flake that AVL proposes to produce from its Australian Vanadium Project. Ultimately, this could have an adverse impact on the Company's share price and its ability to fund its future activities.

Competition

AVL's ability to enter contracts for the supply of its products at profitable prices may be adversely affected by the introduction of new suppliers and any increase in competition in the vanadium or iron ore markets, either of which could increase the global supply of these products and thereby potentially lower the prices.

Commodity prices and foreign exchange rates

If AVL achieves success leading to mineral production from the Project, the revenue it will derive through the sale of product exposes the potential income of the Group to commodity prices and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Group. Such factors include supply and demand for minerals, technological advancements, forward selling activities, costs of production, geopolitical factors (including trade tensions), international hostilities and conflicts and other macro-economic factors. These factors may have an adverse effect on AVL's exploration activities and any subsequent development and production activities, as well as its ability to fund its future activities.

Unlike most base and precious metals, V_2O_5 flake, which in AVL's Bankable Feasibility Study published on 6 April 2022 accounted for the majority of the Project's revenue, is not an exchange-traded commodity. Prices are determined by actual transactions between buyers and sellers. However, there are a few independent price reporting agencies that track the V_2O_5 market.

While there are internationally recognised markets for certain benchmark iron ore products, the specifications of the high titanium iron ore coproduct proposed to be produced by the Australian Vanadium Project are different to those of the benchmark products. Again, prices for this product will be determined by actual transactions between buyers and sellers.

AVL will require contracts for the sale of both the high-purity V_2O_5 flake and high titanium iron ore coproduct. There is no guarantee AVL will secure contracts on terms favourable to the Group. Prices will, among other factors, depend on available markets at acceptable prices, product quality, availability and prices of alternatives and distribution and other costs. The market prices for vanadium and iron ore have been volatile and are influenced by numerous factors and events beyond the control of the Group. For example, if industries reduce their demand for end-products that utilise vanadium, the resulting change in demand for vanadium could have an adverse effect on the Group's business and the outlook for vanadium.

Furthermore, foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. Prices of various commodities and goods and services may be denominated in US dollars, Euros or other foreign currencies, whereas the income and expenditure of the Group are and will be accounted for in Australian dollars, exposing the Group to the fluctuations and volatility of the rate of exchange between the Australian dollar and these currencies as determined in international markets.

Climate change

Climate change is a risk the Group has considered. The climate change risks particularly attributable to the Group include:

- The emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Group may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Group and its profitability. While the Group will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Group will not be impacted by these occurrences; and
- Climate change may cause certain physical and environmental risks that cannot be predicted by the Group, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns.

THE AUSTRALIAN VANADIUM PROJECT - MINERAL RESOURCE STATEMENT

A summary of the Mineral Resources at Project as at 30 June 2023 is shown in Table 1 below. There has been no change to the Mineral Resources in the year ended 30 June 2023.

The Mineral Resource estimation was carried out by Trepanier Pty Ltd and Geologica Pty Ltd, resulting in the estimation of Measured, Indicated, and Inferred Mineral Resources. All mineralised domains are reported above 0.4% V_2O_5 for the low-grade ore zones and above 0.7% V_2O_5 within the high-grade zones.

The Mineral Resource estimate consists of:

- 239 million tonnes at 0.73% V_2O_5 containing 1,741,800 tonnes of V_2O_5;
- A discrete massive high-grade zone of 95.6 million tonnes at 1.07% V_2O_5 containing 1,017,500 tonnes of V_2O_5;
- Discrete low-grade zones of 128.5 million tonnes at 0.49% V_2O_5 containing 625,500 tonnes of V_2O_5, and
- Combined Measured and Indicated Mineral Resources of 93.7 million tonnes at 0.75% V_2O_5 in low and high-grade zones containing 704,800 tonnes of V_2O_5.

Table 1 The Australian Vanadium Project Mineral Resources Statement (as at 30 June 2023)

Zone	Classification	MT	V_2O_5 %	Fe %	TiO_2 %	SiO_2 %	Al_2O_3 %	LOI %
HG	Measured	11.3	1.14	43.8	13.0	9.2	7.5	3.7
	Indicated	27.5	1.10	45.4	12.5	8.5	6.5	2.9
	Inferred	56.8	1.04	44.6	11.9	9.4	6.9	3.3
	Sub-total	**95.6**	**1.07**	**44.7**	**12.2**	**9.1**	**6.8**	**3.2**
LG 2-5	Measured	-	-	-	-	-	-	-
	Indicated	54.9	0.50	24.9	6.8	27.6	17.1	7.9
	Inferred	73.6	0.48	25.0	6.4	28.7	15.4	6.6
	Sub-total	**128.5**	**0.49**	**24.9**	**6.6**	**28.2**	**16.1**	**7.2**
Transported 6-8	Measured	-	-	-	-	-	-	-
	Indicated	-	-	-	-	-	-	-
	Inferred	14.9	0.66	29.0	7.8	24.5	15.1	7.8
	Sub-total	**14.9**	**0.66**	**29.0**	**7.8**	**24.5**	**15.1**	**7.8**
Total	Measured	11.3	1.14	43.8	13.0	9.2	7.5	3.7
	Indicated	82.4	0.70	31.7	8.7	21.2	13.5	6.2
	Inferred	145.3	0.71	33.0	8.7	20.7	12.0	5.4
	Sub-total	**239.0**	**0.73**	**33.1**	**8.9**	**20.4**	**12.3**	**5.6**

The Group is not aware of any new information or data that materially affects the information as previously released in the ASX announcement "Mineral Resource Update at the Australian Vanadium Project" of 1 November 2021 and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

THE AUSTRALIAN VANADIUM PROJECT - ORE RESERVE STATEMENT

The Australian Vanadium Project – Ore Reserve Statement as at April 2022, at a cut-off grade of 0.7% V_2O_5.

Ore Reserve	Mt	V_2O_5 %	Fe %	TiO_2 %	SiO_2 %	LOI %	V_2O_5 production kt	Ore Reserve	Mt
Proved	10.5	1.11	61.6	12.8	9.5	3.7	70.9	Waste	238.5
Probable	20.4	1.07	63.4	12.2	9.2	3.0	152.9	Total Material	269.4
Total Ore	**30.9**	**1.09**	**62.8**	**12.4**	**9.3**	**3.2**	**223.8**	Strip Ratio	7.7

GOVERNANCE ARRANGEMENTS AND INTERNAL CONTROLS

The Group has appropriate systems in place and suitably qualified and competent geological consultants to complete any resource estimation or review to the required standards as shown in the 2012 JORC Code Guidelines. The Quality Assurance, Sampling Systems, Assay Procedures, Data Recording, Interpretation Standards and Resource Estimation Methods and other parameters as set out in Table 1 of the JORC Code 2012 Guidelines are closely followed. The Mineral Resources reported have been generated by independent external consultants where appropriate who are experienced in best practices in modelling and estimation methods. The consultants have also undertaken reviews of the quality and suitability of the underlying information used to determine the resource estimate. In addition, management carries out regular reviews and audits of internal processes and external contractors that have been engaged by the Group.

The Company policy is that all steps are recorded during the resource drilling program and then the estimation stage. All results from field logs and assays to database entries and modelling data are validated, reviewed and checked by independent and qualified geological personnel.

COMPETENT PERSONS

Competent Person Statement — Mineral Resource Estimation

The information in this report relating to The Australian Vanadium Project Mineral Resource estimate is based on and fairly represents information compiled by Mr Lauritz Barnes, (Consultant with Trepanier Pty Ltd) and Mr Brian Davis (Consultant with Geologica Pty Ltd). Mr Barnes and Mr Davis are Members of the Australasian Institute of Mining and Metallurgy and have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons 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. Specifically, Mr Barnes is the Competent Person for the estimation and Mr Davis is the Competent Person for the database, geological model and site visits. Mr Barnes and Mr Davis consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

Competent Person Statement – Exploration Results and Exploration Targets

The information in this report that relates to Exploration Results and Exploration Targets is based on and fairly represents information and supporting documentation prepared by Mr Brian Davis (Consultant with Geologica Pty Ltd). Mr Davis is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as a Competent Persons 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. Specifically, Mr Davis consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

Competent Person Statement – Ore Reserves

The technical information in this report that relates to the Ore Reserve estimate for the Project is based on information compiled by Mr Ross Cheyne, an independent consultant to AVL. Mr Cheyne is a Fellow of the Australasian Institute of Mining and Metallurgy. He is an employee and Director of Orelogy Mine Consulting Pty Ltd. Mr Cheyne has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a competent person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cheyne consents to the inclusion in the report of the matters related to the Ore Reserve estimate in the form and context in which it appears.

Competent Person Statement – Metallurgical Results

The information in this report that relates to Metallurgical Results is based on information compiled by independent consulting metallurgist Brian McNab (CP. B.Sc Extractive Metallurgy), Mr McNab is a Member of the Australasian Institute of Mining and Metallurgy and is employed by Wood Mining and Metals. Mr McNab has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is undertaken, to qualify as a Competent Person as defined in the JORC 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr McNab consents to the inclusion in this report of the matters based on the information made available to him, in the form and context in which it appears.

SCHEDULE OF INTERESTS IN MINING TENEMENTS AS AT 14 SEPTEMBER 2023

Project	Tenement	Area	Equity	Annual Expenditure Commitment
Australian Vanadium	E51/843	12 blocks	100%[1]	$70,000
Australian Vanadium	E51/1534	8 blocks	100%[1]	$70,000
Australian Vanadium	E51/1899	16 blocks	100%[1]	$20,000
Australian Vanadium	E51/1943	5 blocks	100%[1]	$15,000
Australian Vanadium	E51/1944	1 block	100%[1]	$10,000
Australian Vanadium	M51/878	3,565.86 ha	100%[1]	$356,600
Australian Vanadium	P51/3073	175.12 ha	100%[1]	$7,040
Australian Vanadium	P51/3074	46.37 ha	100%[1]	$2,000
Australian Vanadium	P51/3075	26.59 ha	100%[1]	$2,000
Australian Vanadium	P51/3076	123.53 ha	100%[1]	$4,960
Australian Vanadium	M51/897	1,812.05 ha	100%[1]	Application
Australian Vanadium	L51/116	830.50 ha	100%	Application
Australian Vanadium	P51/3248	5.01 ha	100%[1]	Application
Australian Vanadium	E51/2067	14 blocks	100%	Application
Australian Vanadium	L51/119	916.86 ha	100%	Application
Australian Vanadium	L51/130	321.27 ha	100%	Application
Australian Vanadium	L51/131	791.27 ha	100%	Application
Australian Vanadium	P51/3298	5.01 ha	100%	Application
Coates	E70/4924-I	4 blocks	100%	$30,000
Coates	E70/5588	3 blocks	100%	$15,000
Coates	E70/5589	15 blocks	100%	Application
Nowthanna Hill	M51/771	301.0 ha	100%	$30,100
Total				**$632,700**

1 Mineral Rights for V/U/Co/Cr/Ti/Li/Ta/Mn & iron ore only. Bryah Resources Limited retains 100% rights all minerals except V/U/Co/Cr/Ti/Li/Ta/Mn & iron ore on the Australian Vanadium Project tenements.

Directors' Report

Your directors present their report on the consolidated entity consisting of Australian Vanadium Limited (the "Company" or "Australian Vanadium" and the entities it controlled during the period (the "Consolidated Entity" or the "Group") for the financial year ended 30 June 2023. Pursuant to the provisions of the Corporations Act, the Directors report as follows:

DIRECTORS

The names of directors who held office during or since the end of the year and to the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Cliff Lawrenson	Non-Executive Chair
Mr Vincent Algar	Managing Director (retired 14 July 2023)
Mr Leslie Ingraham	Executive Director (retired 8 March 2023)
Mr Daniel Harris	Non-Executive Director
Ms Miriam Stanborough AM	Non-Executive Director (appointed 13 February 2023)
Mr Peter Watson	Non-Executive Director (appointed 13 February 2023)
Ms Anna Sudlow	Non-Executive Director (appointed 1 June 2023)

Information on Directors

The names, qualifications, experience and special responsibilities of the Directors in office during or since the end of the financial year are as follows:

Mr Cliff Lawrenson BCom (Hons)
Non-Executive Chair

Mr Cliff Lawrenson holds postgraduate qualifications in commerce and finance and has worked extensively in project development and investment banking around the world, including in South Africa, Australia, USA and Singapore. Mr Lawrenson is an experienced mining executive and director with deep expertise in minerals and energy sectors derived from his considerable global experience. He has a successful track record of leading strategic direction in companies and executing corporate transactions.

Mr Lawrenson's previous roles include Managing Director of Atlas Iron Ltd from January 2017 until its acquisition in 2018 by Hancock Prospecting Pty Ltd. Prior to this, he led several ASX listed companies through various stages of development. Mr Lawrenson held the position of Group Chief Executive Officer of GRD Ltd from 2006 to 2009 which incorporated GRD Minproc Ltd, OceanaGold Ltd and Global Renewables. Prior to joining GRD Ltd, Mr Lawrenson was a senior executive and vice president of CMS Energy Corporation in the USA and Singapore for seven years. An investment banking career preceded the above.

Other current listed company directorships:

- Paladin Energy Ltd (since 29 October 2019)
- Caspin Resources (since 2 October 2020; resigned 14 August 2023)

Mr Lawrenson is also non-executive director of Pacific Energy Pty Limited (since 23 August 2010).

