



MINREX
RESOURCES

ABN 81 151 185 867

and its controlled entities

**Annual Report for the
Year-ended**

30 June 2023

CONTENTS

Corporate Directory	
Directors' Report	1
Remuneration Report	15
Consolidated Statement of Profit and loss and Comprehensive Income	21
Consolidated Statement of Financial Position	22
Consolidated Statement of Changes in Equity	23
Consolidated Statement of Cash Flows	24
Notes to the Consolidated Financial Statements	25
Directors' Declaration	53
Auditor's independence declaration	54
Independent Auditor's Report	55
ASX Additional Information	59
Interest in Mining Tenements	61

CORPORATE DIRECTORY

DIRECTORS

Mr Robert Boston (Managing Director & CEO)

Mr Ian Shackleton (Non-Executive Director)

Mr Glenn Whiddon (Non-Executive Director)

Mr James Pearse (Non-Executive Director)

COMPANY SECRETARY

Mr Johnathon Busing

REGISTERED OFFICE

Level 2

7 Havelock Street

Perth WA 6005

Telephone: +61 8 9481 0389

Website: www.minrex.com.au

SHARE REGISTRY

Automic Group

Level 5, 191 St Georges Terrace

PERTH WA 6000

Telephone: 1300 288 664 (Within Australia)

+61 2 9698 5414 (Outside Australia)

AUDITORS

BDO Audit (WA) Pty Ltd

Level 9, Mia Yellagonga Tower 2

5 Spring Street

PERTH WA 6000

SECURITIES EXCHANGE

Australian Securities Exchange Limited

ASX Code: MRR

DIRECTOR'S REPORT

The Directors present their report for MinRex Resources Limited and its wholly owned subsidiaries ("MinRex" or "the Company" or "the Group") for the year ended 30 June 2023.

Directors

The following persons were Directors of MinRex during the financial year and up to the date of this report. Directors were in office for the entire period, unless otherwise stated.

The following table sets out each director's relevant interest in shares, options and performance rights of the Company or a related body corporate as at the date of this report.

Mr Robert Boston (Managing Director and CEO)

Appointment date	16 June 2023
Directorships of other ASX listed companies in last 3 years	Peak Minerals Ltd (current) Regener8 Resources Ltd (current)
Interest in securities	15,000,000 Performance Rights

Mr Boston has over 17 years' experience in mining and resources, having held positions in legal, business development, strategy, marketing and commercial positions with BHP Billiton, Rio Tinto Exploration, AngloGold Ashanti and Poseidon Nickel Limited. Robert has multi-commodity expertise in particular exploration, early-stage resource development, M&A, joint ventures and marketing. Robert is a qualified lawyer having worked for national law firms Freehills and Mallesons Stephen Jaques.

Mr Ian Shackleton (Non-Executive Director)

Appointment date	6 May 2022
Directorships of other ASX listed companies in last 3 years	Nil
Interest in securities	1,300,000 Ordinary Fully Paid Shares 5,000,000 Performance Rights

Mr Shackleton is the current Exploration Manager at MinRex and brings extensive experience managing exploration and mining projects encompassing roles throughout the asset life cycle including exploration, resource delineation, mining and closure. Mr Shackleton was the ex-Global Lithium Resources Archer Deposit (hosting 10.1Mt @ 1.0% Li) founding geologist and has extensive experience in battery metals exploration in the Pilbara.

Mr. Glenn Whiddon (Non-Executive Director)

Appointment date, resignation date	05 June 2020 – 14 February 2022
Reappointment date	22 May 2023
Directorships of other ASX listed companies in last 3 years	Calima Energy Limited (current) Carbine resources Limited (current)
Interest in securities*	2,980,420 Share Options

* Mr Whiddon has no relevant interest in the 2,980,420 shares held by Nautical Holdings WA Pty Ltd & Mimo Strategies Pty Ltd. Jane Whiddon is the controller of this entity. They are only included in this notice for good corporate governance purposes.

Mr. Whiddon has an extensive background in equity capital markets, banking and corporate advisory with a specific focus on natural resources. Mr. Whiddon holds a degree in Economics and has extensive corporate and management experience. He is currently Director of a number of Australian and international public listed companies in the resource sector.

Mr James Pearse (Non-Executive Director)

Appointment date, resignation date	30 June 2020 – 05 August 2022
Reappointment date	24 August 2023
Directorships of other ASX listed companies in last 3 years	Carbine Resources Limited (current)
Interest in securities*	7,383,855 Ordinary Fully Paid Shares 416,667 Share Options 3,000,000 Performance Rights

* Represents securities held as at the date of resignation.

Mr Pearse is a corporate lawyer with over 10 years' experience working for national, international and boutique law firms advising Australian businesses primarily in the mining, oil & gas and technology sectors. Mr Pearse holds Bachelor degrees in both Law and Commerce majoring in Finance.

Mr George Karageorge (Former Managing Director & CEO, then Former Non-Executive Chairman)

Managing Director & CEO Appointment date, transition date	18 December 2020 - 16 June 2023
Non-Executive Chairman Transition date, resignation date	16 June 2023 - 15 August 2023
Directorships of other ASX listed companies in last 3 years	Argent Minerals Ltd (resigned 16 March 2022)
Interest in securities	17,928,299 Ordinary Fully Paid Shares 10,875,000 Share Options 18,000,000 Performance Rights

Mr Karageorge is a geologist and is a rare, base and precious metal exploration expert with over 25 years' experience in the mining sector. He has worked in senior technical and executive management roles for exploration and mining companies across the globe, including Western Mining Corporation, ASARCO, Anglo Gold Ashanti, Barrick Mines and Bluebird Battery Metals, and is best known for his role as founding geologist and first registered alternate mine manager of lithium producer, Pilbara Minerals Ltd (ASX: PLS). Karageorge transitioned from the role of Managing Director / CEO to Non-Executive Chairman on 16 June 2023 and resigned on 15 August 2023.

Mr Aleksander Krstic (Former Non-Executive Director)

Appointment date, resignation date	08 February 2023 – 23 May 2023
Directorships of other ASX listed companies in last 3 years	Nil
Interest in securities*	3,500,000 Ordinary Fully Paid Shares

* Represents securities held as at the date of resignation.

Mr. Krstic has worked in senior roles across the critical minerals, energy, and iron ore sectors in Australia and abroad. An engineering professional, he has worked with lithium player Pilbara Minerals, Iron Ore giant Fortescue Metals Group, and Chevron - KJVG Gordon joint venture. He also spent a decade working with ENC Consulting Group, a professional and technical advisory firm providing expert independent advice and support services to the resources sector in Australia and Asia, most recently as Executive Director of Operations.

Mr Pedro Kastellorizos (Former Non-Executive Director)

Appointment date, resignation date	16 March 2022 – 08 February 2023
Directorships of other ASX listed companies in last 3 years	Argent Minerals Ltd (current)
Interest in securities*	3,000,000 Ordinary Fully Paid Shares 1,000,000 Share Options 6,000,000 Performance Rights

* Represents securities held as at the date of resignation.

Mr. Kastellorizos was the founder of Genesis Resources Ltd (ASX: GES) and has held various board and management positions including with Eclipse Metals Ltd (ASX: EPM), Batavia Mining Ltd (ASX: BTV), Regency Mines plc, Tennant Creek Gold Ltd (ASX: TNG) and Thor Mining plc. Mr. Kastellorizos has played major roles in overseas project acquisitions, joint ventures, capital raisings and spear headed numerous successful joint ventures. Mr. Kastellorizos has a Bachelor of Science degree and is a Member of the Australasian Institute of Mining and Metallurgy.

Mr James Bahen (Former Non-Executive Director)

Appointment date, resignation date	8 April 2020 – 02 September 2022
Directorships of other ASX listed companies in last 3 years	Victory Metals Limited (current) Cosmos Exploration Limited (current)
Interest in securities*	17,500,000 Ordinary Fully Paid Shares 3,125,000 Share Options 3,000,000 Performance Rights

* Represents securities held as at the date of resignation.

Mr Bahen is a Corporate Advisory Executive and Chartered Secretary who commenced his career in audit and assurance with a chartered accounting firm. He is currently a Company Secretary to a number of ASX listed companies. Mr Bahen is a member of the Governance Institute of Australia (GIA) and holds a Graduate Diploma of Applied Finance and a Bachelor of Commerce degree majoring in Accounting and Finance.

Company secretary

Mr Johnathon Busing

Mr Busing is a Chartered Accountant with more than 12 years' experience including ASX financial reporting and corporate compliance for clients in the mining and resources industry. He is currently Company Secretary of several ASX listed Companies.

Directors' meetings

During the financial year, 5 meetings of Directors were held. Attendances by each Director during the year were as follows:

Director	Directors' Meetings Eligible to Attend	Director's Meetings Attended
Mr Robert Boston	1	1
Mr Ian Shackleton	5	5
Mr Glenn Whiddon	0	0
Mr George Karageorge	5	5
Mr Alex Krstic	2	2
Mr Pedro Kastellorizos	3	3
Mr James Bahen	1	1
Mr James Pearse	1	1

Share options granted to directors and senior management

During and since the end of the financial year, no share options were granted to the directors under an Employee Option Plan.

Dividends

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

Corporate structure

MinRex Resources Limited was incorporated in May 2011 and listed on the ASX on 7 November 2011. MinRex Resources Limited and its controlled entities ("MinRex" or "the Company" or "the Group"), namely East Pilbara Conglomerates Pty Ltd and SR (Sale Entity) Pty Ltd, which the Company acquired on 26 February 2018, Sofala Minerals Pty Ltd and MR Resources Pty Ltd, which the Company acquired on 3 December 2020, Moghul Mining Pty Ltd, which the Company acquired on 20 October 2021 and Odette Five Pty Ltd which the Company acquired on 21 February 2022, are incorporated and domiciled in Australia.

Environmental regulations and performance

The Company holds participating interests in various exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There have been no known breaches of the Company's environmental conditions, and no such breaches have been notified by any government agencies during the year ended 30 June 2023.

Proceeding on behalf of 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.

Operational and business risks

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

Access to and dependence on Capital Raisings

The development of the Group's current or future projects may require additional funding.

