



**DIABLO RESOURCES
LIMITED
and its controlled entities**

ACN: 649 177 677

**Financial Report For The Year Ended
30 June 2023**

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Paul Lloyd (Non-Executive Chairman)
Barnaby Egerton-Warburton (Non-Executive Director)
Greg Smith (Non-Executive Director)

COMPANY SECRETARY

Shaun Menezes

REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE

Level 2, 10 Outram Street
West Perth WA 6005

Telephone: (+61 8) 6383 7837

SHARE REGISTRY

Automic Registry Services
Level 2
267 St Georges Terrace
Perth WA 6000

Investor Enquiries: 1300 288 664

AUDITOR

HLB Mann Judd (WA Partnership)
Level 4
130 Stirling Street
Perth WA 6000

SECURITIES EXCHANGE

ASX Limited (Australian Securities Exchange)
ASX Code: DBO

DIABLO RESOURCES LIMITED

ACN: 649 177 677

CONTENTS	Page
Directors' Report	2
Auditor's Independence Declaration	11
Consolidated Statement of Profit or Loss and Other Comprehensive Income	12
Consolidated Statement of Financial Position	13
Consolidated Statement of Changes in Equity	14
Consolidated Statement of Cash Flows	15
Notes to the Financial Statements	16
Directors' Declaration	30
Independent Auditor's Report	31
ASX Additional Information	35
Corporate Governance Statement	37

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

Your directors present their report together with the financial statements on the consolidated entity, Diablo Resources Limited (the "Company") and its controlled entities (the "Group") for the year ended 30 June 2023.

Directors'

The names, qualifications and experience of the directors in office at any time during, or since the end of, the year are as follows. Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Mr Paul Lloyd (Non-Executive Chairman) BBus, CA

Paul Lloyd is a Chartered Accountant with over 30 years' commercial experience. Mr Lloyd operates his own corporate consulting business, specialising in the area of corporate, financial and management advisory services. After commencing his career with an international accounting firm, he was employed for approximately 10 years as the General Manager of Finance for a Western Australian based international drilling contractor working extensively in Asia and Africa. Paul has been responsible for a number of IPOs, reverse takeovers, project acquisitions and capital raisings for ASX listed public companies.

Other current directorships: Arizona Lithium Limited, BPM Minerals Limited (October 2020) and Lord Resources Limited (February 2021).

Former directorships (last 3 years): None

Mr Barnaby Egerton-Warburton (Non-Executive Director) BEcon

Barnaby Egerton-Warburton is an experienced investment banker and corporate advisor who has held managing director and non-executive director positions in the investment banking, technology, oil and gas and resource sectors.

Other current directorships: Arizona Lithium Limited, Lord Resources Limited (March 2015), NSX Limited (April 2022), Locality Planning Energy Holdings Limited (March 2020), and Pantera Minerals Limited (December 2020).

Former directorships (last 3 years): Invictus Energy Limited, Southern Cross Payments Limited

Mr Greg Smith (Non-Executive Director) BSc Geology, Dalhousie University, Canada

Greg Smith commenced his career in 1975 and has worked over a wide cross section of minerals and countries including in North America, Australia, Asia, and throughout Africa. Mr Smith was the exploration manager for Moto Gold Mines Ltd, responsible for the discovery of 22.5 million ounces of gold in the Democratic Republic of Congo (Kibali Mine). As exploration manager with Hawkstone Mining Ltd, he led the drill out of the Big Sandy Lithium Deposit in Arizona, USA. He is a Member of the Australasian Institute of Mining and Metallurgy.

Other current directorships: BPM Minerals Limited (September 2020)

Former directorships (last 3 years): Arizona Lithium Limited

Company Secretary

Mr Shaun Menezes BCom, LLB

Mr Menezes is an accounting and finance professional with over 20 years experience. He has worked in the capacity of Company Secretary and Chief Financial Officer of a number of ASX and SGX listed companies, held a senior management role within an ASX 200 listed company and was an executive director at a leading international accounting firm. He is a member of the Governance Institute of Australia and the Chartered Accountants Australia and New Zealand.

Directors Meetings

The following table sets out the number of meetings of the Company's directors held during the year ended 30 June 2023 attended by each director:

	Number Eligible to Attend	Number Attended
Paul Lloyd	5	5
Barnaby Egerton-Warburton	5	5
Greg Smith	5	5

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

Principal Activities

The principal activity of the Group during the year was the exploration for gold, focusing on the Devil's Canyon Gold Project, King Solomon Gold Project and Western Desert Gold-Copper Project in the USA. As exploration results to date on the Western Desert Project have not been sufficiently positive to date, the Company has decided that no further work will be undertaken. No other significant change in the nature of these activities occurred during the year.

Review of Operations

The consolidated loss of the Group for the financial year after providing for income tax amounted to \$4,150,887 (2022: \$806,272).

During the period, Diablo commenced exploration activities at its three USA Projects, located within some of the most prospective gold and base-metal regions globally (Figure 1).



Figure 1- Project Location Map

King Solomon Project

The Company obtained approval during the reporting period from the USFS to complete drilling operations on the unpatented claims at the King Solomon Project. A planned program of approximately 2,000m of HQ₃ core drilling is planned at the Lone Pine Vein (LPVS) and the King Solomon Prospect. At both prospect areas, drilling is planned to intersect the mineralised structure below the old workings and previous drilling.

Mineralisation at the LPVS is hosted in a sub-vertical quartz-clay zone whilst at King Solomon mineralisation is associated with stockwork quartz veining and alteration proximal to geological contacts.

The drilling commenced in mid-June 2023.

Devils Canyon Gold-Copper Project

Detailed geological mapping over the project area was completed. The mapping aimed to identify key structural and alteration zones within the project areas as well as defining areas amenable to soil sampling.

An orientation soil program was completed over the Southside area to assess the effectiveness of soil sampling in an area where shallow prospecting pits were located. A total of 38 samples were collected on a 100m x 100m and 100m x 50m grid spacing. The results have identified a Au-Cu-Ag geochemical signature associated with magnetic highs close to the intrusive-limestone contact interpreted to be skarn-style mineralisation.

Rock sampling was also completed at a number of areas with highly anomalous results received. A total of 44 rock samples were collected.

Permitting for RC drilling at several prospect areas was obtained from the BLM and preparations commenced to undertake this drilling in September 2023. Approximately 1,000m of drilling is proposed.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

Western Desert Project

Detailed geological mapping was completed over priority areas within the Western Desert project, namely the A3, A3N and Copper Blossom Prospects. The mapping has identified prospective structural trends in areas where anomalous geochemical results have been returned, most notably the A3N "Splay Zone" and the "Creek Fault" to the east of drill hole WD005 completed in early 2022.