Former listed company directorships (last three years):

- Canyon Resources (resigned 8 August 2022)

Special responsibilities:

- None

Mr Vincent Algar BSC (Hons) Geology MAusIMM
Managing Director - retired 14 July 2023

Mr Vincent Algar is a geologist by profession with over 30 years of experience in the mining industry spanning underground and open cut mining operations, greenfields exploration, project development and mining services in Western Australia and Southern Africa. He has significant experience in the management of publicly listed companies, which includes the entire compliance, marketing and management process and encompasses the development of internal geological and administrative systems, exploration planning and execution, plus project acquisition and deal completion.

Other current listed company directorships:

- Nil

Former listed company directorships (last three years):

- Nil

Special responsibilities:

- None

Mr Daniel Harris
Non-Executive Director

Mr Harris brings with him a vast amount of expertise in the vanadium industry and an understanding of the resource sector from both a technical and financial perspective. Recent roles include the interim CEO and Managing Director at Atlas Iron Limited; CEO & Chief Operating Officer at Atlantic Ltd; Vice President & Head of Vanadium Assets at Evraz Group; Managing Director at Vametco Alloys; General Manager of Vanadium Operations at Strategic Minerals Corporation and as an independent technical and executive consultant to GSA Environmental Limited in the United Kingdom.

Other current listed company directorships:

- Flinders Mines Limited – appointed 8 August 2022
- QEM Limited – since 19 March 2018

Former listed company directorships (last three years):

- Nil

Special responsibilities:

- Member of the Audit & Risk Committee
- Member of the Remuneration, Nomination and Governance Committee
- Member of the Technical and Sustainability Committee

Ms Miriam Stanborough AM BA (Hons), BE (Hons), MSc, MAusIMM
Non-Executive Director – appointed 13 February 2023

Ms Stanborough is a chemical engineer with over 20 years of experience in the mineral processing industry across a range of commodities. She has held senior roles at Monadelphous, Iluka Resources, Alcoa and WMC Resources. Her skill base spans innovation and technology, technical development, production management, project management, business improvement and people and culture.

Other current listed company directorships:

- Pilbara Minerals Limited - appointed 16 September 2021
- BCI Minerals Limited – appointed 14 June 2022

Former listed company directorships (last three years):

- Nil

Special responsibilities:

- Chair of the Remuneration, Nomination and Governance Committee
- Member of the Technical and Sustainability Committee

Ms Anna Sudlow BCom, CPA, MBA
Non-Executive Director – appointed 1 June 2023

Ms Sudlow is a corporate finance executive with experience in the mining and resources sectors across a range of commodities and jurisdictions. Ms Sudlow has held senior roles at Woodside Energy Group Ltd and Paladin Energy Limited and has experience in strategy, capital management and funding, commercial analysis, business development, risk and financial reporting and governance.

Ms Sudlow is currently the Chief Financial Officer of Paladin Energy Limited, an ASX listed uranium company included in the S&P/ASX 200 Index.

Other current listed company directorships:

- Nil

Former listed company directorships (last three years):

- Nil

Special responsibilities:

- Chair of the Audit & Risk Committee
- Member of the Remuneration, Nomination and Governance Committee

Mr Peter Watson BEng (Hons) (Chem), FIEAust, Dip (Acct)
Non-Executive Director – appointed 13 February 2023

Mr Watson is a chemical engineer with over 40 years' experience in the resources sector, both in Australia and overseas. He has significant board-level experience, particularly on matters covering safety, governance, financial reporting, risk management and strategy across multiple commodities and global jurisdictions.

Mr Watson was the Managing Director and Chief Executive Officer of Sedgman Limited, an engineering, project delivery and operations company focused on the global minerals sector and listed on ASX prior to its acquisition by CIMIC Group Limited.

Other current listed company directorships:

- Paladin Energy Limited - since 10 December 2019
- Strandline Resources Limited – since 10 September 2018

Former listed company directorships (last three years):

- New Century Resources Limited – resigned 27 April 2023

Special responsibilities:

- Member of the Audit & Risk Committee
- Chair of the Technical and Sustainability Committee

Mr Leslie Ingraham
Non-Executive Director – retired 8 March 2023

Mr Ingraham has been in private business for over 30 years and is an experienced mineral prospector and professional investor. He has successfully worked as a consultant for both private companies and companies listed on the ASX. Core competencies include capital raising and shareholder liaison.

Other current listed company directorships:

- Bryah Resources Limited – since 15 November 2017

Former listed company directorships (last three years):

- Nil

Special responsibilities:

- Member of the Audit & Risk Committee
- Member of the Remuneration, Nomination and Governance Committee
- Member of the Technical and Sustainability Committee

* The Company reviewed its committee composition following the retirement of Mr Ingraham and the appointment of Ms Stanborough, Mr Watson and Ms Sudlow. The above reflects the changes to the composition of the committees.

Chief Executive Officer

Mr Graham Arvidson BSc (Mech Eng), MBA, MSc Mineral Economics, CPEng, CPMet, PMP, GAICD – appointed 1 November 2022

Mr Arvidson is a mechanical engineer with over 18 years of experience in the minerals sector. He has held key leadership roles including project studies, design, construction, commissioning and operations management. He has held key leadership roles developing and operating mineral assets globally across a broad range of commodities with deep expertise in nickel, lithium, vanadium, gold and iron ore.

Joint Company Secretaries

Mr Neville Bassett

Mr Bassett is a Chartered Accountant with over 35 years of experience. He has been involved with a diverse range of Australian public listed companies in directorial, company secretarial and financial roles.

Mr Louis Mostert – appointed 14 February 2023

Mr Mostert graduated from the University of Western Australia with a Bachelor of Engineering (Hons) and a Bachelor of Laws (Hons) and has a Diploma of Applied Corporate Governance from the Governance Institute of Australia. He is admitted as a barrister and solicitor of the Supreme Court of Western Australia, a Fellow of the Chartered Institute of Secretaries, a Fellow of the Governance Institute of Australia and a Member of the Australian Institute of Company Directors.

Board and Committee Meetings

The number of Directors' meetings and meetings of committees held during the financial year, and the number of meetings attended by each Director in the period they held office were:

Name	Board of Directors		Remuneration and Nomination Committee		Audit and Risk Committee		Technical and Sustainability Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Cliff Lawrenson	7	7	3	3	3	3	2	2
Vincent Algar	7	7	3	3	3	3	2	2
Leslie Ingraham[1]	4	4	1	1	1	1	1	1
Daniel Harris	7	7	3	3	3	3	2	2
Miriam Stanborough[2]	3	3	2	2	2	2	1	1
Peter Watson[2]	3	3	2	2	2	2	1	1
Anna Sudlow[3]	1	1	1	1	1	1	1	1

1 Resigned 8 March 2023
2 Appointed 13 February 2023
3 Appointed 1 June 2023

Directors' Interests

The following relevant interests in shares, performance rights and options of the Group or a related body corporate were held by the Directors as at the date of this report.

	Number of Ordinary Shares		Number of Unlisted Performance Rights	
	Direct	Indirect	Direct	Indirect
Mr Vincent Algar[1]	54,400,000	1,266,436	-	-
Mr Cliff Lawrenson	-	24,000,000	-	-
Mr Daniel Harris	22,500,000	-	-	-
Ms Miriam Stanborough[2]	-	1,400,000	-	-
Mr Peter Watson[2]	-	-	-	-
Ms Anna Sudlow[3]	300,000	-	-	-

1 Retired 14 July 2023
2 Appointed 13 February 2023
3 Appointed 1 June 2023

Principal Activities

The principal continuing activities during the year of entities within the Consolidated Entity were the advancement of the Australian Vanadium Project, exploration for vanadium/titanium and other economic resources, development of vanadium electrolyte production and the sale of VFB systems.

Dividends

No dividend has been paid during the financial year and no dividend is recommended for the current year.

Review of Operations

A detailed review of the Group's operations for the year ended 30 June 2023 and the Group's material business risks are set out below.

Financial Results and Position

The financial statements of the Group for the year ended 30 June 2023 have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and liabilities in the normal course of business.

For the year ended 30 June 2023, the Group recorded an after-tax loss of $7,239,883 (2022: $5,036,430) and cash outflows from operating and investing activities of $6,928,823 (2022: $9,399,029).

At 30 June 2023, the Group held cash and cash equivalents of $26,873,911 (2022: $26,443,986) and had net working capital of $13,455,386 (2022: $24,044,976). The Group had outstanding commitments at 30 June 2023 of $874,478 relating to the Australian Vanadium Project and $632,700 of exploration obligations, all due within 12 months (refer note 14).

On 26 September 2023, the Company announced the successful completion of an institutional placement having raised $15.7 million, with RCF committing $15 million, and other institutional investors committing a further $0.7 million. Proceeds from the Placement are expected to be received on or before 30 September 2023.

Significant Changes in the State of Affairs

Significant changes in the state of affairs of the Group during the financial year were as follows:

Significant Events Since the End of the Financial Year

Other than disclosed below, since the end of the financial year the Directors are not aware of any other matter or circumstance not otherwise dealt with in this report that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent periods with the exception of the following, the financial effects of which have not been provided for in the 30 June 2023 Financial Report:

- On 14 July 2023, Mr Vincent Algar retired as Managing Director, as announced 3 July 2023.
- As announced on 14 August 2023, AVL and Primero Group Limited signed an engineering, procurement and construction contract for Primero Group to undertake the construction of the vanadium electrolyte manufacturing facility.
- On 25 September 2023, AVL announced its intention to merge with Technology Metals Australia Limited (TMT) via a proposed Scheme of Arrangement, under which AVL will acquire 100% of the TMT shares on issue. The terms of the Scheme values TMT at approximately $84 million. Following implementation of the Scheme, AVL shareholders will hold 58% of the merged group and TMT shareholders will hold 42%, prior to the dilution associated with AVL's institutional placement detailed below.

  The Scheme is unanimously recommended by the directors of TMT and each director of TMT intends to vote all TMT shares they control in favour of the Scheme, in the absence of a superior proposal, and subject to an Independent Expert opining (and continuing to opine) that the Scheme is in the best interests of the TMT shareholders. RCF, TMT's largest shareholder, has agreed to vote its ~18% shareholding in TMT in favour of the Scheme, subject to the same aforementioned qualifications.

- In parallel, the Group announced on 25 September its intention to undertake an institutional placement (Placement) to raise a minimum of $15 million (before offer costs) with the ability to take oversubscriptions to increase the Placement to $20 million.
- On 26 September 2023, the Company announced the successful completion of the Placement having raised $15.7 million, with RCF committing $15 million, and other institutional investors committing a further $0.7 million. Proceeds from the Placement are expected to be received on or before 30 September 2023.

Likely Developments and Expected Results

In the opinion of the Directors, other than as disclosed below, the likely developments in and expected results of the operations of the Group have been disclosed in the Group's Review of Operations.

On 25 September 2023, AVL announced its intention to acquire TMT via a proposed Scheme of Arrangement, under which AVL will acquire 100% of the TMT shares on issue. If approved, the merger will create a leading Australian vanadium developer with a world-class asset of scale, located in a Tier-1 mining jurisdiction. Consolidating two adjoining projects across one orebody provides a unique opportunity to realise operational and corporate synergies by creating a single integrated operation. AVL and TMT will jointly form an integration working group to assess the optimal development and processing pathway, identify project enhancement opportunities and develop the strategy to deliver the identified synergies.

Shares Under Option

At the date of this report, there are no unissued ordinary shares of the Company under option.

Performance Rights Over Unissued Capital

Details of performance rights over unissued ordinary shares of the Company as at the date of this Report are:

Expiry date	Exercise price	Vested	Unvested	Number
29 July 2026	nil	7,791,667	-	7,791,667
10 April 2027	nil	400,000	200,000	600,000
6 December 2027	nil	6,000,000	30,000,000	36,000,000
26 July 2028	nil	-	61,950,000	61,950,000
Total		**14,191,667**	**92,150,000**	**106,341,667**

No person entitled to exercise the performance rights had or has any right under the performance rights to participate in any other share issue of the Company or any other entity.

During the year, 145,244,846 performance rights were converted to 145,244,846 ordinary shares.

Shares Issued on the Exercise of Options

During the year 277,524,439 listed options (AVLOA) were converted to ordinary shares at an exercise price $0.025.

Environmental Regulations

The Group is subject to various environmental laws and regulations under government legislation in respect of its natural resources' exploration and development activities. To the best of the Directors' knowledge, the Group believes it has adequate systems in place to ensure compliance with these laws and regulations.

The Directors are not aware of any significant breaches of these requirements during the year and up to the date of the Directors' Report.

Insurance of Officers

The Company has in place an insurance policy insuring Directors and Officers of the Company against any liability arising from a claim brought by a third party against the Company or its Directors and Officers, and against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct whilst acting in their capacity as a Director or Officer of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

In accordance with a confidentiality clause under the insurance policy, the amount of the premium paid to the insurers has not been disclosed. This is permitted under Section 300(9) of the *Corporations Act 2001.*

Proceedings on Behalf of the Company

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

Audit and Non-Audit Services

Non audit services included remuneration consulting services performed by BDO Reward (WA) Pty Ltd during the year of $7,063 (2022: nil).