There can be no assurance that additional capital financing will be available, if needed for exploration and operations, or that, if available, the terms of such financing will be favourable to the Group.

Risk of failure in exploration

Payment of compensation is ordinarily necessary to acquire interest or participating interests in tenements. Also, surveying and exploratory drilling expenses (exploration expenses) become necessary at the time of exploration activities for the purpose of discovering resources.

There is, however, no guarantee of discovering resources on a scale that makes development and production feasible. The probability of such discoveries is considerably low despite various technological advances in recent years, and even when resources are discovered the scale of the reserves does not necessarily make commercial production feasible. For this reason, if there are impossibilities of recovery of an investment in an area of interest, the Group conservatively recognises an impairment, corresponding the amount of investment and exploration expenditure, while considering the recovery possibility of each project.

Although exploration (including the acquisition of interests) is necessary to secure the area of interest or economically recoverable reserves essential to the Group's future sustainable business development, each type of investment involves technological and economic risks, and failed exploration could have an adverse effect on the results of the Group's operations.

Shares under option or issued on exercise of options

Details of unissued shares or interests under options as at the date of this report are:

10 cent Unlisted options expiring 2 December 2024	86,895,162
10 cent Unlisted options expiring 2 December 2024	10,000,000
10 cent Unlisted options expiring 2 December 2025	5,000,000
12 cent Unlisted options expiring 2 December 2025	5,000,000

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme.

Shares under performance rights or issued on exercise of performance rights

Details of unissued shares or interests under performance rights as at the date of this report are:

Unlisted, expiring 13 May 2024	1,000,000
Unlisted, expiring 25 February 2027	13,000,000
Unlisted, expiring 2 December 2027	22,500,000
Unlisted, expiring 16 June 2025	15,000,000

Indemnification and insurance of directors and officers

The Company has made an agreement indemnifying all the Directors and officers of the Company against all losses or liabilities incurred by each Director or officer in their capacity as Directors or officers of the Company to the extent permitted by the Corporations Act 2001. The indemnification specifically excludes wilful acts of negligence. The Company paid insurance premiums in respect of Directors' and Officers' Liability Insurance contracts for current officers of the Company. The liabilities insured are damages and legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company. The total amount of insurance premiums paid has not been disclosed due to confidentiality reasons.

Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify BDO Audit (WA) Pty Ltd during or since the financial year.

Non-audit services

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

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

During the financial year, the auditors provided tax compliance services for \$18,413. Refer to Note 16.

Auditor independence declaration

Section 307C of the Corporations Act 2001 requires the Company's auditors, BDO Audit (WA) Pty Ltd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is disclosed on page 56 of this report and forms part of this Directors' Report for the year ended 30 June 2023.

Corporate governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of MinRex support and have adhered to the principles of sound corporate governance. The Board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council and considers that MinRex is in compliance with those guidelines to the best extent possible, which are of importance to the

commercial operation of a junior listed resources company. During the financial year, shareholders continued to receive the benefit of an efficient and cost-effective corporate governance policy for the Company.

The Board of Directors of MinRex Resources Limited is responsible for corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Company's corporate governance policies and procedures are based on the Australian Securities Exchange Corporate Governance Council's (the Council's) "Corporate Governance Principles and Recommendations" (the Recommendations). In accordance with the 4th Edition of the Recommendations, the Corporate Governance Statement must contain certain specific information and must disclose the extent to which the Company has followed the guidelines during the reporting period. Where a recommendation has not been followed that fact must be disclosed, together with the reasons for the departure. The Company has disclosed its corporate governance statement on the Company website at www.minrex.com.au.

OPERATING AND FINANCIAL REVIEW

Principal activity

The Company is an active resources exploration company with projects in the Lachlan Fold Belt of NSW, a world-class gold-copper province, and in the Marble Bar and Murchison Regions of WA. The Company's NSW tenements package covers highly prospective ground targeting multi-commodities type deposits, which host JORC 2012 Resources totalling over 350,000 ounces of gold.

The Company has become an emergent lithium explorer with high-quality assets within the Pilbara in geological terrains like those hosting the world-class lithium and tantalum producers Pilbara Minerals (ASX: PLS) Pilgangoora and Mineral Resources (ASX: MRL) Wodgina.

Results of operations

The Group's net loss attributable to the members of MinRex Resources Limited for the year ended 30 June 2023 was \$17,305,419 (2022: net loss \$2,723,054).

	2023	2022
	\$	\$
Revenue – interest income only	335,635	4,475
Loss before tax	(17,305,419)	(2,723,054)
Loss after income tax – tax benefit not recognized	(17,305,419)	(2,723,054)
Loss per share (cents)	(1.60)	(0.38)

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 dollar.

Review of operations

Coondina REE Project

Coondina is situated about 18 km south of Hillside Station homestead on the east bank of the Shaw River around 10 km from the Hillside Station to Nullagine Road. Within the central eastern portion of the tenement, the Coondina Monzogranite is believed to be hosting the strongly anomalous REE assays.

During February 2023, MinRex announced the first RC drilling results targeting the rare earth elements over the Coondina Li-Sn-Ta-REE Project (E45/4266).

The first-pass drilling was designed to target the historic tin-tantalum workings operated by Greenbushes Limited until 1987.

The results overall were disappointing and the remaining prospectivity for LCT-bearing pegmatites and REE mineralisation was considered low and the tenements part of this project were sold to Tambourah Metals Limited late in June 2023.

Tambourah North Lithium Project

During March 2023, the Company announced that the rock chip sampling and geological mapping programs that commenced in April-May 2022 yielded encouraging results. In the central area of the tenement. The geological work identified a pegmatite containing fine-grained spodumene within the Apex Basalt a favourable geological setting for lithium mineralisation.

Rock chip samples returned 2.56% Li₂O, 115 ppm Cs and 40 ppm Ta (MRR028) and 1.91% Li₂O, 518 ppm Cs, 370 ppm Ta (MRR040) as reported to the ASX in April 2022.

During December 2022 a drilling program targeted the lithium rock chip sample results associated in the central part of the Project.

The RC drilling program was undertaken with a total of 9 drillholes for 1,159m completed at the end of December 2022 (*see Figure 1*).

Thick intersections of pegmatites were successfully drilled with all 9 drillholes intersecting pegmatites from various intervals.

The best intersection from drillhole MBRC060 had a 32m intersection from surface (0-32m), in coarse-grained to fine-grained quartz-feldspar-mica rich pegmatite.

Notable Intersections Include:

- MBRC060 was 10m @ 0.13% Li₂O from 77m to 87m.
- MBRC058 was 4m @ 0.11% Li₂O from 118m to 122m.

The Southern portion of the tenement was mapped and sampled in May 2022 and the occurrence of lithium-bearing minerals is dominated by lepidolite-rich pegmatites in the Petroglyph Gneiss.

The notable rock chip sample results reported to the ASX in September 2022 were MRR050: 0.78% Li₂O and 40 ppm; MRR051 - 1.01% Li₂O and 94 ppm Ta; MRR052 - 1.48% Li₂O and 63ppm Ta; and MRR053 - 1.49% Li₂O and 181 ppm Ta.

The Southern area has been approved for drilling by the Western Australian Government Regulator DIMRS, however, areas of significant heritage value were identified during a survey by the Native Title Owners precluding any further work on the lepidolite occurrences in the southern portion of Tambourah North.

As the results tested the potential of the anomalous rock chip results and the residual prospectivity of the tenement was considered very low the tenements was divested Tambourah Metals in late June 2023.



Figure 1 – Tambourah North RC Drilling

Talga Lithium Project

The RC drilling program over the Talga Lithium Project (formerly Moolyella) comprised of a total of 39 shallow, vertical drillholes for 2,825m that was completed December 2022.

The drilling targeted highly elevated soil anomalies containing up to 447 ppm lithium as reported to the ASX in November 2022.

A total of six small target areas were drill tested over the historical soil samples and mapped pegmatites accounting for less than approximately 11% coverage over the tenement area (see Figure 2).

Multiple intersections of pegmatite were successfully drilled in over 70% of the drillholes with the best intersection being from MBRC047, which had multiple intersections of pegmatite, albeit without lithium mineralisation, with 14m from surface, 5m from 25m and 4m from 46m.

The RC drill chips identified various pegmatite composition with mineralogy including plagioclase-orthoclase feldspars, muscovite-biotite, garnet, tourmaline beryl and rose quartz.

Additional analysis including petrology will be done to determine whether the mineralised lithium in the assay results is muscovite, lepidolite or very fine grained acicular spodumene.

Approximately 70% of the northern portion of the tenement remains completely untested by surface geochemistry or geological mapping. Ground exploration activities will concentrate in the northern portion of the project.