A geochemical sampling program was completed at the A3N Prospect where anomalous rock samples assayed up to 0.9 g/t Au with associated Carlin-style pathfinder element anomalism. A total of 108 soil samples were collected along a 100m x 50m grid over some 900m of strike. A low level gold anomaly associated with a structural target identified in the detailed mapping was identified, and is also proximal to the anomalous rock samples. Carlin style pathfinder elements including As, Sb, Ba, Hg and Tl also show a correlation to the "Splay Zone", where north easterly trending faults intersect a northerly trending interpreted thrust fault.

As exploration results to date have not been sufficiently positive to warrant further work on this project, the Company has impaired the carrying value of \$3,685,293 as at 30 June 2023.

Operating and Financial Risks

The Group's activities have inherent risk and the Board is unable to provide certainty of the expected results of activities, or that any or all of the likely activities will be achieved. The material business risks faced by the Group that could influence the Group's future prospects, and the Group manages these risks, are detailed below:

Operational risks

The Company may be affected by various operational factors. In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

The tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company.

There can be no assurance that exploration of the Tenements, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit or that the exploration tonnage estimates, and conceptual project developments discussed in this Prospectus are able to be achieved. In the event the Company successfully delineates economic deposits on any Tenement, it will need to apply for a mining lease to undertake development and mining on the relevant Tenement. There is no guarantee that the Company will be granted a mining lease if one is applied for and if a mining lease is granted, it will also be subject to conditions which must be met.

Further capital requirements

The Company's projects may require additional funding in order to progress activities. There can be no assurance that additional capital or other types of financing will be available if needed to further exploration or possible development activities and operations or that, if available, the terms of such financing will be favourable to the Company.

Government regulations and approvals

The Company is subject to certain Government regulations and approvals. Any material adverse change in government policies or legislation in Idaho, Nevada and Utah, United States that affect mining, processing, development and mineral exploration activities, export activities, income tax laws, royalty regulations, government subsidiaries and environmental issues may affect the viability and profitability of any planned exploration or possible development of the Company's portfolio of projects.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

Global conditions

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.

General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

Significant Changes in the State of Affairs

As exploration results to date on the Western Desert Project have not been sufficiently positive to date, the Company has decided that no further work will be undertaken.

Other than stated above, no significant changes in the Group's state of affairs occurred during the year.

Events Subsequent to the End of the Reporting Period

On 20 September 2023, the Company received firm commitments to raise \$1 million (before costs) through a share placement to sophisticated and professional investors at \$0.035 per share ("New Shares") with one free attaching option per two New Shares ("Placement"). The unlisted options will be exercisable at \$0.08 each expiring three years from the date of issue ("Options"). It should be noted that 61% of the New Shares and all of the Options are subject to shareholder approval.

On 28 September 2023, the Company issued 11,142,857 fully paid ordinary shares at \$0.035 per share as part of the Tranche One issue of the placement completed on 20 September 2023.

No other matters or circumstances have arisen since the end of the year which 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 future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

Environmental Regulation

The Group is subject to environmental regulations under the laws of the countries in which it undertakes exploration activities and ensures that it complies with all applicable regulations when carrying out exploration works.

Dividends

No dividends were paid or declared since the start of the financial year.

Options and Performance Rights

The Company has the following options and performance rights on issue as at the date of the Directors' Report.

Security Description	Number of Securities
Options exercisable @ \$0.25 expiring 10 February 2026	2,550,000
Performance Rights – Class A expiring 29 September 2026	4,900,000
Performance Rights – Class B expiring 29 September 2026	1,250,000
Performance Rights – Class C expiring 29 September 2026	1,250,000

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

Unissued shares

As at the date of this report, there were 2,550,000 unissued ordinary shares under options.

Option holders do not have any right, by virtue of the options, to participate in any share issue of the Company or any related body corporate.

No shares were issued during or since the end of the year as a result of the exercise of an option or performance right over unissued shares or interests.

Directors' Interests in Shares and Options of the Company

As at the date of this report, the directors' interest in shares and options of the Company were:

	Number of Ordinary Shares	Performance Rights
Paul Lloyd	1,737,224	3,000,000
Barnaby Egerton-Warburton	814,430	2,100,000
Greg Smith	553,528	2,300,000

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of the Company support and have substantially adhered to the best practice recommendations set by the ASX Corporate Governance Council. The Company's corporate governance statement is contained in the annual report.

Indemnification of Officers

The Company has, during or since the end of the year, in respect of any person who is or has been an officer of the Company or a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Premiums paid are not disclosed because disclosure is prohibited by the insurance contract.

Indemnification of Auditors

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

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

Proceedings on Behalf of the Company

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

The Company was not a party to any such proceedings during the period.

Non-Audit Services

There were no fees paid or payable to HLB Mann Judd (WA Partnership) during the year ended 30 June 2023 in relation to non-audit services.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 11.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

REMUNERATION REPORT (AUDITED)

The remuneration report outlines the remuneration arrangements for the Key Management Personnel ("KMP") of the Group, being the Company's Board members, and is set out under the following main headings:

1. Principles used to determine the nature and amount of remuneration
2. Remuneration committee and board charter
3. Details of remuneration

Principles Used to Determine the Nature and Amount of Remuneration

In determining competitive remuneration rates, the Board seeks independent advice as required on local and international trends among comparative companies and industry generally. Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

The Board recognises that the Company operates in a global environment. To prosper in this environment it must attract, motivate and retain key executive staff.

The principles supporting the remuneration policy are as follows:

- reward reflects the competitive global market in which the Company operates;
- rewards to executives are linked to creating value for shareholders;
- remuneration arrangements are equitable and facilitate the development of senior management across the Company;
- where appropriate, senior managers receive a component of their remuneration in equity to align their interests with those of the shareholders; and
- long term incentives are used to ensure that remuneration of KMP reflects the Group's financial performance, with particular emphasis on the Group's earnings and the consequence of the Group's performance on shareholder wealth.

Fees and payments to directors reflect the demands which are made on, and the responsibilities of, the directors. Directors' fees and payments are reviewed annually by the Board. The Board also ensures that directors' fees and payments are appropriate and in line with the market.

There are no retirement allowances or other benefits paid to directors.