The Directors are satisfied that the provision of the non-audit services during the financial year, by the auditor or by another person or firm on the auditor's behalf, is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants.*

Rounding of Amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Corporate Governance Statement

The primary responsibility of the Board is to represent and advance shareholders' interests and to protect the interests of stakeholders. To fulfil this role the Board is responsible for the overall corporate governance of the Group including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

ASX Corporate Governance Principles and Recommendations

The Board endorses the fourth edition of ASX Corporate Governance Principles and Recommendations (ASX Recommendations) as published by the ASX Corporate Governance Council and has adopted Corporate Governance Charters and Policies reflecting those ASX Recommendations, to the extent appropriate having regard to the size and circumstances of the Group. These are available on the Group's website:
https://www.australianvanadium.com.au/about-us/corporate-governance/

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each director and executive of Australian Vanadium Limited. The information provided in the remuneration report includes remuneration disclosures that are audited as required by section 308(3C) of the *Corporations Act 2001*.

For the purposes of this report, Key Management Personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

The KMP of the Group during the year included:

Directors

Mr Cliff Lawrenson	Non-Executive Chair
Mr Vincent Algar	Managing Director (retired 14 July 2023)
Mr Leslie Ingraham	Executive Director (retired 8 March 2023)
Mr Daniel Harris	Non-Executive Director
Ms Miriam Stanborough	Non-Executive Director (appointed 13 February 2023)
Mr Peter Watson	Non-Executive Director (appointed 13 February 2023)
Ms Anna Sudlow	Non-Executive Director (appointed 1 June 2023)

Executives

Mr Graham Arvidson	Chief Executive Officer (appointed 1 November 2022)
Mr Louis Mostert	Chief Legal & Commercial Officer and Joint Company Secretary (appointed 14 February 2023)
Mr Tom Plant	Chief Financial Officer (appointed 6 June 2023)
Mr Todd Richardson	Chief Operating Officer
Ms Liesl Strachan	Interim Chief Financial Officer (resigned 6 June 2023)

A. Remuneration Framework

The Board policy is to remunerate directors at market rates for time, commitment and responsibilities. The Board determines payments to the directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

The maximum aggregate amount of directors' fees that can be paid is subject to approval by shareholders in a general meeting, from time to time. Fees for non-executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholders' interests, the directors are encouraged to hold shares in the Company.

The Company's aim is to remunerate at a level that will attract and retain high-calibre directors and employees. Company directors and officers are remunerated to a level consistent with the size and maturity of the Company.

The directors and full-time executives receive a superannuation guarantee contribution required by the government and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed. The Board believes that it has implemented suitable practices and procedures that are appropriate for an organisation of its size and maturity. As part of the remuneration policy, the Company may issue incentive options and performance rights to directors and other KMP.

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

Non-Executive Director Compensation

Objective

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

Structure

The Company's constitution and the ASX Listing Rules specify that the aggregate compensation of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the directors as agreed. The latest determination approved by shareholders was an aggregate compensation of $500,000 per year.

The amount of aggregate compensation sought to be approved by shareholders and the way it is apportioned amongst directors is reviewed annually. The Board considers advice from external consultants as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Non-executive directors' remuneration may include an incentive portion consisting of either options, performance rights, service rights, deferred shares, exempt shares, cash right or stock appreciation rights (as defined in the Australian Vanadium Employee Securities Incentive Plan), as considered appropriate by the Board, which may be subject to shareholder approval in accordance with ASX Listing Rules.

Separate from their duties as directors, the non-executive directors may undertake work for the Company directly related to the evaluation and implementation of various business opportunities, including mineral exploration/evaluation and new business ventures, for which they receive a daily rate. These payments are made pursuant to individual agreement with the non-executive directors and are not considered when determining their aggregate remuneration levels.

Executive Compensation

Objective

The entity aims to reward executives with a level and mix of compensation commensurate with their position and responsibilities within the entity to:

- reward executives for company and individual performance against targets set by appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link rewards with the strategic goals and performance of the Company; and
- ensure total compensation is competitive by market standards.

Structure

In determining the level and make-up of executive remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience. The Company has established a Remuneration, Nomination and Governance Committee.

Remuneration is regularly compared with the external market by participation in industry salary surveys and during recruitment activities generally. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable executive roles.

Remuneration consists of a fixed remuneration and a long-term incentive portion as considered appropriate. Compensation may consist of the following key elements:

- Fixed Compensation;
- Variable Compensation;
- Short Term Incentive (STI); and
- Long Term Incentive (LTI).

Fixed Remuneration

The level of fixed remuneration is set to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Fixed remuneration is reviewed annually by the Board having regard to the Company and individual performance, relevant comparable remuneration in the mining exploration sector and external advice. The fixed remuneration is a base salary or monthly consulting fee.

Variable Pay - Long Term Incentives

The objective of long-term incentives is to reward executives in a manner which aligns this element of remuneration with the creation of shareholder wealth. The incentive portion is payable based upon attainment of objectives related to the executive's job responsibilities. The objectives vary, but all are targeted to relate directly to the Company's business and financial performance and thus to shareholder value.

LTIs granted to executives are delivered in the form of employee share options or performance rights. Options are issued at an exercise price determined by the Board at the time of issue. The employee share options or performance rights generally vest over a selected period.

The objective of the granting of options or rights is to reward executives in a manner which aligns the element of remuneration with the creation of shareholder wealth. As such LTIs are made to executives who are able to influence the generation of shareholder wealth and thus have an impact on the Company's performance.

The level of LTIs granted is, in turn, dependent on the Company's recent share price performance, the seniority of the executive, and the responsibilities the executive assumes in the Company.

Typically, the grant of LTIs occurs at the commencement of employment or if the individual receives a promotion and, as such, is not subsequently affected by the individual's performance over time.

Link between performance and executive remuneration

Executive remuneration is aimed at aligning the strategic and business objectives of the Group with the creation of shareholder return. The table below shows statutory measures of the Group's financial performance over the last five years. However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration awarded to KMP. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

Measure	2023	2022	2021	2020	2019
Loss after tax ($)	(7,239,883)	(5,036,430)	(3,140,752)	(2,713,630)	(5,216,688)
Share price at start of year ($)	0.032	0.019	0.009	0.013	0.041
Share price at end of year ($)	0.033	0.032	0.019	0.009	0.013
Basic and diluted loss per share ($)	(0.17)	(0.15)	(0.11)	(0.11)	(0.29)

B. Remuneration Framework for FY2024

It is crucial to be adequately prepared for the resourcing requirements of the business as it progresses the Australian Vanadium Project, and therefore, the Company engaged BDO Reward (WA) Pty Ltd in May 2023 to conduct a comprehensive independent review of the Company's remuneration framework for executives and non-executive directors.

The BDO Reward (WA) Pty Ltd review will be assessed by the Remuneration, Nomination and Governance Committee and detailed information on the changes to the remuneration framework will be disclosed in full in the Company's FY2024 Remuneration Report.

C. Employment Contracts of Directors and Senior Executives

The employment arrangement of the Executive Director is not formalised in a contract of employment. Remuneration and other terms of employment for the Managing Director and other KMP are formalised in employment contracts. Major provisions are set out below.

Graham Arvidson is engaged as Chief Executive Officer (appointed 1 November 2022)

Remuneration is as follows:

- Gross base salary of $414,414 plus superannuation at the statutory rate
- 36,000,000 performance rights issued for nil consideration which vest subject to certain market and performance conditions being met
- 20 days annual leave per annum and statutory long service leave
- Notice period required to be given by the Company – 6 months, except in the case of gross misconduct
- Notice period required to be given by the executive – 6 months
- Termination payment – if notice is given to terminate the agreement by either party, the Company may a) make a payment equal to the amount of remuneration payable in lieu of the notice period, or b) direct the executive to serve out all or part of the notice and make a payment equal to the amount of remuneration payable in lieu of the balance of the notice period.

Vincent Algar was engaged as Managing Director during the year (retired 14 July 2023)

Remuneration was as follows:

- Gross base salary of $330,000 plus superannuation at the statutory rate
- 20 days annual leave per annum and statutory long service leave
- Notice period required to be given by the Company – 6 months, except in the case of gross misconduct
- Notice period required to be given by the executive – 3 months
- Termination payment – 12 months, inclusive of notice period

Tom Plant is engaged as Chief Financial Officer (appointed 6 June 2023)

Remuneration is as follows:

- Gross base salary of $315,000 plus superannuation at the statutory rate
- 12,000,000 performance rights issued for nil consideration which vest subject to certain market and performance conditions being met
- 20 days annual leave per annum and statutory long service leave
- Notice period required to be given by the Company – 6 months, except in the case of gross misconduct
- Notice period required to be given by the executive – 6 months
- Termination payment – if notice is given to terminate the agreement by either party, the Company may a) make a payment equal to the amount of remuneration payable in lieu of the notice period, or b) direct the executive to serve out all or part of the notice and make a payment equal to the amount of remuneration payable in lieu of the balance of the notice period.

Louis Mostert is engaged as Chief Legal and Commercial Officer and Joint Company Secretary (appointed 14 February 2023)

Remuneration is as follows:

- Gross base salary of $333,333 plus superannuation at the statutory rate
- 12,000,000 performance rights issued for nil consideration which vest subject to certain market and performance conditions being met
- 20 days annual leave per annum and statutory long service leave
- Notice period required to be given by the Company – 6 months, except in the case of gross misconduct
- Notice period required to be given by the executive – 6 months
- Termination payment – if notice is given to terminate the agreement by either party, the Company may a) make a payment equal to the amount of remuneration payable in lieu of the notice period, or b) direct the executive to serve out all or part of the notice and make a payment equal to the amount of remuneration payable in lieu of the balance of the notice period.

Todd Richardson is engaged as Chief Operating Officer

Remuneration is as follows:

- Gross base salary of $351,351 plus superannuation at the statutory rate
- 20 days annual leave per annum and statutory long service leave
- Notice period required to be given by the Company – 6 months, except in the case of gross misconduct
- Notice period required to be given by the executive – 6 months
- Termination payment – if notice is given to terminate the agreement by either party, the Company may a) make a payment equal to the amount of remuneration payable in lieu of the notice period, or b) direct the executive to serve out all or part of the notice and make a payment equal to the amount of remuneration payable in lieu of the balance of the notice period.

Liesl Strachan was engaged as Interim Chief Financial Officer during the year (resigned 6 June 2023)

Remuneration is as follows:

- Gross base salary of $183,688 plus superannuation at the statutory rate
- 20 days annual leave per annum (pro-rata) and statutory long service leave
- Notice period required to be given by the Company – 1 month, except in the case of gross misconduct
- Notice period required to be given by the Executive – 1 month
- Termination payment – payment equal to notice period

D. Details of Remuneration for the Year

The remuneration for each Director and each of the KMP of the Group for the current and previous financial year was as follows:

		Short-Term Benefits	Long-term employee benefits		Termination benefits	Share-based payments		
		Salary & fees*	Super.	Movement in leave provisions		Perf. Rights[10]	Total	Total perf. Related[10]
Directors	**Year**	**$**	**$**	**$**	**$**	**$**	**$**	**%**
Cliff Lawrenson	2023	95,000	-	-	-	-	95,000	0%
	2022	95,000	-	-	-	161,043	256,043	63%
Vincent Algar[1]	2023	325,833	34,079	4,189	-	-	364,101	0%
	2022	310,000	30,875	6,735	-	322,084	669,694	48%
Daniel Harris	2023	100,000	-	-	-	-	100,000	0%
	2022	100,000	-			134,202	234,202	57%
Miriam Stanborough[2]	2023	34,691	3,643	-	-	17,455	55,789	31%
	2022	-	-	-	-	-	-	-
Anna Sudlow[3]	2023	7,541	792	-	-	4,473	12,806	35%
	2022	-	-	-	-	-	-	-
Peter Watson[2]	2023	34,691	3,643	-	-	17,455	55,789	31%
	2022	-	-	-	-	-	-	-
Leslie Ingraham[4, 9]	2023	189,574	18,332	(33,333)	65,385	-	239,958	0%
	2022	193,200	19,242	5,204	-	214,722	432,368	50%
Total Directors	2023	787,330	60,489	(29,144)	65,385	39,383	923,443	4%
	2022	698,200	50,117	11,939	-	832,051	1,592,307	52%
Executives								
Graham Arvidson[5]	2023	220,000	23,100	-	-	256,415	499,515	51%
	2022	-	-	-	-	-	-	-
Louis Mostert[6]	2023	118,327	12,424			57,096	187,847	30%
	2022	-	-	-	-	-	-	-
Tom Plant[7]	2023	23,019	2,417	-	-	13,298	38,734	34%
	2022	-	-	-	-	-	-	-
Todd Richardson	2023	310,000	32,421	-	-	13,205	355,626	4%
	2022	305,000	30,645	-	-	140,393	476,038	29%
Liesl Strachan[8]	2023	183,688	19,287	-	-	-	202,975	0%
	2022	94,936	9,494	-	-	13,957	118,387	12%
Total Executives	2023	855,034	89,649	-	-	340,014	1,284,697	26%
	2022	399,936	40,139	-	-	154,350	594,425	26%
Total KMP remuneration	2023	1,642,364	150,138	(29,144)	65,385	379,397	2,208,140	17%
	2022	1,098,136	90,256	11,939	-	986,401	2,186,732	45%

1 Mr Algar retired 14 July 2023.
2 Ms Stanborough and Mr Watson were appointed 13 February 2023.
3 Ms Sudlow was appointed 1 June 2023.
4 Mr Ingraham retired 8 March 2023.
5 Mr Arvidson was appointed 1 November 2023.
6 Mr Mostert was appointed 14 February 2023.
7 Mr Plant was appointed 6 June 2023.
8 Ms Strachan resigned 6 June 2023.
9 Mr Ingraham's leave entitlements were paid out on termination (salary and fees includes annual leave paid out).
10 The amounts disclosed relate to the non-cash value ascribed to performance rights under Australian Accounting Standards.
* Salary includes 4 weeks' annual leave per annum (or pro-rata).