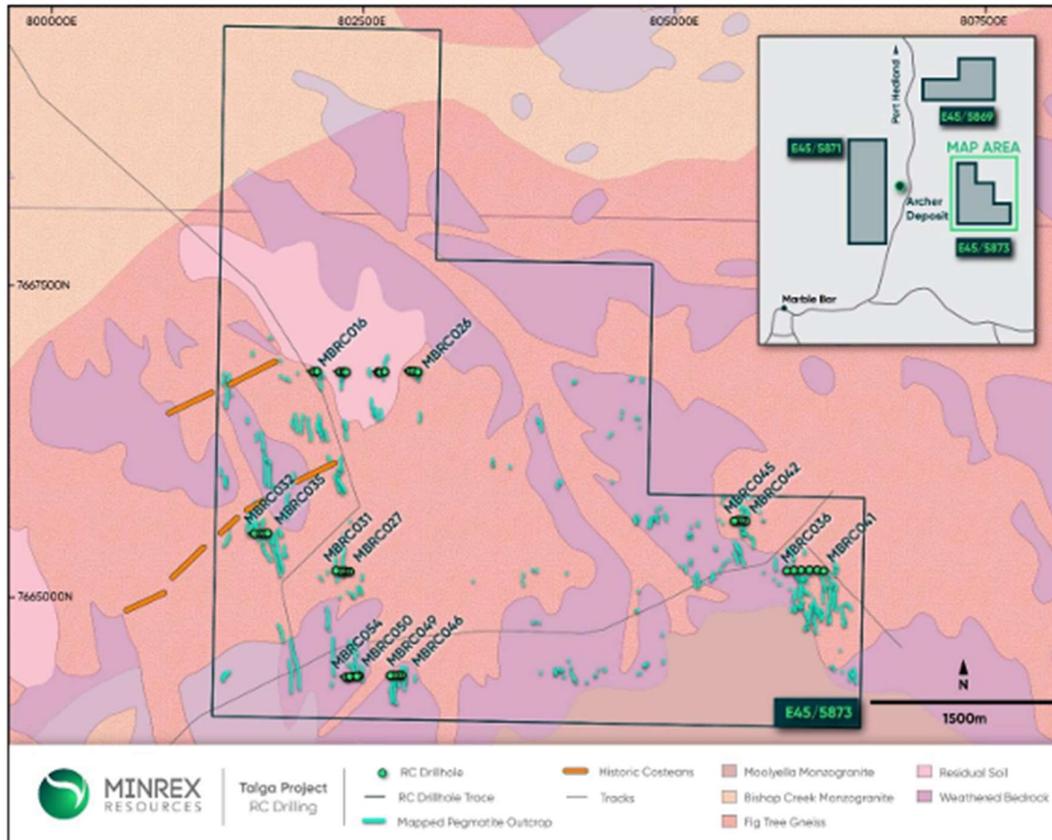


Figure 2 – Talga Project RC Drilling

Sisters Lithium Project

Drilling of 14 RC drillholes for a total of 2,350m was completed in October 2022 (see Figure 3).

The drilling targeted the Southern Pegmatites that were mapped and sampled in April and May 2022 with high-grade lithium results reporting from surface rock chip sampling including MRR024B: 1.59% Li₂O.

Multiple thick pegmatites were intersected in 8 of the 14 RC drillholes with the best multiple intersections from MBRC014: 4m from 26m, 14m from 65m, 8m from 167m and 7m from 199m as reported in the September 2022 Quarterly Activity Report.

The drill results at Sisters were less than satisfactory, however, the company will undertake a review of past exploration results in particular rock chip and soil geochemistry to evaluate the effectiveness of past work and to generate new targets.

The elevated soil lithium-tin- tantalum anomalies from work undertaken by BCI Minerals Limited in 2017 covers a much greater area than the reconnaissance RC drilling footprint and target generation remains a work in progress.

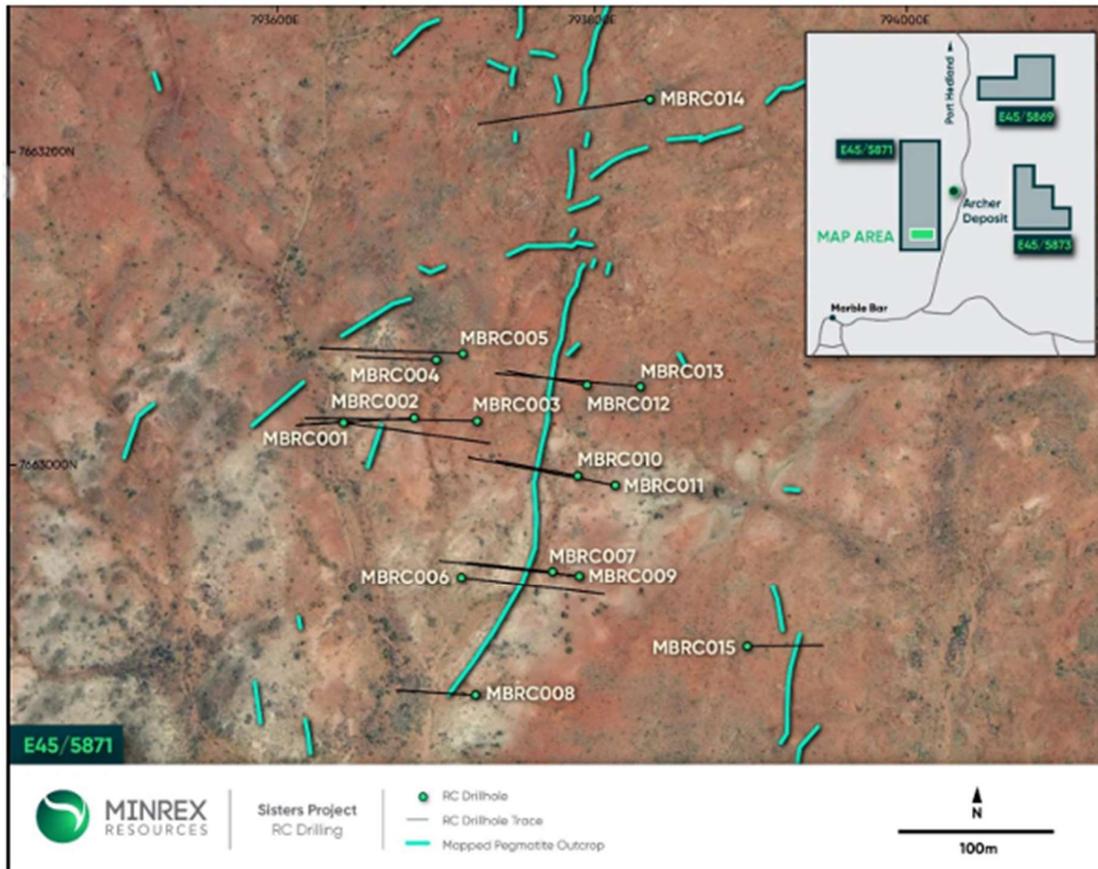


Figure 3 – Sisters Project – RC Drilling

Tancred Lithium Project

On May 2023, the Company announced that it had acquired an exclusive option to purchase the Tancred Lithium Project held by Tancred Resources Ltd in the prospective Leinster Pegmatite belt in Southeast Ireland.

The Tancred Lithium Project consists of four granted exploration licences covering an area of 249Km² along the Leinster pegmatite belt in SE Ireland with an approximate strike length of 20Km.

The property was identified as an area of anomalous geochemistry from regional rock and stream sediment datasets and is situated along a pegmatite bearing shear-zone (the East Carlow Deformation Zone), with the prospective fringe/tops of S-type granite batholiths intruded into Lower Ordovician Metasediments.

MinRex carried out due diligence on the project and as part of that process, Technical Director Ian Shackleton conducted an in-country site visit to assess the geology and mineralisation with the Tancred Geoscience team. In July 2023 the company determined to withdraw from the option.

Marble Bar Lithium Project

An independent review of the geochemical and drilling results was commissioned with consultants, Geochemical Services (Dr Nigel Brand), of the geochemical sampling and drilling undertaken over the Marble Bar Project. The review highlighted three areas with LCT style pegmatites from the rock and soil geochemical results that require infill soil sampling at the Sisters tenement (E45/5871).

At the Garden Creek tenement (E45/5869) the review recommended soil sampling across the granite-greenstone contact. It is anticipated, based on availability, that this work will be undertaken during 3rd Quarter with results available during 4th Quarter.

Corporate

Board Change

On 5 August 2022, Mr James Pearse tendered his resignation as Non-Executive Director from the Board of MinRex.

On 2 September 2022, Mr James Bahen tendered his resignation as Non-Executive Director from the Board of Minrex. On the same day, Mr Kavi Bekarma was appointed as Company Secretary.

On 8 December 2022, Mr Kavi Bekarma tendered his resignation as Company Secretary. On the same day, Mr Johnathon Busing was appointed as Company Secretary, replacing Mr Bekarma.

On 8 February 2023, Mr Pedro Kastellorizos resigned from his position as Non-Executive Director and was replaced by Alex Krstic.

On 18 May 2023, the Company announced the appointment of Robert Boston as Managing director and CEO effective 16 June 2023, to replace George Karageorge who is to transition to the role of Non-Executive Chairman at the same date.

On 23 May 2023 the company announced the resignation of Mr Krstic and Mr Karageorge (effective 15 August 2023), as well as the appointment of Glenn Whiddon as Non-Executive Director of the company.

Capital Raisings

On 21 July 2022, the Company provided an update in respect of some of the cornerstone investors who signed legally binding commitment letters with the Company to participate in the placement as announced on 21 April 2022 and subsequently on 10 June 2022, but who subsequently failed to pay the required subscription moneys. The Company advised that it had instigated proceedings in the Supreme Court of Western Australia seeking payment of agreed subscription moneys or damages arising from breach of the commitment letters, plus interest and costs. The Company issued 8,467,742 shares at \$0.062 per share on 16 August 2022 and a further 6,451,613 shares at \$0.062 per share on 19 September 2022 pursuant to settlements reached with certain defaulting cornerstone investors, pursuant to the Company's ASX Listing Rule 7.1 capacity. The Company subsequently discontinued all Supreme Court proceedings against the remaining defaulting cornerstone investors.

In August 2022, the Company issued a total of 7,875,000 fully paid ordinary shares following the exercise of 7,875,000 Unlisted Options exercisable at \$0.04, raising a total of \$315,000.

In December 2022, 200,127 fully paid ordinary shares were issued at \$0.040 each pursuant to the conversion of Unlisted Options, raising \$24,015.

On 2 December 2022, 1,325,806 fully paid ordinary shares at \$0.062 each were issued to Mr Li in lieu of an introduction fee for the Cornerstone investors.

Acquisitions and sales

The Company withdrew from the joint ventures established by the Heads of Agreement dated on or around the 27 November 2017 (as varied) now between SR (Sale Entity) Pty and East Pilbara Conglomerates Pty Ltd, as subsidiaries of MinRex, and each of Kingmaker Metals Pty Ltd and SR (Retention Entity) Pty Ltd, as subsidiaries of Sorrento Resources Pty Ltd, of its entire interest (70%) in the following tenements: E45/4560, E45/4853, P45/3039 & P45/3040. As a result, an impairment of \$5,056,464 has been charged to the statement of profit and loss during the period.

The joint venture established with respect to the Daltons tenement E45/4681 remains in force between SR (Retention Entity) Pty Ltd and SR (SR Entity) Pty Ltd and MinRex does not relinquish any of its interest in E45/4681.