Remuneration Committee and Board Charter

The Charter of the Remuneration Committee extends the duties to that of a Nominations Committee. The Board considers that given the Company's current position in respect of the composition of the Board and the size of the Company, the Company is not in a position to justify the establishment of a Remuneration Committee and the full Board performs the duties of this committee, with members abstaining from discussions and decisions as appropriate.

The Remuneration Committee is responsible for making recommendations on remuneration policies and packages applicable to Board members and for approval of remuneration for executive officers of the Company taking into account the financial position of the Company. The broad remuneration policy per the formal Charter is to ensure the remuneration package properly reflects the person's duties and responsibilities, and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

It is the Remuneration Committee's policy to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities though taking into account the financial position of the Company and the Company's shareholder-approved limits. The Constitution of the Company specifies that the aggregate remuneration of directors, other than salaries paid to executive directors, shall be determined from time to time by a general meeting. The total aggregate remuneration currently stated in the Constitution is \$300,000 per year. An amount not exceeding the amount determined is divided between those directors as they agree.

The Board as a whole determines the amount of the fees paid to each non-executive director. All Directors may be allocated options to acquire shares in the Company under the Director and Employee Share Option Plan approved by shareholders from time to time.

The Board approves remuneration packages for executive officers based on performance criteria and the Group's financial performance. Other employee remuneration packages are determined and approved by the Board based on salary market rate indicators, press advertisements, performance criteria and against the Group's financial state of affairs.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

Performance-based remuneration

The Company currently has performance rights on issue to Directors on terms as set out elsewhere in this report.

Details of Remuneration – Service Agreements

Director	Position held as at 30 June 2023	Contract details (duration & termination)
Paul Lloyd	Non-Executive Chairman	Appointed 1 April 2021 Letter of appointment / In accordance with Constitution No termination benefits payable No notice period
Barnaby Egerton-Warburton	Non-Executive Director	Appointed 1 April 2021 Letter of appointment / In accordance with Constitution No termination benefits payable No notice period
Greg Smith	Non-Executive Director	Appointed 1 April 2021 Letter of appointment / In accordance with Constitution No termination benefits payable No notice period
Lyle Thorne	Chief Executive Officer	Consultancy Services Agreement Commencement Date: 12 October 2021 Term: 36 months Fixed Remuneration: \$180,000 per annum Long-term incentive options: 1,500,000 options exercisable at \$0.25 each expiring 10 February 2026. Notice period: 3 months (without cause) / Immediately (with cause)

Remuneration Details for the Year Ended 30 June 2023

The following table of benefits and payments details, in respect to the financial year, the components of remuneration for each member of the KMP of the Group. The aggregate remuneration of non-executive directors was less than the approved aggregate remuneration of \$300,000 per year.

Table of Benefits and Payments for the Year Ended 30 June 2023

		Short-term Benefits Cash salary and fees \$	Post Employment Benefits Super- annuation \$	Consulting fees \$	Share based payment Options/ Rights \$	Total \$	Proportion of remuneration performance related %
Paul Lloyd	2023	60,000	-	-	-	60,000	
	2022	43,192	-	-	-	43,192	-
B Egerton-Warburton	2023	40,000	-	-	-	40,000	
	2022	28,889	-	-	-	28,889	-
G Smith	2023	40,000	-	-	-	40,000	
	2022	28,889	-	-	-	28,889	-
L Thorne	2023	180,000	-	-	-	180,000	
	2022	135,000	-	-	106,342	241,342	44
Total	2023	320,000	-	-	-	320,000	
	2022	235,970	-	-	106,342	342,312	31

KMP Shareholdings

The number of ordinary shares in Diablo Resources Limited held by each KMP of the Company, as disclosed to the ASX, during the financial year is as follows:

30 June 2023	Balance at beginning of year or appointment	Granted as remuneration during the year	Issued on exercise of options during the year	Other changes during the year	Balance at end of year or resignation
P Lloyd	917,099	-	-	820,125	1,737,224
B Egerton-Warburton	314,430	-	-	500,000	814,430
G Smith	553,528	-	-	-	553,528
L Thorne	183,536	-	-	-	183,536

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

KMP Option Holdings

The number of share options in Diablo Resources Limited held by each KMP of the Company, as disclosed to the ASX, during the financial year is as follows:

30 June 2023	Balance at beginning of year or appointment	Granted as remuneration during the year	Exercised during the year	Other changes during the year	Balance at end of year or resignation
P Lloyd	-	-	-	-	-
B Egerton-Warburton	-	-	-	-	-
G Smith	-	-	-	-	-
L Thorne	1,500,000	-	-	-	1,500,000

KMP Performance Rights Holdings

The number of performance rights in the Company held by each KMP of the Company, as disclosed to the ASX, during the financial year is as follows:

30 June 2023	Balance at beginning of year or appointment	Granted as remuneration during the year	Exercised during the year	Other changes during the year	Balance at end of year or resignation
P Lloyd	3,000,000	-	-	-	3,000,000
B Egerton-Warburton	2,100,000	-	-	-	2,100,000
G Smith	2,300,000	-	-	-	2,300,000
L Thorne	-	-	-	-	-

No value is recorded as a vesting expense as there is not yet sufficient evidence to consider vesting will be probable.

Cash Bonuses, Performance-Related Bonuses and Share-Based Payments

There were no cash bonuses, or other short term performance related bonuses, made to any KMP in the financial years ended 30 June 2023.

There were no options over ordinary shares in the Company provided as remuneration to KMP during 2023. When exercised, each option is convertible into one ordinary share of Diablo Resources Limited. No options issued to current or previous KMP expired or lapsed during the year.

There were no performance rights provided as remuneration to any KMP in the period ended 30 June 2023.

The vesting conditions for the Performance Rights granted on 29 September 2021 are as follows:

Class	Milestone
Class A	The Company achieving a JORC compliant inferred mineral resource estimate of 100,000 ounce gold, copper, silver and or platinum group elements, with a cut off grade of 0.5g/t, within five years from the date of issue of the Performance Rights.
Class B	The Company achieving a JORC compliant inferred mineral resource estimate of 250,000 ounce gold, copper, silver and or platinum group elements, with a cut off grade of 0.5g/t, within five years from the date of issue of the Performance Rights.
Class C	The Company achieving a JORC compliant inferred mineral resource estimate of 500,000 ounce gold, copper, silver and or platinum group elements, with a cut off grade of 0.5g/t, within five years from the date of issue of the Performance Rights.

Details of all options held by KMP, at the date of this report, are shown below.