No other performance-related payments were made during the year. Performance hurdles are not attached to remuneration options if issued, however the Board determines appropriate vesting periods to provide rewards over a period of time to the KMP.

E. Equity Issued as Part of Remuneration

This section only refers to those shares, performance rights and options issued as part of remuneration. As a result, they may not indicate all shares, performance rights and options held by a director or other KMP.

E.1. Performance rights and options over equity instruments granted as compensation

Shares

No shares in the Company were issued to directors or executives as part of remuneration during the year ended 30 June 2023.

Options

No options were granted to directors or executives during the year ended 30 June 2023.

Performance Rights

i. During the period, the Company issued 36,000,000 performance rights to Mr Graham Arvidson. The performance rights were valued at the share price on grant date for those performance rights with non-market vesting conditions, and a Monte Carlo valuation model for those with market vesting conditions. The valuation model used the following inputs:

- Grant date: 14 November 2022
- Expiry date: 6 December 2027
- Share price at grant date: $0.030
- Effective interest rate: 3.256%
- Volatility: 80%
- Exercise price: nil

The expected volatility was determined by considering the historical volatility of the share price over the most recent period commensurate with the expected term of the performance rights, and the tendency of volatility to return to its mean.

The performance rights were granted for nil consideration and vest subject to certain market and performance conditions being met, as outlined in the table below.

Name	Number	Performance Condition	Fair Value per Right per Tranche
Graham Arvidson	6,000,000	Continuous employment for 12 months from commencement of employment.	$0.0300
	6,000,000	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0235
	6,000,000	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0207
	6,000,000	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0184
	6,000,000	Final Investment Decision.	$0.0300
	6,000,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0300

ii. During the period, the Company agreed to issue 12,000,000 performance rights to Mr Louis Mostert. The performance rights were issued after year end, on 26 July 2023. The performance rights were valued at the share price on grant date for those performance rights with non-market vesting conditions, and a Monte Carlo valuation model for those with market vesting conditions. The valuation model used the following inputs:

- Grant date: 9 February 2023
- Expiry date: 26 July 2028
- Share price at grant date: $0.033
- Effective interest rate: 3.368%
- Volatility: 80%
- Exercise price: nil

The performance rights were granted for nil consideration and vest subject to certain market and performance conditions being met, as outlined in the table below.

Name	Number	Performance Condition	Fair Value per Right per Tranche
Louis Mostert	2,000,000	Continuous employment for 12 months from commencement of employment.	$0.0330
	2,000,000	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0269
	2,000,000	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0239
	2,000,000	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0217
	2,000,000	Final Investment Decision.	$0.0330
	2,000,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0330

iii. During the period, the Company agreed to issue 12,000,000 performance rights to Mr Tom Plant. The performance rights were issued after year end, on 26 July 2023. The performance rights were valued at the share price on grant date for those performance rights with non-market vesting conditions, and a Monte Carlo valuation model for those with market vesting conditions. The valuation models used the following inputs:

- Grant date: 12 May 2023
- Expiry date: 26 July 2028
- Share price at grant date: $0.041
- Effective interest rate: 3.014%
- Volatility: 80%
- Exercise price: nil

The performance rights were granted for nil consideration and vest subject to certain market and performance conditions being met, as outlined in the table below.

Name	Number	Performance Condition	Fair Value per Right per Tranche
Tom Plant	2,000,000	Continuous employment for 12 months from commencement of employment.	$0.0410
	2,000,000	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0349
	2,000,000	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0313
	2,000,000	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0286
	2,000,000	Final Investment Decision.	$0.0410
	2,000,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0410

iv. During the period, the Company agreed to issue 4,500,000 performance rights to Mr Todd Richardson. The performance rights were issued after year end, on 26 July 2023, and were valued at the share price on grant date.

The performance rights were granted for nil consideration and vest subject to certain market and performance conditions being met, as outlined in the table below.

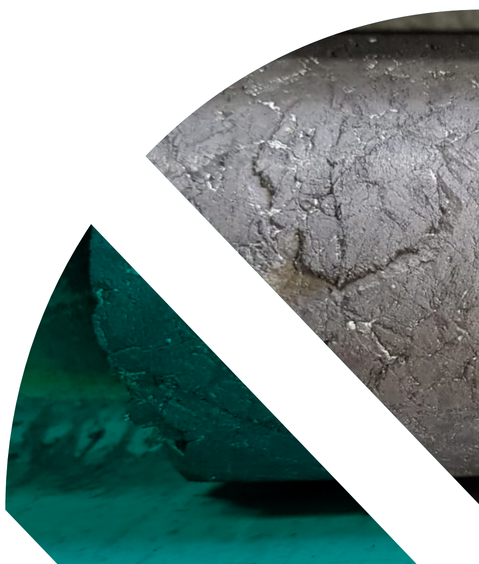
Name	Number	Performance Condition	Fair Value per Right per Tranche
Todd Richardson	2,000,000	Final Investment Decision.	$0.0360
	2,500,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0360

v. During the period, the Company agreed to issue 10,000,000 performance rights each to Ms Miriam Stanborough and Mr Peter Watson, Non-Executive Directors of the Group. As at 30 June 2023, the performance rights are subject to shareholder approval . The performance rights were valued using a Monte Carlo valuation model using the following inputs:

- Grant date: 10 February 2023
- Expiry date: 10 February 2028
- Share price at grant date: $0.033
- Effective interest rate: 3.430%
- Volatility: 80%

Exercise price: nil

Name	Number	Performance Condition	Fair Value per Right per Tranche
Miriam Stanborough	3,333,333	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0262
	3,333,333	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0229
	3,333,334	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0206
Peter Watson	3,333,333	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0262
	3,333,333	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0229
	3,333,334	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0206



vi. During the period, the Company agreed to issue 10,000,000 performance rights to Ms Anna Sudlow, a Non-Executive Director of the Group. As at 30 June 2023, the performance rights are subject to shareholder approval. The performance rights were valued using a Monte Carlo valuation model using the following inputs:

- Grant date: 22 May 2023
- Expiry date: 22 May 2028
- Share price at grant date: $0.038
- Effective interest rate: 3.271%
- Volatility: 80%
- Exercise price: nil

Name	Number	Performance Condition	Fair Value per Right per Tranche
Anna Sudlow	3,333,333	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0315
	3,333,333	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0277
	3,333,334	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have traded.	$0.0248

On vesting and notice of exercise, each right converts to one ordinary share. All performance rights will be forfeited automatically if the Director or Executive becomes a 'bad leaver', such as through resignation or termination for cause. Otherwise, the expiry date of the performance rights will be the earlier of six months from the departure or the original expiration date, unless extended further at the discretion of the Board.

E.2. Exercise of performance rights and options over equity instruments granted as compensation

Options

During the reporting period, no Directors or Executives exercised options that were granted to them as part of their compensation.

Performance Rights

During the reporting period, the following shares were issued to Directors and Executives on the conversion of performance rights previously granted as compensation.

	Number of Shares	Amount paid $/share
Cliff Lawrenson	24,000,000	Nil
Vincent Algar	48,000,000	Nil
Leslie Ingraham	32,000,000	Nil
Daniel Harris	20,000,000	Nil
Liesl Strachan	121,875	Nil

There are no amounts unpaid on the shares issued as a result of the conversion of performance rights in the 2023 financial year.

E.3. Performance rights holdings of Directors and Executives

The table below outlines movements in performance rights during the 2023 financial year, and the balance held by each KMP at 30 June 2023.

	Balance 1 July 2022	Issued during period	Vested & Converted	Balance 30 June 2023	Number Vested & Exercisable
Directors					
Cliff Lawrenson	24,000,000	-	(24,000,000)	-	-
Vincent Algar[1]	48,000,000	-	(48,000,000)	-	-
Daniel Harris	20,000,000	-	(20,000,000)	-	-
Miriam Stanborough[2,9]	-	-	-	-	-
Anna Sudlow[3,9]	-	-	-	-	-
Peter Watson[2,9]	-	-	-	-	-
Leslie Ingraham[4]	32,000,000	-	(32,000,000)	-	-
Executives					
Graham Arvidson[5]	-	36,000,000	-	36,000,000	-
Louis Mostert[6, 10]	-	-	-	-	-
Tom Plant[7,11]	-	-	-	-	-
Todd Richardson[12]	7,500,000	-	-	7,500,000	7,500,000
Liesl Strachan[8]	121,875	-	(121,875)	-	-

1 Mr Algar retired 14 July 2023.
2 Ms Stanborough and Mr Watson were appointed 13 February 2023.
3 Ms Sudlow was appointed 1 June 2023.
4 Mr Ingraham retired 8 March 2023.
5 Mr Arvidson was appointed 1 November 2022.
6 Mr Mostert was appointed 14 February 2023.
7 Mr Plant was appointed 6 June 2023.
8 Ms Strachan resigned 6 June 2023.
9 The Company has granted and accounted for the issue of 10,000,000 performance rights each to Ms Stanborough, Ms Sudlow and Mr Watson. These will be issued subject to shareholder approval.
10 On 26 July 2023, 12,000,000 performance rights granted and accounted for during the year were issued to Mr Mostert.
11 On 26 July 2023, 12,000,000 performance rights granted and accounted for during the year were issued to Mr Plant.
12 On 26 July 2023, 4,500,000 performance rights granted and accounted for during the year were issued to Mr Richardson.

On vesting and notice of exercise, each right converts to one ordinary share. All performance rights will be forfeited automatically if the Director or Executive becomes a 'bad leaver', such as through resignation or termination for cause. Otherwise, the expiry date of the performance rights will be the earlier of six months from the departure or the original expiration date, unless extended further by at the discretion of the Board.

All equity transactions with KMP have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

F. Share Holdings of KMP

The number of shares in the Company held during the financial year by each Director and other KMP of the Group, including their personally related parties, are set out below:

	Balance 1 July 2022	Held at commence-ment date	Exercise of perf. Rights	Net acquisitions/ (disposals)	Held at resignation	Balance 30 June 2023
Directors						
Cliff Lawrenson	-	-	24,000,000	-	-	24,000,000
Vincent Algar[1]	7,666,436	-	48,000,000	-	-	55,666,436
Daniel Harris	2,500,000	-	20,000,000	-	-	22,500,000
Miriam Stanborough[2]	-	1,400,000	-	-	-	1,400,000
Anna Sudlow[3]	-	300,000	-	-	-	300,000
Peter Watson[2]	-	-	-	-	-	-
Leslie Ingraham[4]	30,478,774	-	32,000,000	-	62,478,774	-
Executives						
Graham Arvidson[5]	-	-	-	-	-	-
Louis Mostert[6]	-	-	-	-	-	-
Tom Plant[7]	-	-	-	-	-	-
Todd Richardson	3,013,125	-	-	(620,000)	-	2,393,125
Liesl Strachan[8]	609,375	-	121,875	-	-	731,250

1 Mr Algar retired 14 July 2023.
2 Ms Stanborough and Mr Watson were appointed 13 February 2023.
3 Ms Sudlow was appointed 1 June 2023.
4 Mr Ingraham retired 8 March 2023.
5 Mr Arvidson was appointed 1 November 2022.
6 Mr Mostert was appointed 14 February 2023.
7 Mr Plant was appointed 6 June 2023.
8 Ms Strachan resigned 6 June 2023.

G. Loans with Directors and Other Key Management Personnel

There were no loans to, or from, Directors or other KMP, including their personally related parties, during the year ended 30 June 2023.

H. Specific Transactions with Directors and Key Management Personnel

There were no transactions with any Directors or KMP that were more favourable than those available, or which might reasonably be expected to be available, to non-related parties on an arm's length basis.

The Group engaged the following entities during the financial year for the following services on normal commercial terms:

- Streamline Capital Pty Ltd (a company wholly owned by Mr Leslie Ingraham) – expenses totalling $116,615 (2022: $97,913) paid for rental of a storage facility for the year ended 30 June 2023 (amount owing at 30 June 2023: nil (2022: nil).

I. Use of Remuneration Consultants

From time to time, advice and recommendations are requested from remuneration consultants observing the following protocols:

- remuneration consultants are engaged by and report directly to the Remuneration, Nomination and Governance Committee;
- the Committee must, in deciding whether to approve any remuneration consultant engagement, have regard to any potential conflicts of interest including factors that may influence independence such as previous and future work performed by the adviser and any relationships that exist between any executive KMP and the consultant; and
- communication between the remuneration consultants and executive KMP is restricted to minimise the risk of any allegations of undue influence on the remuneration consultant. The Board makes its remuneration-related decisions after considering the recommendations of the Remuneration, Nomination and Governance Committee and any advice from remuneration consultants.

During the financial year ended 30 June 2023, the Company, through the Remuneration, Nomination and Governance Committee, engaged BDO Reward (WA) Pty Ltd, remuneration consultants, to review the remuneration policies for directors and executives. The project is ongoing and at the end of the financial year, an amount of $7,062 had been paid to BDO Reward (WA) Pty Ltd.

J. 2022 Annual General Meeting – Remuneration Report Approval

The Company received more than 93% "yes" votes on its remuneration report for the 2022 financial year.