In May 2023 the company gave notice to withdraw from the Farm-in Agreement in place between Sunny Silver Pty Ltd, Sunshine Reclamation Pty Ltd and Sofala Minerals Pty Ltd regarding tenement EL5964, in order to align with current business strategies and objectives.

On 31 May 2023 the Company entered into a Binding terms sheet agreement with HearMeOut Limited to sell 4 tenements, E59/1657 located in the Mid-west, E45/5850, E45/6186 and E46/1381 located in the East Pilbara, for a consideration of 1,250,000 paid ordinary shares at a deemed issue price of \$0.20 per share in the capital of HearMeOut Limited. The acquisition is subject to HearMeOut Limited receiving conditional approval from the ASX to be admitted to the official list of the ASX.

In June 2023, the Company entered into an agreement to sell six of the Company's Eastern Pilbara tenements to ASX Listed Company Tambourah Metals Limited (TBR), which completed in July 2023. The consideration for the sale of the tenements is \$50,000 (plus GST) cash and \$100,000 worth of fully paid ordinary shares in Tambourah Metals Limited. The divestment of the six tenements to Tambourah Metals Limited will have a significant saving for the Company with annual commitments of expenditure, rent and rates of approximately \$350,000. As a result, an impairment of \$3,640,726 has been charged to the statement of profit and loss during the period.

The Company also provided notice of withdrawal from its exclusive option to purchase the Tancred Lithium Project held by Tancred Resources Ltd in the prospective Leinster Pegmatite belt in Southeast Ireland. MinRex completed its technical review of the Project after the recent field reconnaissance conducted in May 2023 and determined to withdraw from the option.

During the year, the Company also withdrew from several tenement applications due to being unsuccessful in ballots.

Subsequent Events

In July 2023, the company received \$5,500 part payment in cash and \$100,000 worth of fully paid ordinary shares in Tambourah Metals Limited (ASX: TBR) for the sale consideration of six of the Company's Eastern Pilbara tenements.

On 15 August 2023 George Karageorge's resignation as Non-Executive Chairman became effective.

On 24 August 2023 the Company announced the appointment of James Pearse as Non-Executive Director.

In September 2023 the Company disposed all of the shares it held in Augustus Minerals Limited (ASX: AUG) for a net gain of \$10,880.

No other matter or circumstance has arisen since the end of the financial year that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in the future financial years.

Significant changes in state of affairs

Other than as noted above, there have been no significant changes in state of affairs since 30 June 2023.

Likely developments and expected results of operations

The Company will continue with its exploration activities, whilst at the same time, will continue to review other corporate opportunities to drive shareholder wealth.

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for the Directors of MinRex Resources Limited in accordance with the requirements of the Corporation Act 2001 and its Regulations. For the purpose of this report, Key Management Personnel ('KMP') of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

The 2022 Remuneration Report was approved and adopted by shareholders at the Company's Annual General Meeting held on 30 November 2022.

Details of Key Management Personnel

Mr Robert Boston	Managing Director and CEO – <i>appointed 16 June 2023</i>
Mr Ian Shackleton	Non-Executive Director – <i>appointed on 6 May 2022</i>
Mr Glenn Whiddon	Non-Executive Director – <i>appointed 22 May 2023</i>
Mr Aleksander Krstic	Non-Executive Director – <i>appointed 8 February 2023, resigned 23 May 2023</i>
Mr George Karageorge	Managing Director and CEO – <i>then</i> Non-Executive Director – <i>appointed 16 June 2023, resigned 15 August 2023</i>
Mr Pedro Kastellorizos	Non-Executive Director – <i>resigned 8 February 2023</i>
Mr James Bahen	Non-Executive Director – <i>resigned 2 September 2022</i>
Mr James Pearse	Non-Executive Director – <i>resigned 5 August 2022</i>

Remuneration Policy

The Board is responsible for determining and reviewing remuneration compensation arrangements for the executive and non-executive Directors. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions and individual's experience and qualifications with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and executive team. The Company does not directly link the nature and amount of the emoluments of such officers to the Group's financial or operational performance. The expected outcome of the remuneration policy is to attract and retain the best executives and directors to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The rewards for Directors' have no set or pre-determined performance conditions or key performance indicators as part of their remuneration due to the current nature of the business operations. The Board determines appropriate levels of performance rewards as and when they consider rewards are warranted.

The table below shows the performance of the Company as measured by loss per share in the last five years:

	30 June 2023	30 June 2022	30 June 2021	30 June 2020	30 June 2019
Loss per share during the year (cents)	(1.60)	(0.38)	(0.27)	(0.75)	(0.94)
Share price per share as at year end	\$0.016	\$0.031	\$0.019	\$0.013	\$0.013

Details of the nature and amount of each element of the emolument of each Director of the Company for the financial year are as follows:

2023		Short-term benefits					
Director	Directors/ CEO Fees	Consulting Fees/ Exploration Manager fees	Share- based Payments – Options	Share-based Payments – Performance Rights	Post- employment benefits	% of Share- based payments	Total
G Karageorge ¹	364,665	48,660	214,000	95,774	-	13.24%	723,099
J Bahen ²	7,000	2,610	-	27,476	-	74.09%	37,086
J Pearse ³	3,500	-	-	27,476	-	88.70%	30,976
P Kastellorizos ⁴	55,317	56,160	-	26,996	-	19.50%	138,473
I Shackleton	38,182	240,055	-	21,268	26,176	6.53%	325,681
A Krstic ⁵	12,115	8,750	-	-	-	0.00%	20,865
G Whiddon ⁶	3,968	-	-	-	-	0.00%	3,968
R Boston ⁷	12,329	-	-	1,532	-	11.05%	13,861
Total	497,076	356,235	214,000	200,523	26,176		1,294,010

¹Mr Karageorge transitioned to the position of Non-Executive Chairman on 16 June 2023 and remained on the board until 15 August 2023, when he resigned.

² Mr Bahen was appointed as a Non-Executive Director on 8 April 2020. He resigned on 2 September 2022.

³ Mr Pearse was appointed as a Non-Executive Director on 30 June 2020. He resigned on 8 February 2023.

⁴ Mr Kastellorizos was appointed as a Non-Executive Director on 16 March 2022. He resigned on 5 August 2022.

⁵ Mr Krstic was appointed as Non-Executive Director on 8 February 2023. He resigned on 23 May 2023.

⁶ Mr Whiddon was appointed as a Non-Executive Director on 22 May 2023.

⁷ Mr Boston was appointed as Managing Director and CEO on 16 June 2023.

2022		Short-term benefits					
Director	Directors/ CEO Fees	Consulting Fees/ Exploration Manager fees	Share- based Payments – Options	Share-based Payments – Performance Right	Post- employment benefits	% of Share- based payments	Total
G Karageorge ¹	119,522	117,737	-	107,950	-	31.27%	345,209
J Bahen	31,274	-	-	114,179	-	78.50%	145,453
J Pearse	31,274	36,900	-	114,179	-	62.61%	182,353
P Kastellorizos ²	189,808	33,715	-	88,131	-	28.18%	311,654
I Shackleton ³	5,785	37,879	-	-	4,366	0.00%	48,030
G Whiddon ⁴	16,875	-	-	104,092	-	86.05%	120,967
Total	394,538	226,231	-	528,531	4,366		1,153,666

¹ Mr Karageorge was appointed as a Non-Executive Director on 18 December 2020. He transitioned into the role of Managing Director and CEO on 16 March 2022.

² Mr Kastellorizos was appointed as a Non-Executive Director on 16 March 2022. Prior to this date he served as CEO of the Company.

³ Mr Shackleton was appointed as a Non-Executive Director on 6 May 2022.

⁴ Mr Whiddon resigned as a Non-Executive Director on 14 February 2022.

There were no other Executive officers of the Company during the financial year ended 30 June 2023. Given the nature of the Company's present activity, no remuneration is performance related other than those relating to share-based payments.

There were no cash bonuses, non-monetary bonuses, post-employment benefits, long term benefits other than superannuation made during this year or previous years to KMPs, other than performance rights issued during the year.

Directors' fees

The Company's Constitution provides that the remuneration of Non-Executive Directors will not be more than the aggregate fixed sum determined by a general meeting. Before a determination is made by the Company in a general meeting, the aggregate sum of fees payable by the Company to the Non-Executive Directors is a maximum of \$350,000 per annum, which was adopted by shareholders at a General Meeting held on 11 March 2020. This amount of the aggregate fixed sum may only be increased with the approval of Shareholders at a general meeting. Summary details of remuneration of the Non-Executive Directors are provided in the table above. The remuneration is not dependant on the satisfaction of performance conditions.

Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors. A Director may also be paid additional amounts as fees or as the Directors determine where a Director performs extra services or makes any special exertions, which in the option of the Directors are outside the scope of the ordinary duties of a Director.

Key terms of employment contracts

The key terms of appointment of Mr Robert Boston are formalised in a services agreement (dated 16 May 2023) and are as follows:

- Term of agreement - commencing 16 June 2023, continuing 2 years or until terminated in accordance with the terms of a formal executive services agreement to be agreed to
- A fee of \$300,000 p.a. (excluding GST, inclusive of superannuation).
- A 4WD vehicle allowance of \$30,000 p.a.
- An anniversary cash bonus of up to \$50,000 at Board's discretion
- 15,000,000 equity incentives

The key terms of appointment of Mr Ian Shackleton are formalised in a services agreement (dated 17 April 2022). Major provisions of the agreement are set out below:

- Term of agreement - commencing 6 May 2022, subject to retirement by rotation under the Company's constitution.
- A fee of \$42,000 p.a. plus GST (if applicable)

Mr Glenn Whiddon was appointed non-executive director on 24 August 2023. At the date of this report, the service agreement for the reappointment is yet to be formalised.

Mr James Pearse was appointed non-executive director on 22 May 2023. At the date of this report, the service agreement for the reappointment is yet to be formalised.

Previously, Mr Pearse held the position of non-executive director until 5 August 2022.

The key terms of appointment of Mr James Pearse were formalised in a services agreement (dated 1 July 2020) and were as follows:

- Term of agreement - commencing 1 July 2020, subject to retirement by rotation under the Company's constitution.
- A fee of \$42,000 p.a. (excluding GST).