KMP	Grant date	Number granted	Issue date	Expiry date	Vested (%)
L Thorne	10/02/2022	1,500,000	10/02/2022	10/02/2026	100

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

Details of all performance rights held by KMP, at the date of this report, are shown below.

KMP	Grant date	Number granted	Issue date	Expiry date	Vested (%)
P Lloyd	29/09/2021	3,000,000	29/09/2021	20/09/2026	-
B Egerton-Warburton	29/09/2021	2,100,000	29/09/2021	20/09/2026	-
G Smith	29/09/2021	2,300,000	29/09/2021	20/09/2026	-

[END OF AUDITED REMUNERATION REPORT]

Signed in accordance with a resolution of the Directors.

On behalf of the Directors



Paul Lloyd
Director
28 September 2023

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Diablo Resources Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia
28 September 2023



M R Ohm
Partner

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	Consolidated 2023 \$	Consolidated 2022 \$
Other income		60,604	793
Expenses			
Corporate expenses		(517,086)	(392,952)
Listing expenses		-	(238,424)
Impairment of exploration expenditure	5	(3,685,293)	-
Foreign currency gain/(loss)		(9,112)	5,092
Share-based payments	9	-	(180,781)
Loss before tax		(4,150,887)	(806,272)
Income tax expense	3	-	-
Loss for the period		(4,150,887)	(806,272)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		62,728	40,466
Total comprehensive loss for the period attributable to the members		(4,088,159)	(765,806)
Loss per share attributable to the shareholders of the Company arises from:			
Basic and diluted loss per share (cents per share)	2	(5.57)	(1.51)

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

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	Note	Consolidated 2023 \$	Consolidated 2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2,523,390	4,084,018
Security deposits		236,908	54,975
Other receivables		247,445	101,725
Prepayments		24,641	16,684
TOTAL CURRENT ASSETS		3,032,384	4,257,402
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	5	7,004,260	9,400,796
TOTAL NON-CURRENT ASSETS		7,004,260	9,400,796
TOTAL ASSETS		10,036,644	13,658,198
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	530,989	64,384
TOTAL CURRENT LIABILITIES		530,989	64,384
TOTAL LIABILITIES		530,989	64,384
NET ASSETS		9,505,655	13,593,814
EQUITY			
Issued capital	7	14,277,081	14,277,081
Reserves	8	283,975	221,247
Accumulated losses		(5,055,401)	(904,514)
TOTAL EQUITY		9,505,655	13,593,814

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

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
Consolidated				
Balance at 1 July 2022	14,277,081	221,247	(904,514)	13,593,814
Loss for the period	-	-	(4,150,887)	(4,150,887)
Other comprehensive income	-	62,728	-	62,728
Total comprehensive loss for the period	-	62,728	(4,150,887)	(4,088,159)
Balance at 30 June 2023	14,277,081	283,975	(5,055,401)	9,505,655

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
Consolidated				
Balance at 1 July 2021	1	-	(98,242)	(98,241)
Loss for the period	-	-	(806,272)	(806,272)
Other comprehensive income	-	40,466	-	40,466
Total comprehensive loss for the period	-	40,466	(806,272)	(765,806)
<i>Equity transactions:</i>				
Issue of fully paid ordinary shares	14,900,000	-	-	14,900,000
Capital raising costs	(622,920)	-	-	(622,920)
Share-based payments	-	180,781	-	180,781
Balance at 30 June 2022	14,277,081	221,247	(904,514)	13,593,814

The above statement of change in equity should be read in conjunction with the accompanying notes.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	Consolidated 30 June 2023 \$	Consolidated 30 June 2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		60,604	793
Payments to suppliers and employees		(450,686)	(343,235)
Net cash used in operating activities	4	(390,082)	(342,442)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment of security deposit		(181,933)	(144,028)
Payments for exploration and evaluation expenditure		(988,613)	(1,434,449)
Net cash used in investing activities		(1,170,546)	(1,578,477)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	6,500,000
Payments for share issue costs		-	(247,276)
Repayment of borrowings		-	(247,788)
Net cash provided by financing activities		-	6,004,936
Net increase/(decrease) in cash held		(1,560,628)	4,084,017
Cash and cash equivalents at beginning of period		4,084,018	1
Cash and cash equivalents at end of period	4	2,523,390	4,084,018

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

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. CORPORATE INFORMATION

Diablo Resources Limited is a public company domiciled in Australia.

These consolidated financial statements and notes represent Diablo Resources Limited and its controlled entities (together 'Consolidated Group', 'Group').

The Company is principally engaged in the business of mineral exploration. The registered office and principal place of business of the Company is Level 2, 10 Outram Street, West Perth, WA 6005.

The consolidated financial statements of the Group for the year ended 30 June 2023 were authorised for issue in accordance with a resolution of the Directors on 28 September 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

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

The financial report has been prepared on an accrual basis of accounting including the historical cost convention and the going concern assumption. Accounting policies have been consistently applied unless otherwise stated.

Both the functional and presentation currency of the Company is in Australian dollars.

Going concern

The consolidated financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

Subsequent to year-end, the Company has undertaken a drilling program at its King Solomon and Devils Canyon Projects. As a result, the Company's cash reserves have been reduced. On 20 September 2023, the Company received firm commitments to raise \$1 million (before costs) through a share placement to sophisticated and professional investors at \$0.035 per share ("New Shares") with one free attaching option per two New Shares ("Placement") (refer Note 19). To meet the capital and operating expenditure budgets for the next twelve month the Directors intend to raise further capital for the Group. The directors believe that there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable given its past history of successfully raising new equity and current market capitalisation of the Company.

Should the Company be unable to raise the required capital to fund the next 12 months planned capital and operating expenditure, there is a material uncertainty on its ability to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements.

(b) Statement of compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

(c) New accounting standards and interpretations

The Company has adopted all new accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting periods beginning 1 July 2021. The adoption of these new and revised standards and interpretations did not have any effect on the financial position or performance of the Group.

Accounting standards and interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group for the reporting year ended 30 June 2023. The Directors have not early adopted any of these new or amended standards or interpretations. The Directors have not yet fully assessed the impact of these new or amended standards (to the extent relevant to the Group) and interpretations.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Diablo Resources Limited at the end of the reporting period. A controlled entity is any entity over which Diablo Resources Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities.

Where controlled entities have entered or left the group during the period, the financial performance of those entities are included only for the period that they were controlled. Details of controlled entities are contained in Note 10.