This concludes the audited Remuneration Report

AUDITOR'S DECLARATION OF INDEPENDENCE

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on page 51.

This report is made in accordance with a resolution of Directors.

Cliff Lawrenson
Chair

27 September 2023

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Australia

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF AUSTRALIAN VANADIAUM LIMITED

As lead auditor for the review of Australian Vanadium Limited for year ended 30 June 2023,

I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Australian Vanadium Limited and the entities it controlled during the period.

Glyn O’Brien

Director

BDO Audit (WA) Pty Ltd

Perth,

27 September 2023

Australian VANADIUM LIMITED

Annual Financial Statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2023

	Note	Consolidated 2023 $	2022 $
Revenue from contracts with customers	2(a)	**30,500**	(34,329)
Cost of sales	2(a)	**(24,553)**	26,433
Gross profit		**5,947**	(7,896)
Other income	2(a)	**377,376**	88,421
Interest revenue		**266,244**	2,251
Exploration and evaluation impairment	8	**(251,071)**	(133,780)
Depreciation	7(a)	**(89,475)**	(65,522)
Inventory write-down		**(25,452)**	-
Amortisation of lease liability		**(234,220)**	(46,394)
Finance costs	2(b)	**(85,565)**	(9,077)
Share-based payments	13	**(500,106)**	(1,480,445)
Directors' fees and benefits expense		**(280,001)**	(195,000)
Employee benefits expense	2(c)	**(2,244,514)**	(1,231,002)
General and administration expense	2(d)	**(4,179,046)**	(1,957,986)
Loss before income tax expense		**(7,239,883)**	(5,036,430)
Income tax expense	3	-	-
Net loss for year		**(7,239,883)**	(5,036,430)
Other comprehensive income			
Other comprehensive income for the year, net of tax			
Items that cannot be subsequent reclassified to profit and loss			
Movement in fair value of investment classified as fair value through OCI (FVOCI)		**(200,306)**	(326,250)
Total comprehensive loss attributable to members of Australian Vanadium Limited		**(7,440,189)**	(5,362,680)
		Cents	Cents
Basic and diluted loss per share	4	**(0.17)**	(0.15)

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	CONSOLIDATED 2023 $	2022 $
ASSETS			
Current assets			
Cash and cash equivalents	5	**26,873,911**	26,443,986
Trade and other receivables	6	**1,671,146**	1,265,497
Inventories		**182,034**	-
Total current assets		**28,727,091**	27,709,483
Non-current assets			
Plant and equipment	7	**1,855,549**	620,143
Exploration and evaluation expenditure	8	**44,731,465**	35,627,356
Financial assets		**296,098**	337,500
Right-of-use assets		**1,814,937**	36,926
Total non-current assets		**48,698,049**	36,621,925
TOTAL ASSETS		**77,425,140**	64,331,408
LIABILITIES			
Current liabilities			
Trade and other payables	9	**4,867,151**	899,779
Provisions		**109,845**	150,467
Lease liabilities		**335,423**	32,314
Grant liability	10	**9,959,286**	2,581,947
Total current liabilities		**15,271,705**	3,664,507
Non-current liabilities			
Provisions		**128,559**	133,698
Lease liabilities		**1,536,027**	-
Total non-current liabilities		**1,664,586**	133,698
TOTAL LIABILITIES		**16,936,291**	3,798,205
NET ASSETS		**60,488,849**	60,533,203
EQUITY			
Issued capital	11	**135,569,456**	127,025,901
Reserves	12	**(150,450)**	1,197,576
Accumulated losses		**(74,930,157)**	(67,690,274)
TOTAL EQUITY		**60,488,849**	60,533,203

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

	CONSOLIDATED			
	Issued Capital $	Accumulated Losses $	Reserves $	Total $
Balance as at 1 July 2021	94,152,977	(62,653,844)	(103,221)	31,395,912
Total loss for the year	-	(5,036,430)	-	(5,036,430)
Movement in fair value of investments recognised in equity	-	-	(326,250)	(326,250)
Total comprehensive loss	-	(5,036,430)	(326,250)	(5,362,680)
Ordinary shares issued[1]	29,737,800	-	-	29,737,800
Shares issued as consideration	54,007	-	-	54,007
Shares issued on conversion of options	5,092,152	-	-	5,092,152
Shares issued on conversion of performance rights	118,398	-	(118,398)	-
Share-based payments	-	-	1,745,445	1,745,445
Options issued as consideration for share issue costs	(265,000)	-	-	(265,000)
Share issue costs	(1,864,433)	-	-	(1,864,433)
Balance as at 1 July 2022	**127,025,901**	**(67,690,274)**	**1,197,576**	**60,533,203**
Total loss for the year	**-**	**(7,239,883)**	**-**	**(7,239,883)**
Movement in fair value of investments recognised in equity	**-**	**-**	**(200,306)**	**(200,306)**
Total comprehensive loss	**-**	**(7,239,883)**	**(200,306)**	**(7,440,189)**
Shares issued as consideration	**46,500**	**-**	**-**	**46,500**
Shares issued on conversion of options	**6,938,111**	**-**	**-**	**6,938,111**
Shares issued on conversion of performance rights – directors	**1,202,800**	**-**	**(1,202,800)**	**-**
Shares issued on conversion of performance rights - employees	**382,026**	**-**	**(382,026)**	**-**
Share-based payments	**-**	**-**	**437,106**	**437,106**
Share issue costs	**(25,882)**	**-**	**-**	**(25,882)**
Balance as at 30 June 2023	**135,569,456**	**(74,930,157)**	**(150,450)**	**60,488,849**

1. $571,000 received 18 July 2022 for shares issued 23 June 2022.

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	CONSOLIDATED 2023 $	2022 $
Cash flows from operating activities			
Payments to suppliers and employees		**(7,169,881)**	(4,489,618)
Interest received		**266,244**	2,251
Interest paid on leases		**(82,572)**	(9,077)
Net receipts from other entities		**407,876**	64,838
Net cash used in operating activities	5(a)	**(6,578,333)**	(4,431,606)
Cash flows from investing activities			
Expenditure on mining interests		**(8,208,961)**	(7,562,511)
Receipts from Government grants		**9,859,774**	3,032,901
Receipts from Research and Development Tax Incentives		**618,604**	-
Payment for plant and equipment		**(2,548,907)**	(446,890)
Payment for investments		**(71,000)**	-
Net cash used in investing activities		**(350,490)**	(4,976,500)
Cash flows from financing activities			
Proceeds from issue of shares	11	**571,000**	29,166,800
Proceeds from conversion of options	11	**6,938,111**	5,092,152
Repayment of lease liabilities		**(124,481)**	(38,040)
Payment of capital raising costs		**(25,882)**	(1,864,433)
Net cash provided by financing activities		**7,358,748**	32,356,479
Net increase in cash held		**429,925**	22,948,373
Cash at the beginning of the financial year		**26,443,986**	3,495,613
Cash at the end of the financial year	5	**26,873,911**	26,443,986

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

Notes to the Consolidated Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting entity

These are the consolidated financial statements and notes of Australian Vanadium Limited (the Company or Australian Vanadium or the Parent Entity) and controlled entities (the Consolidated Entity or Group) for the year ended 30 June 2023.

Australian Vanadium is a company limited by shares, incorporated and domiciled in Australia whose shares are listed on the ASX in Australia. The Company also trades on the OTCQB market in the United States of America and the Berlin, Munich, Stuttgart and Frankfurt Stock Exchanges in Germany. The nature of the operations and principal activities of the Group are described in the Review of Operations (unaudited).

Basis of accounting

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 27 September 2023. The Directors have the power to amend and reissue the financial statements.

Compliance with IFRS

The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Going Concern

The consolidated financial statements of the Group for the year ended 30 June 2023 have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and liabilities in the normal course of business.

For the year ended 30 June 2023, the Group recorded an after-tax loss of $7,239,883 (2022: $5,036,430) and cash outflows from operating and investing activities of $6,928,823 (2022: $9,408,106).

On 30 June 2023, the Group held cash and cash equivalents of $26,873,911 (2022: $26,443,986) and had net working capital of $13,455,386 (2022: $24,044,976. The Group had outstanding commitments on 30 June 2023 of $874,478 relating to the Australian Vanadium Project and $632,700 of exploration obligations, all due within 12 months (refer note 14).

On 26 September 2023, the Company announced the successful completion of an institutional placement having raised $15.7 million, with RCF committing $15 million, and other institutional investors committing a further $0.7 million. Proceeds from the Placement are expected to be received on or before 30 September 2023.

Considering the Group's positive cash position and its forecast cash flows over the next 12 months, the directors expect that the Group can continue its normal business activities and meet its debts as and when they fall due, subject to any changes to the underlying assumptions on which those forecasts have been made. The directors therefore have determined it is appropriate for the financial statements to be prepared on a going concern basis.

Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the financial assets and liabilities (including derivative instruments), certain classes of property, plant and equipment, and investment property measured at fair value or revalued amount.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Australian Vanadium's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of transactions.

New and amended standards adopted
The Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2022. The Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

New standards and interpretations not yet effective
Standards and interpretations that have recently been issued or amended by the AASB but are not yet mandatory have not been early adopted by the Group for the annual reporting period ended 30 June 2023. The Group has not yet assessed the impact of these new or amended Accounting Standards and interpretations.

Significant accounting policies
This section of the financial report sets out the principal accounting policies adopted in the preparation of the financial statements. Unless otherwise stated, these policies have been consistently applied to all the years presented. Where necessary, comparative information is reclassified and restated for consistency with current period disclosures. This section also sets out information related to critical accounting estimates and judgements applied to these financial statements.

1(a) Basis of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Australian Vanadium Limited, the Parent Entity, as at 30 June 2023 and the results of all subsidiaries for the year then ended.

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

The acquisition method of accounting is used to account for business combinations by the Group. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the Parent.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Financial Position respectively.

Loss of control
Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

1(b) Other income recognition
Other income is recognised to the extent that it is probable that the economic benefits will flow to the Group and can be reliably measured.

Interest income
Interest income is recognised on a time proportionate basis that considers the effective yield on the financial asset.

Research and Development Tax Incentive
The Research and Development Tax Incentive (R&DTI) is accounted for under AASB 120 *Government Grants.* R&DTI are recognised on receipt. R&DTI that relate to the acquisition or construction of an asset are deducted from the carrying amount of the asset in accordance with AASB 120.

Government grants
Government grants related to construction or exploration and evaluation assets are offset against the associated assets' costs in the Consolidated Statement of Financial Position. Government grants are recognised when received.

1(c) Cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1(d) Trade and other receivables
Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30-90 days and therefore are all classified as current. Other receivables are amounts generally arising from transactions outside the usual operating activities of the Group.

Receivables are recognised initially at fair value and then subsequently measured at amortised cost, less provision for credit losses. In determining the recoverability of a trade or other receivable using the expected credit loss model, the Group performs a risk analysis considering the type and age of the outstanding receivables, the creditworthiness of the counterparty, contract provisions, and timing of payments.

1(e) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

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

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

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

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Australian Vanadium Limited (the 'head entity') and its wholly owned operating Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and its subsidiaries in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiary nor a distribution by the subsidiary to the head entity.

1(f) Goods and Services Tax and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated Goods and Services Tax (GST), unless the GST incurred is not recoverable from the tax authority. In this case, it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

1(g) Financial liabilities

Initial recognition and measurement

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.

All financial liabilities are initially recognised at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, lease liabilities and grant liability.

Subsequent measurement – financial liabilities at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

1(h) Leases

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

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

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

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

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

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

1(i) Exploration and evaluation expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

   a. the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or

   b. the exploration and evaluation activities in the area have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence, or otherwise, of economically recoverable reserves and active and significant operations in, or relation to, the area of interest is continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

A decision to proceed with development in respect of a particular area of interest is determined with reference to when the commercial viability and technical feasibility are demonstrated. Once a decision to proceed has occurred, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to mine development.

Research and development tax offsets received are accounted for as a reduction of exploration and evaluation costs.

1(j) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases, the asset is tested for impairment as part of the cash generating unit (CGU) to which it belongs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset or CGU is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at a revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

1(k) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the reporting period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

1(l) Share based payment transactions

The Group provides incentives to employees (including senior executives) and Directors of the Group in the form of share-based payments, whereby employees and Directors receive performance rights over shares which will vest in the event performance hurdles are met (equity-settled transactions).

The cost of these equity-settled transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black-Scholes or Monte Carlo valuation model, as appropriate.

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled due to market conditions, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. If an equity-settled award is cancelled due to non-market conditions, it is treated as if it had vested on the date of cancellation, and no further expense is recognised. Any vested balances recognised in the share-based payment reserve is transferred and offset against retained earnings. However, if a new award is substituted for a cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

1(m) Issued capital

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

1(n) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Group.