The key terms of appointment of Mr George Karageorge as former Managing director and CEO are formalised in a services agreement (dated 15 February 2022) and are as follows:

- Term of agreement - commencing 16 March 2022, continuing 2 years or until terminated in accordance with the terms of a formal executive services agreement to be agreed to.
- A fee of \$320,000 p.a. (inclusive of superannuation).
- A 4WD vehicle allowance of \$30,000 p.a.
- An anniversary cash bonus of up to \$50,000 at Board's discretion
- 12,000,000 equity incentives performance rights
- 10,000,000 equity incentives options

Mr Karageorge assumed the role of non-executive chairman between 16 June 2023 and 15 August 2023. No service agreement was formalised for this appointment.

The key terms of appointment of Mr Pedro Kastellorizos are formalised in an employment agreement dated 15 February 2022. Major provisions of the agreement are set out below:

- Term of agreement - commencing 16 March 2022, subject to retirement by rotation under the Company's constitution.
- A fee of \$42,000 p.a. (plus GST).

The key terms of appointment of Mr James Bahen are formalised in a Non-Executive Director services agreement (dated 30 June 2020 and varied on 29 July 2020) and are as follows:

- Term of agreement - commencing 8 April 2020, subject to retirement by rotation under the Company's constitution.
- A fee of \$24,000 p.a. (exclusive of GST).

The key terms of appointment of Mr Aleksander Krstic are formalised in a services agreement (dated 8 February 2023) and are as follows:

- Term of agreement - commencing 8 February 2023, subject to retirement by rotation under the Company's constitution.
- A fee of \$42,000 p.a. (plus GST).

Consulting fees

During 2023 financial year as the Company's Board structure expanded, the Board of Directors resolved to cap any consulting fees at \$1,250 per day (exclusive of GST) based on a \$250 per hour rate (exclusive of GST).

Share-based payments – Performance Rights

During the current financial year and as approved by shareholders at the 2022 annual general meeting, a total of 22,500,000 Performance Rights were issued as part of equity-based remuneration packages to the Directors, CEO and company secretary. The total fair value of these Performance Rights is \$816,600 and they will vest over the period of five years from grant date. Ref. Note 15.

15,000,000 performance rights were granted to Managing director/CEO, per the employment agreement dated 16 May 2023, and subject to shareholder approval at the next annual general meeting. Ref. Note 15.

Share-based payments – Options

During the current financial year and as approved by shareholders at the 2022 annual general meeting, a total of 10,000,000 unlisted options with a three-year-life and exercisable at \$0.10 were issued as part of an equity-based remuneration package to the CEO. The total fair value of these options is \$214,000. Ref. Note 15.

10,000,000 unlisted options with a two-year-life and exercisable at \$0.10 were issued to the Lead Manager. The total fair value of these Options is \$165,000. Ref. Note 15.

Director's interests held in MinRex Resources Limited Shares

2023	Balance at 1 July 2022	Granted as compensation	Received on exercise of options	Net other change	Number held on resignation	Balance at 30 June 2023
G Karageorge	12,028,299	-	-	5,900,000	-	17,928,299
R Boston	-	-	-	-	-	-
I Shackleton	300,000	-	-	1,000,000	-	1,300,000
G Whiddon	-	-	-	-	-	-
A Krstic ¹	-	-	-	3,500,000	3,500,000	-
P Kastellorizos ²	3,000,000	-	-	-	3,000,000	-
J Pearse ³	7,383,855	-	-	-	7,383,855	-
J Bahen ⁴	17,500,000	-	-	-	17,500,000	-

¹ Mr Krstic was appointed 8 February 2023. Resigned on 3 May 2023. "Net other change" represents balance on appointment.

² Mr Kastellorizos Resigned 8 February 2023.

³ Mr Pearse Resigned 5 August 2022.

⁴ Mr Bahen Resigned 2 September 2022.

Director's interests held in MinRex Resources Limited Options

2023	Balance at 1 July 2022	Exercised	Net other change	Balance on resignation	Balance at 30 June 2023	Balance vested at 30 June 2023	Vested and exercisable
G Karageorge	875,000	-	10,000,000	-	10,875,000	10,875,000	10,875,000
R Boston	-	-	-	-	-	-	-
I Shackleton	-	-	-	-	-	-	-
G Whiddon ¹	-	-	2,980,420	-	2,980,420	2,980,420	2,980,420
A Krstic	-	-	-	-	-	-	-
P Kastellorizos ²	1,000,000	-	-	1,000,000	-	-	-
J Pearse ³	416,667	-	-	416,667	-	-	-
J Bahen ⁴	3,125,000	-	-	3,125,000	-	-	-

¹ Mr Whiddon was appointed as Non-Executive Director on 22 May 2023. "Net other change" represents his holding on appointment date.

² Mr Kastellorizos Resigned 8 February 2023.

³ Mr Pearse Resigned 5 August 2022.

⁴ Mr Bahen Resigned 2 September 2022.

Director's interests held in MinRex Resources Limited Performance Rights

2023	Balance at 1 July 2022	Net other change	Balance on resignation	Balance at 30 June 2023
G Karageorge	4,000,000	14,000,000	-	18,000,000
R Boston	-	15,000,000 ⁴	-	15,000,000 ⁴
I Shackleton	-	5,000,000	-	5,000,000
G Whiddon	-	-	-	-
A Krstic	-	-	-	-
P Kastellorizos ¹	4,000,000	2,000,000	6,000,000	-
J Pearse ²	3,000,000	-	3,000,000	-
J Bahen ³	3,000,000	-	3,000,000	-

¹ Mr Kastellorizos Resigned 8 February 2023.

² Mr Pearse Resigned 5 August 2022.

³ Mr Bahen Resigned 2 September 2022.

⁴ Subject to shareholder approval at the next annual general meeting. Also refer note 15.1

Other transactions with Key Management Personnel

There were no other transactions with Key Management Personnel, other than the consulting fees paid during the year to the Directors of the Company to pursue and review other corporate activities, as disclosed in the Remuneration Short-Term Benefits table in the Remuneration Report.

This is the end of the remuneration report.

This directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the directors



Robert Boston
Managing Director & CEO
Perth, 28 September 2023

Consolidated Statement of Profit or Loss and Other Comprehensive Income**For the year ended 30 June 2023**

	Notes	30-Jun-23 \$	30-Jun-22 \$
Revenue from ordinary activities			
Interest income		335,635	4,475
Profit (Loss) on sale of fixed assets		12,910	-
Other income		-	12,325
		<u>348,545</u>	<u>16,800</u>
Expenditure			
Depreciation and amortisation		(113,363)	(66,816)
Corporate expenses		(1,027,753)	(918,754)
Exploration and evaluation expenditure write-off	9	(2,492,500)	(804,203)
Management and administration expenses	5	(396,279)	(277,676)
Marketing and promotional expenses		(123,351)	(118,440)
Share-based payment expense	15	(420,823)	(528,531)
Impairment of assets	9	(13,184,181)	(70,036)
Foreign currency gain/(Loss)		(1,119)	-
Fair value Gain/(loss) on financial assets	12	111,346	-
Gain/(loss) on right-of-use asset	10	-	21,630
Reversal/(Impairment losses) on right-of-use asset	10	-	25,490
Total expenditure		<u>(17,299,478)</u>	<u>(2,737,336)</u>
Finance costs	10	(5,941)	(2,518)
Loss from ordinary activities before income tax expense		(17,305,419)	(2,723,054)
Income tax expense	6	-	-
Net loss attributable to the members of MinRex Resources Limited		(17,305,419)	(2,723,054)
Other comprehensive income			
Other comprehensive income		-	-
Income tax relating to items of other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		(17,305,419)	(2,723,054)
Basic loss per share attributable to the ordinary equity holders of the Company (cents)			
	18	(1.60)	(0.38)
Diluted loss per share attributable to the ordinary equity holders of the Company (cents)			
	18	(1.60)	(0.38)

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

		30-Jun-23	30-Jun-22
		\$	\$
Current Assets	Notes		
Cash and cash equivalents	7(a)	11,686,964	14,186,746
Other receivables	8	64,141	247,308
Prepayments		130,658	19,385
Total Current Assets		<u>11,881,763</u>	<u>14,453,439</u>
Non-Current Assets			
Exploration, evaluation and development expenditure	9	6,692,373	19,807,840
Other financial assets	12	266,000	-
Right-of-use asset	10	95,900	128,781
Plant and equipment	11	98,189	209,111
Total Non-Current Assets		<u>7,152,462</u>	<u>20,145,732</u>
Total Assets		<u>19,034,225</u>	<u>34,599,171</u>
Current Liabilities			
Trade and other payables	13	408,289	341,390
Provisions		19,072	4,370
Lease liabilities	10	33,298	24,685
Total Current Liabilities		<u>460,659</u>	<u>370,445</u>
Non-Current Liabilities			
Lease liabilities	10	71,729	105,027
Total Liabilities		<u>532,388</u>	<u>475,472</u>
Net Assets		<u>18,501,837</u>	<u>34,123,699</u>
Equity			
Contributed equity	14	42,614,223	41,516,489
Share-based payment reserve	15	638,578	52,755
Accumulated losses		(24,750,964)	(7,445,545)
Total Equity		<u>18,501,837</u>	<u>34,123,699</u>

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

	Contributed equity (Note 14)	Share-based payment reserve (Note 15)	Accumulated losses	Total Equity
30 June 2022				
Balance at 1 July 2021	16,071,499	278,467	(4,722,491)	11,627,475
Net loss for the year	-	-	(2,723,054)	(2,723,054)
Comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(2,723,054)	(2,723,054)
Transaction with owners recorded directly in equity				
Consideration for acquisition of exploration assets	10,226,058	-	-	10,226,058
Shares issued pursuant to placements	12,850,000	-	-	12,850,000
Shares issued pursuant to exercise of options	2,236,439	-	-	2,236,439
Shares issued in lieu of Director and Consultancy fees	117,200	-	-	117,200
Share issue costs	(738,950)	-	-	(738,950)
Share-based payments	754,243	(225,712)	-	528,531
Balance at 30 June 2022	41,516,489	52,755	(7,445,545)	34,123,699
30 June 2023				
Balance at 1 July 2022	41,516,489	52,755	(7,445,545)	34,123,699
Net loss for the year	-	-	(17,305,419)	(17,305,419)
Comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(17,305,419)	(17,305,419)
Transaction with owners recorded directly in equity				
Issue of shares	1,346,215	-	-	1,346,215
Share issue costs	(248,481)	-	-	(248,481)
Share-based payments	-	585,823	-	585,823
Balance at 30 June 2023	42,614,223	638,578	(24,750,963)	18,501,837