In preparing the consolidated financial statements, all intra-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

(e) Revenue recognition

Interest

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

(f) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(g) Income tax

Current tax assets and liabilities for the current period 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 reporting date.

Deferred income tax is provided on all temporary differences at the reporting 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.

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.

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 period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Other taxes

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

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

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

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

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

(i) Exploration and evaluation expenditure

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

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

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

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

(j) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial 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.

The amounts are unsecured and are usually paid within 30 days of recognition.

(k) Loans and borrowings

All loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the profit or loss when the liabilities are derecognised.

(l) 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.

(m) Share-based payments

Equity settled share-based compensation benefits are provided to employees (directors) and consultants. The costs of equity-settled transactions are measured at fair value on grant date. The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Share-based payments (continued)

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

Upon the exercise of options, the balance of the share-based payments reserve relating to these options is transferred to share capital.

The market value of shares issued to employees for no cash consideration under the employee share scheme is recognised as an employee benefits expense with a corresponding increase in equity when the employees become entitled to the shares.

(n) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency. All figures presented in the financial report have been rounded to the nearest dollar.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Controlled entities

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date.
- Income and expenses are translated at average exchange rates for the period.
- Accumulated losses are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the profit or loss in the period in which the operation is disposed. The functional currency of the subsidiaries incorporated in the United States of America (refer Note 10) is the US Dollar (USD).

(o) Earnings/(Loss) per share

(i) Basic Earnings/(Loss) per share

Basic earnings/(loss) per share is determined by dividing the profit/(loss) after income tax attributable to members of Diablo Resources Limited by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted Earnings/(Loss) per share

Diluted earnings/(loss) per share adjusts the amounts used in the determination of basic earnings/(loss) per share by taking into account unpaid amounts on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of options outstanding during the financial year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

(p) Asset acquisition

Where an acquisition does not meet the definition of a business combination the transaction is accounted for as an asset acquisition. The consideration transferred for the acquisition of an asset comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs with regards to the acquisition are capitalised. Identifiable assets acquired and liabilities assumed in the acquisition are measured at their fair value at the acquisition date.

(q) Critical accounting judgements and estimates

The preparation of financial statements requires the use of certain critical accounting judgements and estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Other than below, there are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Key estimate: Share-based payments

The Group initially measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and condition of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Key judgement: Capitalised Exploration Expenditure

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

Upon approval for the commercial development of an area of interest, accumulated expenditure for the area of interest is transferred to mining assets.

2. LOSS PER SHARE

The following reflects the income and data used in the calculations of basic and diluted earnings/(loss) per share:

	2023	2022
Loss per share (cents)	(5.57)	(1.51)
Loss used in calculating basic and diluted loss per share	(\$4,150,887)	(\$806,272)
	# shares	# shares
Weighted average number of ordinary shares used in calculating basic loss per share:	74,500,001	53,232,878

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

3. INCOME TAX EXPENSE

The prima facie tax on loss before income tax is reconciled to the income tax as follows:

	2023	2022
	\$	\$
Loss before income tax	(4,150,887)	(806,272)
Income tax calculated at 30%	(1,245,266)	(241,882)
<i>Add back:</i>		
Accruals	600	5,400
Capital raising costs	(12,234)	(12,234)
Share-based payments	-	54,234
Capitalised exploration immediately deductible	(386,627)	(2,820,239)
Capitalised exploration written-off	1,105,588	-
Future income tax benefit not brought to account	537,939	3,014,721
Income tax expense	-	-
<i>Deferred tax assets:</i>		
Capital raising costs	119,024	159,805
Accruals	6,000	5,400
Carried forward tax losses	3,569,263	3,031,323
	3,694,287	3,196,528
<i>Deferred tax liabilities:</i>		
Capitalised exploration costs	3,206,866	2,820,239
	3,206,866	2,820,239

The ability of the Group to utilise the tax losses is subject to the Company satisfying either the continuity of ownership test or the same business test.

4. CASH AND CASH EQUIVALENTS

	2023	2022
	\$	\$
Cash at bank and on hand	2,523,390	4,084,018

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

4. CASH AND CASH EQUIVALENTS (continued)

(a) Reconciliation of loss after income tax to net cash from operating activities

	2023	2022
	\$	\$
Loss for the period	(4,150,887)	(806,272)
Non-cash items:		
Share-based payments	-	180,781
Impairment of exploration and evaluation expenditure	3,685,293	-
Movement in assets and liabilities:		
(Increase)/Decrease in trade and other receivables	145,720	156,700
Increase/(Decrease) in trade and other payables	(70,208)	145,392
Increase/(Decrease) in borrowings	-	(19,043)
Net cash used in operating activities	<u>(390,082)</u>	<u>(342,442)</u>

(b) Non-cash investing and financing activities

There were no non-cash investing and financing activities during the year ended 30 June 2023 (2022: Nil).

5. EXPLORATION AND EVALUATION EXPENDITURE

	2023	2022
	\$	\$
Balance at the beginning of the period	9,400,796	-
Exploration and evaluation expenditure incurred during the period	1,245,586	1,434,449
Acquisition of HWK Utah Pty Ltd, HWK Nevada Pty Ltd and HWK Idaho Pty Ltd (Note 17)	-	7,966,347
Impairment of exploration and evaluation expenditure	(3,685,293)	-
Foreign exchange movement	43,171	-
Balance at the end of the period	<u>7,004,260</u>	<u>9,400,796</u>

- (i) As exploration results to date have not been sufficiently positive to warrant further work on the Western Desert Project, the Company has impaired the carrying value of \$3,685,293 at 30 June 2023.

The value of the exploration tenements carried forward is dependent upon:

- (a) The continuance of the Consolidated Entity's rights to tenure of the area of interest;
- (b) The results of future exploration; and
- (c) The recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

6. TRADE AND OTHER PAYABLES

	2023	2022
	\$	\$
Current		
Trade payables and accruals	<u>530,989</u>	<u>64,384</u>

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

7. ISSUED CAPITAL

(a) Issued Capital

	2023	2022
	\$	\$
Fully paid ordinary shares	14,900,001	14,900,001
Less: capital raising costs	(622,920)	(622,920)
	<u>14,277,081</u>	<u>14,277,081</u>

(b) Movement in ordinary share capital of the Company:

Date	Details	No. of Shares	Issue Price	\$
01/04/2021	Opening balance	1	\$1.00	1
30/06/2021	Closing balance	<u>1</u>		<u>1</u>
01/07/2021	Opening balance	1	\$1.00	1
06/10/2021	Initial public offering	32,500,000	\$0.20	6,500,000
	Acquisition of HWK Utah Pty Ltd, HWK Nevada Pty Ltd and HWK Idaho Pty Ltd (Note 18)	40,000,000	\$0.20	8,000,000
	Capital raising fee	2,000,000	\$0.20	400,000
30/06/2022	Closing balance	<u>74,500,001</u>		<u>14,900,001</u>
01/07/2022	Opening balance	74,500,001		14,900,001
30/06/2023	Closing balance	<u>74,500,001</u>		<u>14,900,001</u>

(c) Capital risk management

The Company does not have a defined share buy-back plan.