1(o) Earnings per share

Basic earnings per share is calculated as net profit/loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit/loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

1(p) Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant, and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. The estimated useful lives of property, plant and equipment are as follows for the current and preceding financial year:

Plant and equipment	5 to 10 years
Motor vehicles	8 years

The assets' residual values and useful lives are reviewed, and adjusted where appropriate, at the end of each reporting period.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

1(q) Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

1(r) Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of an error and of changes to previous estimates.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The areas involving significant estimates or judgements are:

Capitalised exploration and evaluation expenditure

The directors continually assess the Group's exploration projects to determine the existence of any indications of impairment. Where any such indications are present, an impairment assessment is conducted under AASB 6 *Exploration for and Evaluation of Mineral Resources* and any resulting impairment is expensed to Consolidated Statement of Profit or Loss and Other Comprehensive Income. During the current financial year, impairment triggers were identified in respect of the Nowthanna Project resulting in $251,071 being expensed to Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Impairment of non-financial assets

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Equity-settled transactions

The Group measures the cost of equity-settled transactions by reference to the fair value of the goods or services received in exchange if they can be reliably measured. If the goods or services cannot be reliably measured, the cost is measured by reference to the fair value of the equity instruments at the date at which they are granted.

The fair value of share-based payments and options are determined using an appropriate valuation model, refer to note 13. Directors exercise judgement on the probability and timing of achieving milestones related to options.

The Remuneration Committee regularly reviews the non-market-based performance conditions in assessing the likelihood of share-based performance rights vesting.

Deferred tax

The potential deferred tax asset arising from the tax losses and temporary differences have not been recognised as an asset because recovery of the tax losses is not yet considered probable (refer to note 3(b)).

2. REVENUE AND EXPENSES

	CONSOLIDATED 2023 $	2022 $
2(a) Income		
Battery revenue	**30,500**	(34,329)
Cost of sales	**(24,553)**	26,433
	5,947	(7,896)
Battery sales recognised in the year end 30 June 2021 were reversed in the 2022 financial year.		
Other income		
Gain on disposal of asset	**251,145**	-
Administrative services and other income	**126,231**	88,421
	377,376	88,421

2(b) Finance costs		
Interest paid	**2,993**	-
Interest on leases	**82,572**	9,077
	85,565	9,077
2(c) Employee benefits expense		
Salaries and wages	**1,483,563**	902,475
Superannuation	**325,598**	218,841
Payroll tax	**386,270**	106,855
Recruitment expenses	**49,083**	2,831
	2,244,514	1,231,002
2(d) Other expenses		
Stock exchange and registry fees	**194,515**	227,776
Property and office facility expenses	**300,371**	127,765
Legal fees	**515,116**	165,150
Consultancy fees	**1,472,621**	453,826
Travel and accommodation	**406,363**	70,417
Other corporate and administrative expenses	**1,290,060**	913,052
	4,179,046	1,957,986

3. INCOME TAX

3(a) Income tax expense

Major components of income tax expense for the years ended 30 June 2023 and 30 June 2022 are as follows:

	CONSOLIDATED	
	2023	**2022**
	$	**$**
Income statement		
Current income		
Current income tax charge (benefit)	**(4,241,699)**	(2,846,503)
Current income tax not recognised	**4,241,699**	2,846,503
Research and development concession	**-**	-
Deferred income tax		
Relating to origination and reversal of temporary differences	**(1,504,573)**	(705,649)
Deferred tax benefit not recognised	**1,504,573**	705,649
Income tax expense (benefit) reported in income statement	**-**	-

A reconciliation of income tax expense (benefit) applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Group's effective income tax rate for the years ended 30 June 2023 and 30 June 2022 is as follows:

	CONSOLIDATED	
	2023	**2023**
	$	**$**
Accounting profit (loss) before tax from continuing operations	**(7,239,883)**	(5,036,430)
Accounting profit (loss) before income tax	**(7,239,883)**	(5,036,430)
At the statutory income rate of 25% (2022: 25%)	**(1,809,971)**	(1,259,108)
Add:		
Non-deductible expenses	**72,654**	373,313
Temporary differences and losses not recognised	**1,892,043**	885,795
Less:		
Non-assessable income	**-**	-
R&D tax offset	**(154,726)**	-
At effective income tax rate of 0% (2022: 0%)	**-**	-
Income tax expense reported in income statement	**-**	-
Total income tax expense	**-**	-

3(b) *Deferred tax assets*

Deferred tax assets/(liabilities) have not been recognised in respect of the following items:

	CONSOLIDATED	
	2023	**2022**
	$	**$**
Liabilities:		
Inventory	**(45,508)**	-
Property, plant and equipment	**(98,762)**	(89,977)
Prepaid expenditure	**(71,438)**	(46,217)
Capitalised exploration expenditure	**(10,971,652)**	(8,693,146)
	(11,187,360)	(8,829,340)
Assets:		
Investments	**250,701**	282,188
Right of Use Assets	**14,128**	(1,153)
Trade and other payables	**35,531**	19,078
Provisions	**63,571**	73,554
Business related costs	**485,520**	562,461
Tax losses	**29,932,359**	25,983,090
	30,781,810	26,919,218
Net deferred tax	**19,594,450**	18,089,878

The benefit of these losses has not been brought to account at 30 June 2023 because the directors do not believe it is appropriate to regard realisation of the deferred tax asset as being probable at this point in time or that there are sufficient deferred tax liabilities to offset these losses. These tax losses are also subject to final determination by the Taxation authorities when the Group derives taxable income. The benefits will only be realised if:

a. The Group derives future assessable income of a nature and of an amount sufficient to enable the benefit of the deduction for the losses to be realised;
b. The Group continues to comply with the conditions for the deductibility imposed by law; and
c. No changes in the tax legislation adversely affect the Group in realising the benefit of the losses.

4. LOSS PER SHARE

	CONSOLIDATED	
	2023	2022
	$	$
	Cents	Cents
Basic and diluted loss per share[1]	**(0.17)**	(0.15)
The earnings and weighted average number of ordinary shares used in the calculated of basic and diluted loss per share is as follows:		
Net loss for the year	**(7,239,883)**	(5,036,430)
Weighted average number of ordinary shares used in the calculation of basic and diluted loss per share	**4,256,353,081**	3,384,156,412

1.The Group has made a loss so the potential of ordinary shares being issued from the exercise of performance rights has been excluded due to their anti-dilutive effect.

5. CASH AND CASH EQUIVALENTS

	CONSOLIDATED	
	2023	2022
	$	$
Cash at bank	**24,835,964**	24,423,100
Short-term deposits	**2,037,947**	2,020,886
	26,873,911	26,443,986

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5(a) Reconciliation of loss for the year to net cash flows used in operating activities

Loss for the year	**(7,239,883)**	(5,036,430)
Non-cash flows in profit/loss		
Interest expense on leases	**82,572**	9,077
Depreciation and amortisation	**323,695**	111,916
Exploration and evaluation write off	**251,071**	133,780
Inventory write-down	**25,452**	-
Share based payments	**500,107**	1,480,445
Foreign exchange	**1,361**	-
Changes in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	**(405,649)**	(698,161)
(Increase)/decrease in inventories	**(182,034)**	-
Increase/(decrease) in trade and other payables	**105,598**	(474,176)
Increase/(decrease) in provisions	**(40,623)**	41,943
Net cash flows from operating activities	**(6,578,333)**	(4,431,606)

5(b) Non-cash financing and investing activities

In the year, the following non-cash financing and investing activities occurred:

	CONSOLIDATED	
	2023	2022
	$	$
Options issued as consideration for share issue costs	-	265,000
	-	265,000

6. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	2023	2022
	$	$
Current		
GST receivable	**770,377**	119,955
Other receivables	**486,132**	641,028
Prepayments	**285,752**	214,287
Trade debtors	**144,766**	306,108
Less: provision for doubtful debts	**(15,881)**	(15,881)
	1,671,146	1,265,497

Other receivables are non-interest bearing and generally repayable within 12 months. Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value. Prepayments relate to insurances and services prepaid throughout the Group.

7. PLANT AND EQUIPMENT

	CONSOLIDATED	
	2023	2022
	$	$
Plant and equipment		
At cost	**573,493**	679,229
Accumulated depreciation	**(312,155)**	(281,549)
	261,338	397,680
Motor vehicles		
At cost	**231,471**	144,018
Accumulated depreciation	**(60,973)**	(38,124)
	170,498	105,894
Assets under construction		
At cost	**1,423,713**	116,569
	1,423,713	116,569
Total		
At cost	**2,228,677**	939,816
Accumulated depreciation	**(373,128)**	(319,673)
	1,855,549	620,143

7(a) Movements in Carrying Amounts

Movements in the carrying amounts for each class of plant and equipment during the financial year:

	Plant & equipment	Motor vehicles	Assets under construction	Total
Balance at 1 July 2021	220,244	18,531	-	238,775
Additions	231,903	98,418	116,569	446,890
Depreciation expense	(54,467)	(11,055)	-	(65,522)
Balance at 30 June 2022	**397,680**	**105,894**	**116,569**	**620,143**
Additions	139,292	87,453	1,307,144	1,533,889
Transfer to inventory	(207,486)	-	-	(207,486)
Disposals	(1,522)	-	-	(1,522)
Depreciation expense	(66,626)	(22,849)	-	(89,475)
Balance at 30 June 2023	**261,338**	**170,498**	**1,423,713**	**1,855,549**

8. EXPLORATION AND EVALUATION EXPENDITURE

	CONSOLIDATED	
	2023 $	2022 $
Expenditure brought forward	**35,627,356**	28,502,403
Receipts for exploration and mining activities	**(1,736,055)**	(257,153)
Expenditure incurred during the year	**11,091,235**	7,515,886
Impairment during the period	**(251,071)**	(133,780)
Expenditure carried forward	**44,731,465**	35,627,356

The expenditure above relates principally to the exploration and evaluation phase. The ultimate recoupment of this expenditure is dependent upon the successful development and commercial exploration, or alternatively, sale of the respective areas of interest, at amounts at least equal to the carrying value. The Directors have assessed the carrying value of the projects for impairment triggers under AASB 6 *Exploration for and Evaluation of Mineral Resources* considering all available information. Based on their assessment, the Nowthanna Hill Exploration and Evaluation asset was fully impaired.

Receipts include $618,904 in Research and Development Tax Incentive received for the 2022 financial year, and $1,117,151 for Government grants related to exploration and evaluation expenditure. These costs are deducted from the cost of the asset in accordance with AASB 120 *Government Grants*.

9. TRADE AND OTHER PAYABLES

	CONSOLIDATED 2023 $	2022 $
Current		
Trade payables and accruals	**4,498,561**	884,558
Insurance premium funding	**151,929**	-
Payroll tax	**205,154**	7,000
Fringe benefits tax	**11,507**	8,221
	4,867,151	899,779

Trade creditors are non-interest bearing and are normally settled on 30-day terms. Due to the short-term nature of trade payables and accruals, their carrying value is assumed to approximate their fair value.

10. GRANT LIABILITY

	CONSOLIDATED 2023 $	2022 $
Carrying amount at the beginning of the year	**2,581,947**	-
Grant funds received	**9,800,000**	2,766,148
Eligible expenditure recognised	**(2,422,661)**	(184,201)
	9,959,286	2,581,947

During the year, the Company received $9,800,000 from the Australian Government under the Modern Manufacturing Initiative – Manufacturing Collaboration Stream in grant funding for the Australian Vanadium Project.

11. ISSUED CAPITAL

11(a) Issued and paid-up capital

	CONSOLIDATED 2023 $	2022 $
Ordinary shares – fully paid	**140,082,211**	131,512,774
Ordinary shares – partly paid	**6,800**	6,800
Share issue costs written off against issued capital	**(4,519,555)**	(4,493,673)
	135,569,456	127,025,901

11(b) Movement in ordinary shares on issue

	2023 Number	2023 $	2022 Number	2022 $
(i) Ordinary shares – fully paid				
Balance at beginning of year	**3,940,855,932**	**131,512,774**	2,931,158,814	96,509,217
Issue of ordinary shares via placements	-	-	773,531,915	28,700,000
Issue of ordinary shares via Share Purchase Plan [1]	-	-	12,148,824	571,000
Issue of ordinary shares as consideration for option fee for land acquisition	**410,959**	**15,000**	583,625	14,007
Issue of ordinary shares as consideration for corporate and consulting services received from suppliers	**875,000**	**31,500**	1,666,667	40,000
Issue of shares on conversion of performance rights	**145,244,846**	**1,584,826**	6,080,012	118,398
Issue of ordinary shares on conversion of options	**277,524,439**	**6,938,111**	203,686,075	5,092,152
Partly paid shares fully paid	-	-	12,000,000	468,000
Balance at end of year	**4,364,911,176**	**140,082,211**	3,940,855,932	131,512,774
(ii) Ordinary shares – partly paid ($0.0389 unpaid)				
Balance at beginning of year	**68,000,000**	**6,800**	80,000,000	8,000
Partly paid shares fully paid	-	-	(12,000,000)	(1,200)
Balance at end of year	**68,000,000**	**6,800**	68,000,000	6,800
Total issued shares			4,008,855,932	131,519,574

1. $571,000 received 18 July 2022 for shares issued 23 June 2022.

11(c) Terms and conditions of issued capital

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Fully paid ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company. Options and partly paid ordinary shares do not entitle their holder to any voting rights.

12. RESERVES

	CONSOLIDATED	
	2023	2022
	$	$
Fair value reserve	**(1,272,806)**	(1,072,500)
Share-based payment reserve	**1,122,356**	2,270,076
Balance at the end of the year	**(150,450)**	1,197,576

12(a) Fair value reserve

The fair value reserve records movements in financial assets classified as fair value through Other Comprehensive Income in accordance with AASB 9 *Financial Instruments*.