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**

	Notes	30-Jun-23 \$	30-Jun-22 \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,639,120)	(861,090)
Payments for exploration, evaluation and development expenditure	9	(2,235,985)	(1,494,165)
Interest received		335,635	4,475
Net cash used in operating activities	7(b)	<u>(3,539,470)</u>	<u>(2,350,780)</u>
Cash flows from investing activities			
Payments for exploration assets		(37,461)	(60,000)
Payments for plant and equipment	11	(113,741)	(235,764)
Proceeds from sale of plant and equipment		113,500	63,636
Proceeds from sale of financial investments		95,250	-
Payment for financials investments		(250,000)	-
Net cash used in investing activities		<u>(192,452)</u>	<u>(232,128)</u>
Cash flows from financing activities			
Proceeds from issue of ordinary shares		1,264,015	12,850,000
Proceeds from options exercised		-	2,236,439
Payment for share issue costs		(1,250)	(738,950)
Repayment of lease liabilities	7(c)	(30,625)	(27,859)
Net cash from financing activities		<u>1,232,140</u>	<u>14,319,630</u>
Net increase/(decrease) in cash and cash equivalents		(2,499,782)	11,736,722
Cash and cash equivalents at beginning of the year		14,186,746	2,450,024
Cash and cash equivalents at end of the year	7(a)	<u>11,686,964</u>	<u>14,186,746</u>

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

1. Corporate Information

MinRex Resources Limited and its controlled entities (“the Company” or “the Group”) is a for-profit company domiciled in Australia and publicly listed on the Australian Securities Exchange (“ASX”). The nature of the operations and the principal activities of the Company are described in the Directors’ Report. The financial report for the year ended 30 June 2023 was 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 also been prepared on a historical cost basis. The financial report is presented in Australian dollar.

(b) Compliance with International Financial Reporting Standards (“IFRS”)

The financial report also complies with IFRS as issued by the International Accounting Standards Board.

(c) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent, MinRex Resources Limited, and all of its wholly-owned subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the wholly-owned subsidiaries is provided in note 24.

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

(d) Going concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business. The Company has incurred a net loss of \$17,305,419 during the year ended 30 June 2023 (net loss 2022: \$2,723,054), and experienced net cash outflows from operating activities of \$3,539,470 (2022: \$2,350,780). At the date of this report, the Directors are satisfied there are reasonable grounds to believe that, having regard to the Group’s financial position and the Directors’ belief that the Company will be able to meet its obligations as and when they fall due.

The financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of recorded assets or liabilities that might be necessary should the Company not be able to continue as a going concern.

2. Summary of Significant Accounting Policies (cont'd)

(e) New, revised or amending Accounting Standards and Interpretations adopted

During the year ended 30 June 2023, the Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(f) Revenue recognition

Interest income

Interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Other income

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

(g) Income tax

The income tax expense (revenue) comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity. Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated 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 enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

2. Summary of Significant Accounting Policies (cont'd)

(g) Income Tax (cont'd)

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled, and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

(i) Trade and other receivables

Amounts receivable from third parties are carried at amortised cost. The recoverability of the debts is assessed at balance date and specific allowance is made for any doubtful accounts. The simplified expected credit loss model has been used.

(j) Mining tenements and mineral exploration and evaluation expenditure

Exploration and evaluation costs are written off in the year they are incurred. Acquisition costs are capitalised and carried forward where right to tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs are written off to the extent that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

2. Summary of Significant Accounting Policies (cont'd)

(k) Plant and equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation and amortisation

The depreciable amount of all fixed assets including buildings is calculated using the straight-line method, over their estimated useful lives to the economic entity commencing from the time the asset is held ready for use.

The straight-line depreciation and amortisation rates used for each class of assets are as follows:

- ◆ Plant and equipment 20%
- ◆ Motor vehicle 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the Consolidated Statement of Comprehensive Income.

(l) Right-of-use assets

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

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

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

(m) Impairment of assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed in profit and loss.

2. Summary of Significant Accounting Policies (cont'd)

(m) Impairment of assets (cont'd)

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(n) Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 – 45 days of recognition.

(o) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

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

(p) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

(q) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expected liabilities.

(r) Contributed equity

Ordinary shares are classified as equity. Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit.

(s) Goods and services tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Consolidated Statement of Financial Position are shown inclusive of GST.

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

2. Summary of Significant Accounting Policies (cont'd)

(t) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the financial instrument.

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

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

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

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

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

a) Financial assets at amortised cost

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

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

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

b) Financial assets at fair value through other comprehensive income

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

2. Summary of Significant Accounting Policies (cont'd)

(t) Financial instruments (cont'd)

c) Financial assets at fair value through profit or loss

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

d) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

e) Impairment

The Group entity assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group entity applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(u) 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 MinRex Resources Limited.

(v) Earnings per share ("EPS")

Basic EPS is calculated by dividing the net profit/(loss) attributable to members of the Company for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

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

(w) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 23.

2. Summary of Significant Accounting Policies (cont'd)

(x) New accounting standards for application in future periods

Australian Accounting Standards and Interpretations that have recently been issued or amended 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.

3. Significant accounting estimates, judgments and assumptions

The preparation of financial statements requires management to make judgments and estimates relating to the carrying amounts of certain assets and liabilities. Actual results may differ from the estimates made. Estimates and assumptions are reviewed on an ongoing basis.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next accounting period are:

Impairment of exploration and evaluation assets and investments in and loans to subsidiaries

The ultimate recoupment of the value of exploration and evaluation assets, the Company's investment in subsidiaries, and loans to subsidiaries is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation asset.

A review of impairment indicators is carried out on a regular basis. There is significant estimation and judgement in assessing impairment indicators.

The key areas of judgement and estimation include:

- Recent exploration and evaluation results and resource estimates;
- Environmental issues that may impact on the underlying tenements;
- Fundamental economic factors that have an impact on the planned operations and carrying values of assets and liabilities.

Share-based payment transactions

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model, or the up-and-in trinomial option pricing model, taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 15 for further information.

4. Segment information

For management purposes, the Company is organised into one main operating segment, which involves exploration for gold and other minerals. All of the Company's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Makers) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the consolidated financial statements of the Company as a whole. Total revenue earned by the Company is generated in Australia and all the Company's non-current assets reside in Australia.

MinRex Resources Limited
Notes to the financial statements for the year ended 30 June 2023

5. Management and administration expenses	30-Jun-23	30-Jun-22
	\$	\$
Audit and compliance costs	68,743	52,825
Legal and professional support	128,708	81,891
General office expenses	197,975	142,564
Bank charges	853	396
	396,279	277,676

6. Income tax	30-Jun-23	30-Jun-22
	\$	\$
(a) Income tax expense		
Current tax	-	-
Deferred tax	-	-
	-	-

(b) Numerical reconciliation between aggregate tax expense recognised in the Consolidated Statement of Profit or Loss and tax expense calculated per the statutory income tax rate

A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Group's applicable tax rate is as follows:

	30-Jun-23	30-Jun-22
	\$	\$
Loss before income tax expense	(17,305,419)	(2,723,054)
Tax at the company rate of 25% (2022: 25%)	(4,326,355)	(680,763)
Effect of expenses that are not deductible in determining taxable loss	1,034,895	(144,054)
Tax losses and temporary differences not recognised	3,291,460	824,817
Income tax expense	-	-
Prior year tax losses not previously brought to account	3,133,439	2,308,522
Unused tax losses for which no deferred tax assets have been recognised, at 25.0% (2022: 25.0%)	6,424,899	3,133,439

This benefit from tax losses totalling \$6,424,899 (2022: \$3,133,439) will only be obtained if the specific entity carrying forward the tax losses derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised, and the Company complies with the conditions for deductibility imposed by tax legislation.

The aggregate deferred tax asset has not been carried forward as an asset in the Consolidated Statement of Financial Position as realisation of the benefit is not regarded as probable and will only be obtained if:

- (a) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the exploration expenditure and tax losses to be realised;
- (b) the Company continues to comply with the conditions for deductibility imposed by the law; and
- (c) no changes in tax legislation adversely affect the Company in realising the benefit from the tax losses.

7. Cash and cash equivalents (cont'd)

(c) Changes in liabilities arising from financing activities

	Lease liability	Total
	\$	\$
Balance at 1 July 2022	129,712	129,712
Net cash from/(used) in financing activities	(30,625)	(30,626)
Interest expense	5,940	5,940
Balance at 30 June 2023	105,027	105,026

There was no non-cash financing or investing activities during the financial year.

8. Other receivables	30-Jun-23	30-Jun-22
	\$	\$
GST refundable	44,141	227,308
Other receivables	20,000	20,000
	64,141	247,308

The carrying amount of these receivables approximates their fair value and are not considered to be impaired.

9. Exploration, evaluation and development expenditure	30-Jun-23	30-Jun-22
	\$	\$
(a) Area of interest		
East Pilbara Gold Project – Western Australia	599,536	5,656,000
East Lachlan Fold Belt – New South Wales	3,771,857	4,304,357
White Springs Project – Western Australia	-	37,500
Abeh Tenements – Western Australia	1,074,861	2,888,200
Odette Five Pty Ltd – Western Australia	1,246,119	6,921,783
Carrying amount at the end of the year	6,692,373	19,807,840

	30-Jun-23	30-Jun-22
	\$	\$
(b) Reconciliation		
Carrying amount at beginning of the year	19,807,840	9,437,857
Exploration and evaluation assets acquired ¹	48,714	10,369,983
Exploration expenditure incurred during the year	2,492,500	804,203
Less Exploration expenditure written off	(2,492,500)	(804,203)
Less impairment of exploration and evaluation expenditure ²	(13,164,181)	-
Carrying amount at end of the year	6,692,373	19,807,840

9. Exploration, evaluation and development expenditure (cont'd)

¹ - During the period, the company paid for the related stamp duties on the acquisitions made during the 2022 financial year.