No dividends will be paid in 2023 (2022: Nil).

There is no current intention to incur further debt funding on behalf of the Company as on-going expenditure will be funded via cash reserves or equity.

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

8. RESERVES

(a) Foreign currency translation and share based payments reserve

	2023	2022
	\$	\$
Foreign currency translation reserve	103,194	40,466
Share based payments reserve	180,781	180,781

(b) Movement in options

Date	Details	No. of Unlisted Options	Fair Value of Options Granted	Exercise Price	Expiry Date
01/07/2021	Opening balance	-			
10/02/2022	Issue to management	2,550,000	\$0.071	\$0.25	10/02/2026
30/06/2022	Closing balance	<u>2,550,000</u>			
30/06/2023	Closing balance	<u>2,550,000</u>			

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

8. RESERVES (continued)

(c) Nature and purpose of reserve

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Australian dollars) are recognised directly in other comprehensive income and accumulated in the foreign translation reserve. Exchange differences previously accumulated in the foreign translation reserve (in respect of translating the net assets of foreign operations) are reclassified to profit or loss on the disposal of the foreign operation.

Share-based payments reserve

The share-based payments reserve is the value of equity benefits provided to directors, employees and consultants by the Company as part of their remuneration.

9. SHARE-BASED PAYMENTS

(a) Shares

There were no shares issued as share-based payments in 2023. In 2022, the Company issued 2,000,000 fully paid ordinary shares, valued at \$400,000 based on a value of \$0.20 per share, to the Lead Manager as a success fee (upon the successful admission of the Company to the ASX Official List).

(b) Performance Rights

There were no performance rights issued during the period. In 2022, the Company issued 7,400,000 Performance Rights to directors, broken down into the following classes:

	Number	Expiry Date
Class A	3,000,000	20/09/2026
Class B	2,300,000	20/09/2026
Class C	2,100,000	20/09/2026
Total	7,400,000	

The Performance Rights have the following milestones attached to them:

- (i) Class A Performance Rights: The Company achieving a JORC compliant inferred mineral resource estimate of 100,000 ounce gold, copper, silver and or platinum group elements, with a cut off grade of 0.5g/t, within five years from the date of issue of the Performance Rights.;
- (ii) Class B Performance Rights: The Company achieving a JORC compliant inferred mineral resource estimate of 250,000 ounce gold, copper, silver and or platinum group elements, with a cut off grade of 0.5g/t, within five years from the date of issue of the Performance Rights. and
- (iii) Class C Performance Rights: The Company achieving a JORC compliant inferred mineral resource estimate of 500,000 ounce gold, copper, silver and or platinum group elements, with a cut off grade of 0.5g/t, within five years from the date of issue of the Performance Rights.

No value has been recorded for the Performance Rights as the Company cannot predict whether the achievement of the above milestones is probable at the date of issue.

(c) Options

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 2023	Number of Options 2023	Weighted average exercise price 2022	Number of Options 2022
Outstanding at 1 July	0.25	2,550,000	-	-
Granted during the period	-	-	0.25	2,550,000
Outstanding at 30 June	0.25	2,550,000	0.25	2,550,000
Exercisable at 30 June	0.25	2,550,000	0.25	2,550,000

The options outstanding at 30 June 2023 have an exercise price of \$0.25 and a weighted average remaining contractual life of 3.6 years.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

10. CONTROLLED ENTITIES

	Percentage Interest		Country of incorporation
	2023	2022	
Parent entity			
Diablo Resources Limited			Australia
Particulars in relation to controlled entities			
HWK Idaho Pty Ltd	100%	100%	Australia
Ounces High Exploration Inc	100%	100%	United States
HWK Utah Pty Ltd	100%	100%	Australia
Roughead Exploration Inc	100%	100%	United States
HWK Nevada Pty Ltd	100%	100%	Australia
Hawkstone Nevada Inc	100%	100%	United States

11. CONTINGENT LIABILITIES, LEASE COMMITMENTS AND CONTINGENT ASSETS

As at 30 June 2023 there were no contingent liabilities, lease commitments or contingent assets.

The following commitments are included in the terms of the agreement to acquire the Diamond Peak Project:

- The payment of USD15,000 per year on the anniversary date.
- The payment of 3% of the annual exploration and development work expenditures.
- On commencement of commercial production the 3% fee will convert to a 3% net smelter royalty.
- The Company has the option to purchase the 3% fee and royalty within 4 years from completion by the payment of USD3,000,000 in cash or shares as agreed between the parties.

12. RELATED PARTY TRANSACTIONS

The Company's main related parties are as follows:

a. Subsidiaries

Interest in subsidiaries are set out in Note 10.

b. Key management personnel

Disclosures relating to key management personnel are set out in note 13.

c. Transactions with related parties:

There were no transactions with related parties in 2023. In 2022, Arizona Lithium Limited, the Company's ultimate parent entity prior to admission into the Official List of the ASX, paid for costs relating to the IPO and initial corporate costs of \$247,788 which was repaid on completion of the IPO.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

13. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation:

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

	2023	2022
	\$	\$
Short term employee benefits	320,000	235,970
Share-based payments	-	106,342
Aggregate compensation	<u>320,000</u>	<u>342,312</u>

14. FINANCIAL RISK MANAGEMENT

The Company's financial instruments consistent mainly of deposits with banks, short-term investments, and accounts receivable and payables.

The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as other receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments is cash flow interest rate risk and liquidity risk. Other minor risks are either summarised below or disclosed at Note 7 in the case of capital risk management. The Board reviews and agrees policies for managing each of these risks.

(a) Cash flow interest rate risk

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's short-term deposits with a floating interest rate. These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

The Group has not entered into any hedging activities to cover interest rate risk. In regards to its interest rate risk, the Group does not have a formal policy in place to mitigate such risks.