	CONSOLIDATED	
	2023	2022
	$	$
Balance at the beginning of the year	**(1,072,500)**	(746,250)
Change in fair value of investments	**(200,306)**	(326,250)
Balance at the end of the year	**(1,272,806)**	(1,072,500)

The Company holds 18,506,174 ordinary shares in Bryah Resources Limited that have been revalued to market value based on the listed market price of $0.016 at 30 June 2023. The Group views the shares as a long-term investment and have elected to measure them at fair value through Other Comprehensive Income.

12(b) Share-based payment reserve

The share-based payment reserve records the cumulative value of services received for the issue of share options and/or performance rights. When the securities are exercised, the amount in the share-based payment reserve is transferred to share capital.

	CONSOLIDATED	
	2023	2022
	$	$
Balance at the beginning of the year	**2,270,076**	643,029
Fair value of options recognised in share issue costs	**-**	265,000
Fair value of performance rights converted to shares	**(1,584,826)**	(118,398)
Share-based payment expense following issue of performance rights – directors	**39,383**	986,401
Share-based payment expense following issue of performance rights – KMP and employees	**397,723**	494,044
Balance at the end of the year	**1,122,356**	2,270,076

Further information about share-based payments is contained in Note 13 to the financial statements.

13. SHARE-BASED PAYMENTS

The share-based payment expense included within the Consolidated Statement of Profit or Loss and Other Comprehensive Income is $500,106 for the year ended 30 June 2023 (2022: $1,480,445) and can be broken down as follows:

	CONSOLIDATED	
	2023 $	2022 $
Share-based payments expense		
Shares issued in consideration for services rendered	**63,000**	-
Share-based payment expense following issue of performance rights during the period	**437,106**	1,480,445
Share based payments expensed recognised in profit or loss	**500,106**	1,480,445

Share options

No options were granted during the year ended 30 June 2023.

Performance rights

i. During the period, the Company issued 36,000,000 performance rights to Mr Graham Arvidson. The performance rights were valued at the share price on grant date for those performance rights with non-market vesting conditions, and a Monte Carlo valuation model for those with market vesting conditions. The valuation model used the following inputs:

- Grant date: 14 November 2022
- Expiry date: 6 December 2027
- Share price at grant date: $0.030
- Effective interest rate: 3.256%
- Volatility: 80%
- Exercise price: nil

The expected volatility was determined by considering the historical volatility of the share price over the most recent period commensurate with the expected term of the performance rights, and the tendency of volatility to return to its mean.

The performance rights were granted for nil consideration and vest subject to certain market and performance conditions being met, as outlined in the following table.

Name	Number	Performance Condition	Fair Value per Right per Tranche
Graham Arvidson	6,000,000	Continuous employment for 12 months from commencement of employment.	$0.0300
	6,000,000	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0235
	6,000,000	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0207
	6,000,000	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0184
	6,000,000	Final Investment Decision.	$0.0300
	6,000,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0300

ii. During the period, the Company agreed to issue 12,000,000 performance rights to Mr Louis Mostert. The performance rights were issued subsequent to year end, on 26 July 2023. The performance rights were valued using the share price at grant date for those performance rights with non-market vesting conditions, and a Monte Carlo valuation model for those with market vesting conditions. The valuation model used the following inputs:

- Grant date: 9 February 2023
- Expiry date: 26 July 2028
- Share price at grant date: $0.033
- Effective interest rate: 3.368%
- Volatility: 80%
- Exercise price: nil

The performance rights were granted for nil consideration and vest subject to certain market and performance conditions being met, as outlined in the following table.

Name	Number	Performance Condition	Fair Value per Right per Tranche
Louis Mostert	2,000,000	Continuous employment for 12 months from commencement of employment.	$0.0330
	2,000,000	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0269
	2,000,000	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0239
	2,000,000	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0217
	2,000,000	Final Investment Decision.	$0.0330
	2,000,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0330

iii. During the period, the Company agreed to issue 12,000,000 performance rights to Mr Tom Plant. The performance rights were issued subsequent to year end, on 26 July 2023. The performance rights were valued using the share price at grant date for those performance rights with non-market vesting conditions, and a Monte Carlo valuation model for those with market vesting conditions. The valuation model used the following inputs:

- Grant date: 12 May 2023
- Expiry date: 26 July 2028
- Share price at grant date: $0.041
- Effective interest rate: 3.014%
- Volatility: 80%
- Exercise price: nil

The performance rights were granted for nil consideration and vest subject to certain market and performance conditions being met, as outlined in the following table.

Name	Number	Performance Condition	Fair Value per Right per Tranche
Tom Plant	2,000,000	Continuous employment for 12 months from commencement of employment.	$0.0410
	2,000,000	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0349
	2,000,000	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0313
	2,000,000	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0286
	2,000,000	Final Investment Decision.	$0.0410
	2,000,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0410

iv. During the period, the Company agreed to issue 4,500,000 performance rights to Mr Todd Richardson. The performance rights were issued after year end, on 26 July 2023, and were valued using the share price at grant date.

The performance rights were granted for nil consideration and vest subject to certain market and performance conditions being met, as outlined in the table below.

Name	Number	Performance Condition	Fair Value per Right per Tranche
Todd Richardson	2,000,000	Final Investment Decision.	$0.0360
	2,500,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0360

v. During the period, the Company agreed to issue 10,000,000 performance rights each to Ms Miriam Stanborough and Mr Peter Watson, Non-Executive Directors of the Group. As at 30 June 2023, the performance rights are subject to shareholder approval. The performance rights were valued using a Monte Carlo valuation model using the following inputs:

- Grant date: 10 February 2023
- Expiry date: 10 February 2028
- Share price at grant date: $0.033
- Effective interest rate: 3.430%
- Volatility: 80%
- Exercise price: nil

Name	Number	Performance Condition	Fair Value per Right per Tranche
Miriam Stanborough	3,333,333	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0262
	3,333,333	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0229
	3,333,334	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0206
Peter Watson	3,333,333	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0262
	3,333,333	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0229
	3,333,334	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0206

vi. During the period, the Company agreed to issue 10,000,000 performance rights to Ms Anna Sudlow, a Non-Executive Director of the Group. As at 30 June 2023, the performance rights are subject to shareholder approval. The performance rights were valued using a Monte Carlo valuation model using the following inputs:

- Grant date: 22 May 2023
- Expiry date: 22 May 2028
- Share price at grant date: $0.038
- Effective interest rate: 3.271%
- Volatility: 80%
- Exercise price: nil

Name	Number	Performance Condition	Fair Value per Right per Tranche
Anna Sudlow	3,333,333	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0315
	3,333,333	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0277
	3,333,334	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0248

On vesting and notice of exercise, each right converts to one ordinary share. All performance rights will be forfeited automatically if the director or executive becomes a 'bad leaver', such as through resignation or termination for cause. Otherwise, the expiry date of the performance rights will be the earlier of six months from the departure or the original expiration date, unless extended further at the discretion of the Board.

vii. The below table shows performance rights granted to employees during the year. The performance rights were issued on 26 July 2023 (expiry: 26 July 2028) and were valued using the share price at grant date for those performance rights with non-market vesting conditions, and a Monte Carlo valuation model for those with market vesting conditions.

Grant date	Number	Performance Condition	Fair Value per Right per Tranche
2 February 2023	1,000,000	Continuous employment for 12 months from commencement of employment.	$0.0320
2 February 2023	1,000,000	Final Investment Decision.	$0.0320
2 February 2023	2,000,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0320
4 February 2023	100,000	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$.03020
4 February 2023	100,000	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0272
4 February 2023	100,000	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0247
4 February 2023	100,000	Continuous employment for 12 months from commencement of employment.	$0.0360
4 February 2023	100,000	Final Investment Decision.	$0.0360
4 February 2023	100,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0360
16 May 2023	1,500,000	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0317
16 May 2023	1,500,000	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0281
16 May 2023	1,500,000	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0255

16 May 2023	1,500,000	Continuous employment for 12 months from commencement of employment.	$0.0380
16 May 2023	1,500,000	Final Investment Decision.	$0.0380
16 May 2023	1,500,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0380
26 May 2023	410,000	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0276
26 May 2023	410,000	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0245
26 May 2023	410,000	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0223
26 May 2023	410,000	Final Investment Decision.	$0.0340
26 May 2023	410,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0340
27 April 2023	300,000	Share price of at least $0.10 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0318
27 April 2023	300,000	Share price of at least $0.15 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0290
27 April 2023	300,000	Share price of at least $0.20 VWAP over 20 consecutive trading days on which the Company's shares have actually traded.	$0.0265
27 April 2023	300,000	Continuous employment for 12 months from commencement of employment.	$0.0380
27 April 2023	300,000	Final Investment Decision.	$0.0380
27 April 2023	300,000	Achievement of Name Plate Capacity for the Australian Vanadium Project.	$0.0380

The following reconciles the performance rights outstanding at the beginning and end of the year:

	CONSOLIDATED	
	2023	**2022**
	No.	**No.**
Opening performance rights	**153,636,513**	124,000,000
Issue of performance rights to employees	**-**	35,716,525
Issue of performance rights to KMP	**36,000,000**	-
Conversion of performance rights issued to employees	**(21,244,846)**	(6,080,012)
Conversion of performance rights issued to directors	**(124,000,000)**	-
Closing performance rights	**44,391,667**	153,636,513

14. COMMITMENTS

The Group has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the Group. These commitments have not been provided for in the accounts.

Mining Tenement Commitments	CONSOLIDATED 2023 $	2022 $
Minimum expenditure commitment on the tenements is:		
Payable no later than 1 year	**632,700**	622,700
Payable between 1 year and 5 years	**2,745,800**	3,378,500
	3,378,500	4,001,200
The Group has the following commitments in relation to the Australian Vanadium Project.		
Payable no later than 1 year	**874,478**	1,850,248
Payable between 1 year and 5 years	**-**	-
	874,478	1,850,248

15. CONTINGENT ASSETS AND LIABILITIES

There are no contingent liabilities at year end.

16. SEGMENT INFORMATION

AASB 8 *Operating Segments* requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. The Board as a whole will regularly review the identified segments in order to allocate resources to the segment and to assess its performance.

The Group has identified two operating segments for 2023 being:

Exploration	Consisting of The Australian Vanadium Project and other exploration projects
Energy storage	VSUN Energy Pty Limited's vanadium redox flow battery marketing and sales activities.

Segment revenues, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment assets include all assets used by a segment and primarily consist of plant and equipment and project tenements. Segment liabilities consist primarily of trade and other creditors and employee entitlements.

The following table presents revenue, expenditure and asset information regarding operating segments for the years ended 30 June 2023 and 30 June 2022.

Year ended 30 June 2023	Exploration & Evaluation $	Energy Storage $	Unallocated $	Total $
Revenue from contracts with customers	-	30,500	-	30,500
Total segment revenue	**-**	**30,500**	**-**	**30,500**
Underlying EBITDA	**(105,474)**	**(526,475)**	**(6,187,034)**	**(6,818,983)**
Depreciation and amortisation	-	(29,789)	(293,906)	(323,695)
Impairment loss on assets	(251,071)	-	-	(251,071)
Inventory write-down	-	(25,452)	-	(25,452)
Interest revenue	-	-	266,244	266,244
Finance costs	-	-	(85,565)	(85,565)
Realised foreign exchange loss	-	-	(1,361)	(1,361)
Underlying EBIT	**(356,545)**	**(581,716)**	**(6,301,622)**	**(7,239,883)**
Total segment assets	44,731,465	428,845	32,264,830	77,425,140
Total segment liabilities	(11,681,621)	(215,638)	(5,039,032)	(16,936,291)
Total segment net assets	**33,049,844**	**213,207**	**27,225,798**	**60,488,849**

Year ended 30 June 2022	Exploration & Evaluation $	Energy Storage $	Unallocated $	Total $
Revenue from contracts with customers	-	(34,329)	-	(34,329)
Total segment revenue	**-**	**(34,329)**	**-**	**(34,329)**
Underlying EBITDA	**(790,104)**	**(304,985)**	**(3,822,599)**	**(4,917,688)**
Depreciation and amortisation	-	(29,671)	(82,245)	(111,916)
Interest revenue	-	-	2,251	2,251
Finance costs	-	-	(9,077)	(9,077)
Underlying EBIT	**(790,104)**	**(334,656)**	**(3,911,670)**	**(5,036,430)**
Total segment assets	35,627,356	448,578	28,255,474	64,331,408
Total segment liabilities	(3,643,284)	(29,240)	(125,681)	(3,798,205)
Total segment net assets	**31,984,072**	**419,338**	**28,129,793**	**60,533,203**

17. RELATED PARTY TRANSACTIONS

17(a) Subsidiaries

The consolidated financial statements include the financial statements of Australian Vanadium Limited and the subsidiaries listed in the following table.

	Country of Incorporation	Equity 2023 %	Holding 2022 %	Principal Activities
Australian Uranium Pty Ltd	Australia	100	100	Mineral exploration
Cabe Resources Pty Ltd	Australia	100	100	Mineral exploration
VSUN Energy Pty Ltd	Australia	100	100	Energy storage
South African Lithium Pty Ltd	South Africa	100	100	Mineral exploration

17(b) Director-Related Entities

The Group engaged the following entities during the financial year for the following services on normal commercial terms:

- Streamline Capital Pty Ltd (a company wholly owned by Mr Leslie Ingraham) – expenses totalling $116,615 (2022: $97,913) paid for rental of storage facility for the year ended 30 June 2023 (amount owing at 30 June 2023: nil (2022: nil).