- The company also paid \$20,000 for the exclusive option to purchase the Tancred Lithium Project held by Tancred Resources Ltd (Tancred) in the prospective Leinster Pegmatite belt in Southeast Ireland.

² - The Company withdrew from the joint ventures established in 2017 of its entire interest (70%) in tenements E45/4560, E45/4853, P45/3039 and P45/3040. An impairment of \$5,056,464 has been charged to the statement of profit and loss during the period.

- The company withdrew from the Farm-in Agreement with Sunny Silver Pty Ltd and Sunshine Reclamation Pty Ltd on tenement EL5964. An impairment of \$532,500 has been charged to the statement of profit and loss during the period.

- During the year, the Company also withdrew from several applications on tenements for being unsuccessful in the application ballot. An impairment of \$985,396 has been charged to the statement of profit and loss during the period.

- In May 2023 the Company entered into a Binding terms sheet agreement with HearMeOut Limited to sell tenements E59/1657, E45/5850, E45/6186 and E46/1381. An impairment of \$3,104,095 has been charged to the statement of profit and loss during the period. The acquisition is subject to HearMeOut Limited receiving conditional approval from the ASX to be admitted to the official list of the ASX.

- In June 2023, the Company entered into an agreement to sell six of the Company's Eastern Pilbara tenements to ASX Listed Company Tambourah Metals Limited (TBR), which completed in July 2023. An impairment of \$3,485,726 has been charged to the statement of profit and loss during the period.

10. Leases

The Group has lease contract for its corporate office, which has a three-year lease term. The Group's obligations under its lease are secured by the lessor's title to the leased assets.

Set out below is the carrying amount of right-of-use asset recognised and the movements during the year:

	30-Jun-23	30-Jun-22
Right-of-use asset	\$	\$
Carrying amount at beginning of the year	128,781	72,943
Additions	-	134,261
Depreciation for the year	(32,881)	(43,642)
Impairment upon termination of lease	-	(34,781)
Carrying amount at end of the year	95,900	128,781
	\$	\$
Lease liabilities		
Carrying amount at beginning of the year	129,712	102,693
Additions	-	134,261
Repayments	(24,685)	(25,341)
(Gain)/loss on termination of lease	-	(21,630)
Termination of lease	-	(60,271)
Carrying amount at end of the year	105,027	129,712

10. Leases (cont'd)

	30-Jun-23	30-Jun-22
	<u>\$</u>	<u>\$</u>
Lease liability – current	33,298	24,685
Lease liability – non-current	71,729	105,027
Depreciation expense for right-of-use asset	32,880	43,642
Impairment losses on right-of-use asset	-	34,781
Interest expense on lease liabilities	5,941	2,518
Total amount recognised in statement of profit or loss	<u>38,821</u>	<u>80,941</u>

11. Plant & Equipment

	<u>30-Jun-23</u>	<u>30-Jun-22</u>
Office equipment and furniture		
Carrying amount at the beginning of the year	-	1,356
Additions during the financial year	13,535	-
Depreciation for the year	(3,457)	(1,356)
Carrying amount at the end of the year	<u>10,078</u>	<u>-</u>
Cost	51,204	43,744
Accumulated depreciation	(41,126)	(43,744)
Carrying amount	<u>10,078</u>	<u>-</u>
Motor Vehicle		
Carrying amount at the beginning of the year	209,112	48,166.24
Additions during the financial year	34,726	235,764
Disposal	(90,273)	(53,000)
Depreciation for the year	(71,033)	(21,818)
Carrying amount at the end of the year	<u>82,532</u>	<u>209,112</u>
Cost	155,259	240,027
Accumulated depreciation	(72,727)	(30,916)
Carrying amount	<u>82,533</u>	<u>209,111</u>
Computer		
Carrying amount at the beginning of the year	-	-
Additions during the financial year	7,767	-
Disposal	-	-
Depreciation for the year	(5,132)	-
Carrying amount at the end of the year	<u>2,635</u>	<u>-</u>
Cost	8,325	-
Accumulated depreciation	(5,690)	-
Carrying amount	<u>2,635</u>	<u>-</u>

11. Plant & Equipment(cont'd)

Geological Equipment

Carrying amount at the beginning of the year	-	-
Additions during the financial year	3,805	-
Disposal	-	-
Depreciation for the year	(861)	-
Carrying amount at the end of the year	2,943	-

Cost	4,122	-
Accumulated depreciation	(1,178)	-
Carrying amount	2,943	-

Total plant and equipment

Carrying amount at the beginning of the year	209,112	49,522
Additions	59,832	235,764
Disposal	(90,272)	(53,000)
Depreciation	(80,483)	(23,174)
Carrying amount at the end of the year	98,189	209,112

Cost	253,331	283,772
Accumulated depreciation	(155,143)	(74,660)
Carrying amount at the end of the year	98,189	209,112

12. Other financial assets

	30-Jun-23	30-Jun-22
	\$	\$
Investment in Listed Company - Augustus Shares ⁽ⁱ⁾	266,000	-
Closing balance	266,000	-

(i) On 5 May 2023, the Company acquired 1,250,000 shares at \$0.20 per share in Augustus Minerals Limited (ASX: AUG) through IPO. Total consideration for the acquisition was \$250,000. The Company subsequently sold 300,000 shares in June 2023.

The directors of the Company have designated these investments as fair value through Profit or Loss (FVTPL).

Reconciliation of fair value measurement

	30-Jun-23	30-Jun-22
	\$	\$
Opening balance	-	-
Acquisition of shares	250,000	-
Sale of shares	(95,346)	-
Fair value gain at balance date	111,346	-
Closing balance	266,000	-

MinRex Resources Limited
Notes to the financial statements for the year ended 30 June 2023

13. Trade and other payables	30-Jun-23	30-Jun-22
	\$	\$
Trade payables	373,108	325,646
Accruals	35,181	15,744
	408,289	341,390

Trade creditors are expected to be paid on 30-day terms.

14. Contributed equity	30-Jun-23	30-Jun-23	30-Jun-22	30-Jun-22
	No.	\$	No.	\$
Ordinary Shares				
Fully paid ordinary shares	1,084,867,503	42,614,223	1,060,146,961	41,516,489
	1,084,867,503	42,614,223	1,060,146,961	41,516,489

Movements in ordinary shares on issue:	30-Jun-23	30-Jun-23	30-Jun-22	30-Jun-22
	No.	\$	No.	\$
At beginning of the year	1,060,146,961	41,516,489	551,137,055	16,071,499
Shares issued - Placement ¹	14,919,355	925,000	252,620,968	12,850,000
Shares issued - Options Exercised ²	8,475,381	339,015	55,410,981	2,236,439
Shares issued - conversion of performance rights ³			23,000,000	754,243
Shares issued in lieu of Director and Consultancy fees ³	1,325,806	82,200	4,432,987	117,200
Consideration for acquisition of exploration assets			173,544,970	10,226,058
Share issue costs		(248,481)		(738,950)
At end of the year	1,084,867,503	42,614,223	1,060,146,961	41,516,489

¹ Issue of fully paid ordinary shares at \$0.062 each on 16 August 2022 pursuant to a placement to Cornerstone investors.

² Issue of fully paid ordinary shares at \$0.040 each pursuant to the conversion of Unlisted Options.

³ Issue of fully paid ordinary Introducer shares at \$0.062 each on 02 December 2022 to Mr Li. in lieu of Introduction fee for Cornerstone investors.

Terms and conditions of contributed equity

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. The fully paid ordinary shares have no par value.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

14. Contributed equity (cont'd)

Capital risk management

The Group's and the Parent's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain optimal capital structure to reduce the costs of capital.

In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets. During 2023 financial year, the Group's strategy, which was unchanged from 2022 financial year, was to not maintain borrowings outside of trade and other payables.

15. Share-based payments reserve

The share-based payments reserve records items recognised as expenses on valuation of options and performance rights.

	30-Jun-23	30-Jun-22
	\$	\$
At beginning of the year	52,755	278,467
Share-based payments vesting expense ¹	206,823	528,531
Conversion of performance rights	-	(754,243)
Incentive options issued ²	214,000	-
Lead Manager options issued ³	165,000	-
At end of the year	638,578	52,755

¹ Issue of 1,000,000 incentive performance rights issued on 13 May 2021 as part of the CEO equity-based remuneration package. Issue of 13,000,000 incentive performance rights on 25 February 2022 to directors, following approval at the General Meeting held on 16 February 2022. Issue of 22,500,000 incentive performance rights 2 December 2022 to directors and company secretary, following approval at the Annual General Meeting held on 30 November 2022. Grant of 15,000,000 incentive performance rights to managing director & CEO, as part of the equity-based remuneration package, subject to shareholder approval.

² Issue of 10,000,000 incentive options on 2 December 2022 to Directors, following approval at the 2022 Annual General Meeting.

³ Issue of 10,000,000 unlisted options to the Lead Manager with a two-year life and exercisable at \$0.10, on 2 December 2022, in accordance with the lead manager mandate and following approval at the Annual General Meeting. The Lead Manager Options have been valued at \$165,000 (\$0.0165 per option) using the Black-Scholes option pricing model, as the value of the service couldn't be determined.

Refer to Note 15.1 for valuation technique and assumptions.