The following table sets out the carrying amount by maturity of the Group's exposure to interest rate risk and the effective weighted average interest rate for each class of these financial instruments. There were no fixed interest rate financial assets or liabilities held by the Group.

2023	Non Interest Bearing \$	Floating Interest Rate \$	Fixed Interest Rate \$	Total \$	Weighted Average Effective Interest Rate %
Financial Assets					
- Cash and cash equivalents	-	723,390	1,800,000	2,523,390	2.40
- Security deposits held	236,908	-	-	236,908	-
Total Financial Assets	<u>236,908</u>	<u>723,390</u>	<u>1,800,000</u>	<u>2,760,298</u>	
Financial Liabilities					
- Trade creditors	530,989	-	-	530,989	-
Total Financial Liabilities	<u>530,989</u>	<u>-</u>	<u>-</u>	<u>530,989</u>	
Net Financial Assets / (Liabilities)	<u>(294,081)</u>	<u>723,390</u>	<u>1,800,000</u>	<u>2,229,309</u>	2.40

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

14. FINANCIAL RISK MANAGEMENT (continued)

(a) Cash flow interest rate risk (continued)

2022	Non Interest Bearing \$	Floating Interest Rate \$	Total \$	Weighted Average Effective Interest Rate %
Financial Assets				
- Cash and cash equivalents	-	4,084,018	4,084,018	0.1
- Security deposits held	156,700	-	156,700	-
Total Financial Assets	156,700	4,084,018	4,240,718	
Financial Liabilities				
- Trade creditors	64,384	-	64,384	-
Total Financial Liabilities	64,384	-	64,384	-
Net Financial Assets / (Liabilities)	92,316	4,084,018	4,176,334	0.1

Interest rate sensitivity

At 30 June 2023, if interest rates had changed by 50% during the entire year with all other variables held constant, profit/(loss) for the year and equity would have been \$30,302 lower/higher, mainly as a result of lower/higher interest income from cash and cash equivalents.

A sensitivity of 50% has been selected as this is considered reasonable given the current level of both short term and long term Australian dollar interest rates. A 50% decrease sensitivity would move short term interest rates at 30 June 2023 from around 4.10% to 2.05% (50% increase: 6.15%) representing a 200 basis points shift. This would represent a number of increases which is reasonably possible in the current environment with the bias coming from the Reserve Bank of Australia and confirmed by market expectations that interest rates in Australia are more likely to move up than down in the coming period.

Based on the sensitivity analysis, only interest revenue from variable rate deposits and cash balances are impacted resulting in a decrease or increase in overall income.

(b) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash reserves and through the continuous monitoring of budgeted and actual cash flows.

	2023 \$	2022 \$
Contracted maturities of liabilities at 30 June		
Payables		
- less than 30 days	530,989	64,384

(c) Net fair values

Unless otherwise stated, the carrying amount of financial instruments reflect their fair value.

(d) Credit Risk

Credit risk represents the loss that would be recognised if counterparties fail to perform as contracted. The Group's maximum exposure to credit risk at reporting date in relation to each class of financial asset is the carrying amount of those assets as indicated in the statement of financial position. The majority of cash and cash equivalents is held with one Australian Bank which has an AA- long-term credit rating from Standard and Poor's.

Wherever possible, the Group trades only with recognised, credit worthy third parties. There are no significant concentrations of credit risk within the Group. Since the Group trades only with recognised third parties, there is no requirement for collateral.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

15. SEGMENT REPORTING

The directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there are no separate identifiable business segments.

The operations and assets of Diablo Resources Limited and its controlled entities are employed in exploration activities relating to minerals in United States of America.

16. AUDITOR'S REMUNERATION

The auditor of Diablo Resources Limited is HLB Mann Judd.

	2023	2022
	\$	\$
Amounts paid or payable to HLB Mann Judd for:		
Audit services	33,455	30,300
Independent Limited Assurance Report	-	10,100
	<u>33,455</u>	<u>40,400</u>

17. ACQUISITION OF SUBSIDIARIES

On 23 June 2021, Arizona Lithium Limited (formerly Hawkstone Mining Limited) ("Arizona Lithium") entered into a Share Sale Agreement with the Company to acquire HWK Idaho Pty Ltd, HWK Nevada Pty Ltd and HWK Utah Pty Ltd ("HWK Entities") subject to certain conditions precedent. The acquisition was completed on 6 October 2021.

Consideration

As consideration for the acquisition, the Company has agreed to issue Arizona Lithium 40,000,000 fully paid ordinary shares in the Company. The shares received as consideration by Arizona Lithium were distributed in-specie to Arizona Lithium's shareholders.

Accounting standard applied

The acquisition of the HWK Entities has been accounted for as an asset acquisition. The acquisition does not meet the definition of a business combination in accordance with AASB 3 Business Combinations (as the HWK Entities are considered for accounting purposes not to be a business). As such the acquisition has been accounted for as a share-based payment transaction using the principles of AASB 3 Business Combinations and AASB 2 Share-Based Payment.

The fair value of the consideration paid and allocation to net identifiable assets is as follows:

	\$
<i>Fair value of consideration paid:</i>	
40,000,000 fully paid ordinary shares	<u>8,000,000</u>
<i>Fair value of net identifiable assets acquired</i>	
Petty cash	42
Security deposit	33,611
Exploration and evaluation expenditure	<u>7,966,347</u>
	<u>8,000,000</u>

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

18. INFORMATION RELATING TO DIABLO RESOURCES LIMITED (PARENT)

	2023	2022
	\$	\$
Current assets	2,561,202	4,113,330
Total assets	<u>10,036,642</u>	<u>13,640,283</u>
Current liabilities	530,989	64,383
Total liabilities	<u>530,989</u>	<u>64,383</u>
Issued capital	14,277,081	14,277,081
Reserves	180,781	180,781
Accumulated losses	(4,952,207)	(881,963)
Equity	<u>9,505,655</u>	<u>13,575,899</u>
Loss of the parent entity	<u>(4,070,244)</u>	<u>(783,720)</u>
Total comprehensive loss of the parent entity	<u>(4,070,244)</u>	<u>(783,720)</u>

The parent entity has not entered into any guarantees, in relation to the debts of its subsidiary.

The parent entity has not entered into any commitments for expenditure as at the end of the financial year.

19. EVENTS AFTER THE REPORTING PERIOD

On 20 September 2023, the Company received firm commitments to raise \$1 million (before costs) through a share placement to sophisticated and professional investors at \$0.035 per share ("New Shares") with one free attaching option per two New Shares ("Placement"). The unlisted options will be exercisable at \$0.08 each expiring three years from the date of issue ("Options"). It should be noted that 61% of the New Shares and all of the Options are subject to shareholder approval.