18. PARENT ENTITY DISCLOSURES

18(a) Summary Financial Information

	PARENT	
	2023	2022
	$	$
Assets		
Current assets	**29,523,371**	27,527,724
Non-current assets	**47,108,817**	36,648,763
Total assets	**76,632,188**	64,176,487
Liabilities		
Current liabilities	**14,478,754**	3,509,589
Non-current liabilities	**1,664,586**	133,698
Total Liabilities	**16,143,340**	3,643,287
Equity		
Issued capital	**135,569,411**	127,025,856
Reserves	**(150,450)**	1,197,575
Accumulated losses	**(74,930,113)**	(67,690,231)
Total equity	**60,488,848**	60,533,200
Financial performance		
Loss for the year	**(6,883,516)**	(4,698,925)
Other comprehensive income	**(200,306)**	(326,250)
Total comprehensive loss	**(7,083,822)**	(5,025,175)

18(b) Guarantees

As at 30 June 2023 the Group has outstanding $324,301 (2022: nil) as current guarantees provided by a bank for the corporate office lease and the lease of industrial premises for the site of the electrolyte plant in Wangara.

18(c) Other Commitments and Contingencies

Australian Vanadium Limited (parent entity) has commitments as described in Note 14. It has no contingent liabilities other than those discussed in Note 15.

19. KEY MANAGEMENT PERSONNEL DISCLOSURES

19(a) Compensation of Key Management Personnel

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each KMP. Refer to the remuneration report for performance rights and shares held by the directors and KMP of the Company.

	CONSOLIDATED	
	2023	2022
	$	$
Director and executive disclosures		
Compensation of KMP		
Short-term personnel benefits	**1,642,364**	1,098,136
Post-employment benefits	**150,138**	90,256
Other long-term benefits	**(29,144)**	11,939
Termination benefits	**65,385**	-
Share based payments	**379,397**	986,401
	2,208,140	2,186,732

19(b) Loans and Other Transactions with Key Management Personnel

There were no loans to KMP or their related entities during the financial year. Other transactions with KMP are described in Note 17(b).

20. FINANCIAL RISK MANAGEMENT

The Group's objectives, policies and processes for measuring and managing its exposure to key financial risks are outlined in this Note 20.

The Group holds the following financial instruments:

	CONSOLIDATED	
	2023	2022
	$	$
Financial assets		
Cash and cash equivalents at fair value	**26,873,911**	26,443,986
Trade and other receivables at amortised cost	**1,671,146**	1,265,497
Investments at FVOCI	**296,098**	337,500
	28,841,155	28,046,983
Financial liabilities		
Trade and other payables at amortised cost	**4,867,151**	899,779
Lease liability at amortised cost	**1,871,450**	32,314
Grant liability at amortised cost	**9,959,286**	2,581,947
	16,697,887	3,514,040

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The Group does not speculate in the trading of derivative instruments. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rates and assessments of market forecasts for interest rates. Ageing analysis of and monitoring of receivables are undertaken to manage credit risk, liquidity risk is monitored through the development of rolling cash flow forecasts.

The Board reviews and agrees policies or processes for managing each of these risks as summarised below. Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in Note 1 to the consolidated financial statements.

20(a) Interest Rate Risk

The Group's exposure to risks of changes in market interest rates relates primarily to its cash balances. The Group regularly analyses its interest rate exposure. As part of this analysis, consideration is given to potential renewals of existing positions, alternative financing positions and the mix of fixed and variable interest rate exposure. As the Group has no interest-bearing borrowings its exposure to interest rate movements is limited to the amount of interest income it can potentially earn on surplus cash deposits. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date.

At the reporting date, the Group had the following financial assets exposed to variable interest rates that are not designated in cash flow hedges:

	CONSOLIDATED	
	2023	**2022**
	$	**$**
Financial assets		
Cash and cash equivalents (interest bearing accounts)	**26,873,911**	26,443,986
	26,873,911	26,443,986

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date.

At the reporting date, if interest rates had moved as illustrated in the table below, with all other variables held constant, post-tax profit and equity relating to financial assets of the Group would have been affected as follows:

	CONSOLIDATED	
	2023	**2022**
	$	**$**
Estimates of reasonably possible movements:		
Post tax profit – higher/(lower)		
+0.5%	**122,837**	49,737
-0.5%	**(122,837)**	(49,737)

20(b) Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when they fall due. The Group's liquidity risk is reduced as it does not have any loans outstanding. The Group manages liquidity risk by monitoring immediate and forecast cash requirements and ensuring adequate cash reserves are maintained.

20(c) Credit Risk

Credit risk arises from the financial assets of the Group, which comprise deposits with banks and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counterparty, with the maximum exposure equal to the carrying amount of these instruments. The carrying amounts of financial assets included in the statement of financial position represents the Group's maximum exposure to credit risk in relation to those assets.

The Group does not hold any credit derivatives to offset its credit exposure. The Group trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the Group's policy to securitise its trade and other receivables. Receivable balances are monitored on an ongoing basis with the result that the Group does not have a significant exposure to bad debts.

In determining the recoverability of trade and other receivables, the Group performs a risk analysis considering the type and age of the outstanding receivable and the creditworthiness of the counterparty. If appropriate, an impairment loss will be recognised in profit or loss. The Group does not have any impaired trade and other receivables as at 30 June 2023 (2022: nil). No allowance for expected credit losses has been recognised as the duration of associated exposures is short and/or the probability of default is immaterial.

20(d) Capital Management Risk

The Group manages its capital in order to maximise the return to shareholders and ensure that the Group can fund its operations and continue as a going concern.

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 expenditure and debt levels and share and option issues.

The Group has no external debt facilities. There have been no changes in the strategy adopted by management to manage capital of the Group since the prior year.

20(e) Commodity Price and Foreign Currency Risk

The Group's exposure to commodity price and foreign currency risk is minimal given the Group is still in the evaluation phase.

20(f) Fair Value

The methods of estimating fair value are outlined in the relevant notes to the financial statements. All financial assets and liabilities recognised in the statement of financial position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair values unless otherwise stated in the applicable notes.

21. AUDITORS' REMUNERATION

During the year, the following fees were paid or payable for services provided by BDO Audit (WA) Pty Ltd (BDO) as the auditor of the parent entity, Australian Vanadium Limited, by BDO's related network firms and by non-related audit firms (2022: Armada Audit & Assurance Pty Ltd):

	CONSOLIDATED	
	2023	2022
	$	$
Audit or review of the financial statements of the Group	**45,000**	38,950
Other services	**7,063**	-
	52,063	38,950

22. EVENTS SUBSEQUENT TO THE REPORTING DATE

Other than disclosed below, since the end of the financial year the Directors are not aware of any other matter or circumstance not otherwise dealt with in this report that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent periods with the exception of the following, the financial effects of which have not been provided for in the 30 June 2023 Financial Report:

- On 14 July 2023, Mr Vincent Algar retired as Managing Director, as announced on 3 July 2023.

- As announced on 14 August 2023, AVL and Primero Group Limited signed an engineering, procurement and construction contract for Primero Group to undertake the construction of the vanadium electrolyte manufacturing facility.

- On 25 September 2023, AVL announced its intention to merge with Technology Metals Australia Limited (TMT) via a proposed Scheme of Arrangement, under which AVL will acquire 100% of the TMT shares on issue. The terms of the Scheme values TMT at approximately $84 million. Following the implementation of the Scheme, AVL shareholders will hold 58% of the merged group and TMT shareholders will hold 42%, prior to the dilution associated with AVL's institutional placement detailed below.

  The Scheme is unanimously recommended by the directors of TMT and each director of TMT intends to vote all TMT shares they control in favour of the Scheme, in the absence of a superior proposal, and subject to an Independent Expert opining (and continuing to opine) that the Scheme is in the best interests of the TMT shareholders. RCF, TMT's largest shareholder, has agreed to vote its ~18% shareholding in TMT in favour of the Scheme, subject to the same aforementioned qualifications.

- In parallel, the Group announced on 25 September its intention to undertake an institutional placement (Placement) to raise a minimum of $15 million (before offer costs) with the ability to take oversubscriptions to increase the Placement to $20 million.

- On 26 September 2023, the Company announced the successful completion of the Placement having raised $15.7 million, with RCF committing $15 million, and other institutional investors committing a further $0.7 million. Proceeds from the Placement are expected to be received on or before 30 September 2023.

Directors' Declaration

In the opinion of the Directors of Australian Vanadium Limited (the Company or the Group):

(a) The consolidated financial statements and notes that are set out on pages 53 to 92 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 of its performance for the financial year ended on that date; and

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

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(c) The consolidated financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration has been made after receiving the declarations required to be made in accordance with section 295A of the *Corporations Act 2001* for the financial year ending 30 June 2023.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to section 303(5) of the *Corporations Act 2001*.

Dated at Perth on 27 September 2023

On behalf of the Board

Cliff Lawrenson

Chair

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INDEPENDENT AUDITOR'S REPORT

To the members of Australian Vanadium Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Vanadium 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 report, including a summary of significant accounting policies and the directors' declaration.

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

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

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

Basis for opinion

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

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

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

Key audit matters

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

Carrying Value of Exploration and Evaluation Assets

Key audit matter	*How the matter was addressed in our audit*
At 30 June 2023, we note that the carrying value of the Exploration and Evaluation Asset is significant to the financial statements, as disclosed in note 8. As a result, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and directors' minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether any facts of circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 8 of the Financial Report.

Other Matter

The financial report of Australian Vanadium Limited, for the year ended 30 June 2022 was audited by another auditor who expressed an unmodified opinion on that report on 30 September 2022.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

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

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

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

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

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 35 to 49 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Australian Vanadium 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.

BDO Audit (WA) Pty Ltd

BDO

Glyn O'Brien

Glyn O'Brien

Director

Perth,

27 September 2023

Additional Information

Additional information required by the ASX Listing Rules not disclosed elsewhere in this Annual Report is set out below. The information is current as at 14 September 2023.

1. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of equity security holders by size of holding:

	Listed Shares, Fully Paid Ordinary	
Range	**No of Holders**	**Number of shares**
1 – 1,000	261	45,915
1,001 – 5,000	244	841,076
5,001 – 10,000	1,132	9,361,926
10,001 – 100,000	9,390	411,738,493
100,001+	5,000	3,943,872,561
Total	**16,027**	**4,365,859,971**

	Unlisted Shares, Partly Paid Ordinary	
Range	**No of Holders**	**Number of shares**
1 – 1,000	-	-
1,001 – 5,000	-	-
5,001 – 10,000	-	-
10,001 – 100,000	-	-
100,001+	5	68,000,000
Total	**5**	**68,000,000**

Unmarketable Parcels

There were 3,278 holders of less than a marketable parcel of ordinary shares.

2. UNQUOTED SECURITIES

Holders of more than 20% of the abovementioned unquoted securities are:

Holder Name	Unlisted Shares, Partly Paid Ordinary
Woolmaton Pty Ltd <Woolmaton A/C>	16,000,000
Mr Muhamad Nur	15,000,000
Lisen Zhang	28,000,000

3. RESTRICTED SECURITIES

There are no restricted securities or securities subject to voluntary escrow as at 14 September 2023.

4. SUBSTANTIAL SHAREHOLDERS

On 5 May 2023 Resource Capital Funds lodged a Notice of Change of Substantial Holder Form 604. As at 5 May 2023 Resource Capital Fund VII LP held 326,540,317 ordinary shares under the registered holder Citicorp Nominees Pty Limited. No further changes have been released to the ASX as at 14 September 2023.

5. CORPORATE GOVERNANCE

The Company's Corporate Governance Statement is located on its website at: australianvanadium.com.au

6. TOP 20 SHAREHOLDERS AS AT 14 SEPTEMBER 2023

	Name	Number of Shares	% of Shares
1	Citicorp Nominees Pty Limited	450,898,842	10.33
2	BNP Paribas Nominees Pty Ltd ACF Clearstream	154,295,676	3.53
3	Mr Leendert Hoeksema	120,000,000	2.75
4	Kalemois Pty Ltd	64,937,212	1.49
5	BNP Paribas Nominees Pty Ltd <IB Au Noms Retail Client DRP>	59,967,531	1.37
6	Mr Vincent James Algar	54,400,000	1.25
7	HSBC Custody Nominees (Australia) Limited	52,071,778	1.19
8	Mr Hoang Huy Nguyen <Hoang Huy Nguyen Family A/C>	40,393,136	0.93
9	BNP Paribas Noms Pty Ltd <DRP>	34,318,171	0.79
10	Mr Jian Wang	31,943,993	0.73
11	Mr Peter James Muir	30,000,001	0.69
12	Solution Management Pty Ltd <Lawrenson Family A/C>	24,000,000	0.55
13	Mr Nigel Charles Redvers Duffey <Trading Account A/C>	22,000,000	0.50
14	Mr Ian Ross Freeman	20,600,000	0.47
15	J & R Superannuation Pty Ltd <J & R Super A/C>	20,000,000	0.46
15	Mr Daniel Harris	20,000,000	0.46
16	1215 Capital Pty Ltd	19,510,350	0.45
17	Mr Fred Chi Kit Teng	18,888,888	0.43
18	Superhero Securities Limited <Client A/C>	18,424,435	0.42
19	Mr Leslie James Ingraham	17,271,703	0.40
20	Mr Neville John Bassett	16,000,000	0.37
	Total	1,289,921,716	29.55
	Total Remaining Holders Balance	**3,075,938,255**	**70.45**

australianvanadium.com.au
ASX:AVL

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