On 28 September 2023, the Company issued 11,142,857 fully paid ordinary shares at \$0.035 per share as part of the Tranche One issue of the placement completed on 20 September 2023.

There have been no other events subsequent to the financial period end that will affect the results as disclosed in this report.

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES**

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Diablo Resources Limited, the directors of the Company declare that:

1. In the opinion of the directors:
 - (a) the financial statements and notes of the Group 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 year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001;
 - (b) subject to note 1(a), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made to the directors by the chief executive officer and the chief financial officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2023.

On behalf of the Board



Paul Lloyd
Director
28 September 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Diablo Resources Limited

Report on the Audit of the Financial Report*Opinion*

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

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Company's (or Group's) ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

We have determined the matter described below to be the key audit matters to be communicated in our report.

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

Key Audit Matter	How our audit addressed the key audit matter
Carrying Value of Exploration and Evaluation Refer to Note 5	
<p>In accordance with AASB 6 <i>Exploration and Evaluation Expenditure of Mineral Resources</i>, the Group capitalises exploration and evaluation expenditure and as at 30 June 2023 had a deferred exploration and evaluation balance of \$7,004,260.</p> <p>Exploration and evaluation expenditure was determined to be a key audit matter as it is important to the users' understanding of the financial statements as a whole and was an area which involved the most audit effort and communication with those charged with governance.</p>	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> - Obtaining an understanding of the key processes associated with management's review of the carrying value of exploration and evaluation expenditure; - Considering the Directors' assessment of potential indicators of impairment in addition to making our own assessment; - Obtaining evidence that the Company has current rights to tenure of its areas of interest; - Considering the nature and extent of planned ongoing activities; - Substantiating a sample of expenditure by agreeing to supporting documentation; and - Examining the disclosures made in the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

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

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance 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 have 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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

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

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

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the Directors' Report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Diablo Resources 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.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
28 September 2023



M R Ohm
Partner

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
ASX ADDITIONAL INFORMATION**

QUOTED SECURITIES

ORDINARY FULLY PAID SHARES

(i) DISTRIBUTION OF SHAREHOLDERS AS AT 22 SEPTEMBER 2023:

SPREAD OF HOLDINGS	NO. OF HOLDERS	NO. OF SHARES	PERCENTAGE OF ISSUED CAPITAL %
0 - 1,000	2,666	1,199,908	1.66%
1,001 - 5,000	1,543	3,383,074	4.67%
5,001 - 10,000	314	2,398,771	3.31%
10,001 - 100,000	675	18,326,168	25.28%
above 100,001	106	47,192,080	65.09%
Totals	5,304	72,500,001	100.00%

The number of shareholdings held in less than marketable parcels is 4,689.

(ii) TOP 20 HOLDERS OF ORDINARY FULLY PAID SHARES:

The names of the twenty largest shareholders of ordinary fully paid shares are listed below:

	NAME	NO OF ORDINARY SHARES HELD	% OF ISSUED SHARE CAPITAL
1	PARANOID ENTERPRISES PTY LTD	3,600,000	4.97%
2	MR DANNY ALLEN PAVLOVICH <PAVLOVICH FAMILY SPEC 2 A/C>	2,995,626	4.13%
3	SYRACUSE CAPITAL PTY LTD <THE ROCCO TASSONE S/F A/C>	2,097,864	2.89%
4	PAC PARTNERS SECURITIES PTY LTD	2,022,652	2.79%
5	CORAL BROOK PTY LTD <LLOYD SUPER FUND A/C>	1,737,224	2.40%
6	MR MATTHEW IAN BANKS & MRS SANDRA ELIZABETH BANKS <MATTHEW BANKS S/F A/C>	1,604,738	2.21%
7	MR MICHAEL CHARLES MANN & MRS NADA MANN <MCM SUPER FUND A/C>	1,345,685	1.86%
8	YALLINGUP INVEST PTY LTD	1,206,826	1.66%
9	MR JOEL DAVID WEBB	1,150,000	1.59%
10	AUKERA CAPITAL PTY LTD <AUKERA DISCRETIONARY A/C>	1,000,000	1.38%
11	KTA CAPITAL PTY LTD <TRINH SUPER FUND A/C>	871,751	1.20%
12	INCAZZATO PTY LTD	860,000	1.19%
13	MRS UPASANABEN CHETAN PATEL	850,000	1.17%
14	MR ANDREW WILLIAM SPENCER & MRS BENEDICTE MARIE FRANCOISE SPENCER <SPENCER SF A/C>	825,966	1.14%
15	MR CRAIG RUSSELL STRANGER	804,420	1.11%
16	MR CHANG HUI LIN	798,460	1.10%
17	WHISTLER STREET PTY LTD <E-W SUPERANNUATION FUND A/C>	765,590	1.06%
18	POINTCIANA PTY LTD <IVANHOE INVESTMENTS A/C>	750,000	1.03%
19	MR MARK RONALD WILKINSON	670,482	0.92%
20	PAC PARTNERS PTY LTD	643,750	0.89%
	Total	26,601,034	36.69%

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
ASX ADDITIONAL INFORMATION**

ASX ADDITIONAL INFORMATION *(continued)*

QUOTED SECURITIES *(continued)*

ORDINARY FULLY PAID SHARES *(continued)*

(iii) VOTING RIGHTS

Article 13 of the Constitution specify that on a show of hands every member present in person, by attorney or by proxy shall have:

- (a) for every fully paid share held by him one vote; and
- (b) for every share which is not fully paid a fraction of the vote equal to the amount paid up on the share over the nominal value of the shares.

(iv) SUBSTANTIAL SHAREHOLDERS

The Company has no substantial shareholders at the date of this information.

UNQUOTED SECURITIES

(a) UNLISTED OPTIONS ON ISSUE

Options exercisable at \$0.25 expiring 10 February 2026	2,550,000
---	-----------

(b) UNLISTED PERFORMANCE RIGHTS

Class A expiring 29 September 2026	4,900,000
Class B expiring 29 September 2026	1,250,000
Class C expiring 29 September 2026	1,250,000

**DIABLO RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT**

Diablo Resources Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Diablo Resources Limited has its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2023 corporate governance statement was approved by the Board on 28 September 2023 and is current as at 28 September 2023. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can be viewed at www.diabloresources.com.au/corporate-governance/.