15.1 Share-based payments

	30-Jun-23	30-Jun-23
	No.	\$
Issue of incentive options to director ⁽ⁱ⁾	10,000,000	214,000
Issue of performance rights to directors and employee ⁽ⁱⁱ⁾	22,500,000	95,270
Issue of performance rights to director ⁽ⁱⁱⁱ⁾	1,000,000	(9,044)
Issue of performance rights to director ^(iv)	13,000,000	119,065
Issue of performance rights to director ^(v)	15,000,000	1,532
Sub-total		420,823
Share based payments expense in the profit and loss		420,823

15.1 Share-based payments (cont'd)

- (i) The company has issued 10,000,000 incentive options on 2 December 2022 to director, following approval at the Annual General Meeting held on 30 November 2022.
- (ii) The company has issued 22,500,000 incentive performance rights on 2 December 2022 to directors and company secretary, following approval at the Annual General Meeting held on 30 November 2022.
- (iii) 1,000,000 incentive performance rights issued on 13 May 2021 as part of the CEO equity-based remuneration package. Directors estimate that the probability of achievement of the milestones is 0%, therefore the value expensed during the 2022 financial year was reversed for (\$9,044) and no additional value as been expensed for the current period.
- (iv) 13,000,000 incentive performance rights issued on 25 February 2022 to directors, following approval at the General Meeting held on 16 February 2022.
- (v) 15,000,000 incentive performance rights granted on 16 May 2023 to managing director & CEO, as part of the equity-based remuneration package, subject to shareholder approval.

Performance rights

The valuation of share-based payment transactions is measured by reference to fair value of the equity instruments at the date at which they are granted. The fair value of the performance rights is determined using the Monte Carlo simulation model, taking into account the terms and conditions upon which the rights were granted.

The following input were used for the valuation of the performance rights issued during the period:

Class	Expiry	Number of instruments	Grant date	Fair value per instrument \$	Value \$
Class CEO c) *	13-May-24	1,000,000	13-May-21	0.024	24,000
Class A **	25-Feb-27	6,500,000	25-Feb-22	0.0466	302,900
Class B ***	25-Feb-27	6,500,000	16-Feb-22	0.0455	295,750
Class C ***	2-Dec-27	4,500,000	30-Nov-22	0.0370	165,150
Class D ***	2-Dec-27	3,750,000	30-Nov-22	0.0364	136,500
(Class E) ***	2-Dec-27	6,000,000	30-Nov-22	0.0367	220,200
(Class F) ***	2-Dec-27	3,000,000	30-Nov-22	0.0358	107,400
(Class G) ***	2-Dec-27	2,250,000	30-Nov-22	0.0356	80,100
(Class H) ***	2-Dec-27	3,000,000	30-Nov-22	0.0353	105,900
(Class I) ****	16-Jun-25	5,000,000	16-Jun-23	0.007	35,000
(Class J) ****	16-Jun-25	5,000,000	16-Jun-23	0.005	25,000
(Class K) ****	16-Jun-25	5,000,000	16-Jun-23	0.004	20,000
Total value at 30 June 2023					1,519,250

* Pursuant to AASB 2 Section 15(b), the Performance Rights presume that the services to be rendered by CEO as consideration for the Rights will be received in the future and will vest over the period of 3 years. Fair value in the amount of \$24,000 represents total Performance Right value. Refer to Note 15 (i) below. Directors estimate that the probability of achievement of the milestones is 0%, therefore the value expensed during the 2022 financial year was reversed for (\$9,044) and no additional value as been expensed for the current period.

15.1 Share-based payments (cont'd)

** Pursuant to AASB 2 Section 15(b), the Performance Rights presume that the services to be rendered by the Directors and the CEO as consideration for the Rights will be received in the future and will vest over the period of 3 years. Fair value in the amount of \$598,650 represents total Performance Right value. Refer to Note 15 (ii) & (iii) below. The expensed value for the current period is \$119,065.

*** Pursuant to AASB 2 Section 15(b), the Performance Rights presume that the services to be rendered by the Directors and the CEO as consideration for the Rights will be received in the future and will vest over the period of 5 years. Fair value in the amount of \$816,600 represents total Performance Right value. Refer to Note 15 (iv) to (ix) below. The expensed value for the current period is \$95,270.

**** Pursuant to AASB 2 Section 15(b), the Performance Rights presume that the services to be rendered by the Managing Director and CEO as consideration for the Rights will be received in the future and will vest over the period of 2 years. Fair value in the amount of \$80,000 represents total Performance Right value. Refer to Note 15 (x) to (xii) below. The expensed value for the current period is \$1,532.

- (i) 1,000,000 Performance Rights issued as part of equity-based remuneration packages of CEO have been calculated using binomial option pricing model with the following inputs:

Performance Rights Granted on 13 May 2021	
Expected volatility (%)	0
Risk free interest rate (%)	0.11
Weighted average expected life of Performance Rights (years)	3
Expected dividends	Nil
Performance Right exercise price (\$)	Nil
Share price at grant date (\$)	0.024
Fair value of Performance Right (\$)	0.0207 - 0.024
Expiry date	13 May 2024
Performance milestone	500,000 PR: completion of a minimum of 10,000m of drilling at the Company's Lachlan Fold Belt Projects Board's estimate of probability of achievement: 0%
Performance milestone	500,000 PR: completion of a minimum of 20,000m of drilling at the Company's Lachlan Fold Belt Projects. Board's estimate of probability of achievement: 0%

- (ii) 6,500,000 Performance Rights Class A issued as part of equity-based remuneration packages of the CEO and Directors have been calculated using binomial option pricing model with the following inputs:

Performance Rights Granted on 25 February 2022	
Expected volatility (%)	100
Risk free interest rate (%)	1.94
Weighted average expected life of Performance Rights (years)	5
Expected dividends	Nil
Performance Right exercise price (\$)	Nil
Share price at grant date (\$)	0.05
Fair value of Performance Right (\$)	0.0466
Expiry date	25 February 2027
Performance milestone	Achievement of 20 consecutive days of trading in which the Company's share price reaches \$0.08

15.1 Share-based payments (cont'd)

- (iii) 6,500,000 Performance Rights Class B issued as part of equity-based remuneration packages of the CEO and Directors have been calculated using binomial option pricing model with the following inputs:

Performance Rights Granted on 25 February 2022	
Expected volatility (%)	100
Risk free interest rate (%)	1.94
Weighted average expected life of Performance Rights (years)	5
Expected dividends	Nil
Performance Right exercise price (\$)	Nil
Share price at grant date (\$)	0.05
Fair value of Performance Right (\$)	0.0455
Expiry date	25 February 2027
Performance milestone	Achievement of 20 consecutive days of trading in which the Company's share price reaches \$0.010

- (iv) 4,500,000 Performance Rights Class C issued as part of equity-based remuneration packages of the CEO and Directors have been calculated using Monte Carlo simulation model with the following inputs:

Performance Rights Granted on 25 February 2022	
Expected volatility (%)	120
Risk free interest rate (%)	3.275
Weighted average expected life of Performance Rights (years)	5
Expected dividends	Nil
Performance Right exercise price (\$)	Nil
Share price at grant date (\$)	0.039
Fair value of Performance Right (\$)	0.037
Expiry date	2-Dec-27
Performance milestone	Achievement of 20 consecutive days of trading in which the Company's share price reaches \$0.010

- (v) 3,750,000 Performance Rights Class D issued as part of equity-based remuneration packages of the CEO and Directors have been calculated using Monte Carlo simulation model with the following inputs:

Performance Rights Granted on 25 February 2022	
Expected volatility (%)	120
Risk free interest rate (%)	3.275
Weighted average expected life of Performance Rights (years)	5
Expected dividends	Nil
Performance Right exercise price (\$)	Nil
Share price at grant date (\$)	0.039
Fair value of Performance Right (\$)	0.0364
Expiry date	2-Dec-27
Performance milestone	Achievement of 20 consecutive days of trading in which the Company's share price reaches \$0.010

15.1 Share-based payments (cont'd)

- (vi) 6,000,000 Performance Rights Class E issued as part of equity-based remuneration packages of the CEO and Directors have been calculated using Monte Carlo simulation model with the following inputs:

Performance Rights Granted on 25 February 2022	
Expected volatility (%)	120
Risk free interest rate (%)	3.275
Weighted average expected life of Performance Rights (years)	5
Expected dividends	Nil
Performance Right exercise price (\$)	Nil
Share price at grant date (\$)	0.039
Fair value of Performance Right (\$)	0.0367
Expiry date	2-Dec-27
Performance milestone	Achievement of 20 consecutive days of trading in which the Company's share price reaches \$0.010

- (vii) 3,000,000 Performance Rights Class F issued as part of equity-based remuneration packages of the CEO and Directors have been calculated using Monte Carlo simulation model with the following inputs:

Performance Rights Granted on 25 February 2022	
Expected volatility (%)	120
Risk free interest rate (%)	3.275
Weighted average expected life of Performance Rights (years)	5
Expected dividends	Nil
Performance Right exercise price (\$)	Nil
Share price at grant date (\$)	0.039
Fair value of Performance Right (\$)	0.0358
Expiry date	2-Dec-27
Performance milestone	Achievement of 20 consecutive days of trading in which the Company's share price reaches \$0.010

- (viii) 2,250,000 Performance Rights Class G issued as part of equity-based remuneration packages of the CEO and Directors have been calculated using Monte Carlo simulation model with the following inputs:

Performance Rights Granted on 25 February 2022	
Expected volatility (%)	120
Risk free interest rate (%)	3.275
Weighted average expected life of Performance Rights (years)	5
Expected dividends	Nil
Performance Right exercise price (\$)	Nil
Share price at grant date (\$)	0.039
Fair value of Performance Right (\$)	0.0356
Expiry date	2-Dec-27
Performance milestone	Achievement of 20 consecutive days of trading in which the Company's share price reaches \$0.010

15.1 Share-based payments (cont'd)

- (ix) 3,000,000 Performance Rights Class H issued as part of equity-based remuneration packages of the CEO and Directors have been calculated using Monte Carlo simulation model with the following inputs:

Performance Rights Granted on 25 February 2022	
Expected volatility (%)	120
Risk free interest rate (%)	3.275
Weighted average expected life of Performance Rights (years)	4.97
Expected dividends	Nil
Performance Right exercise price (\$)	Nil
Share price at grant date (\$)	0.039
Fair value of Performance Right (\$)	0.0353
Expiry date	2-Dec-27
Performance milestone	Achievement of 20 consecutive days of trading in which the Company's share price reaches \$0.010

- (x) 5,000,000 Performance Rights Class I issued as part of equity-based remuneration packages of the CEO and Directors have been calculated using a hybrid up-and-in trinomial option pricing model with a Parisian barrier adjustment, with the following inputs:

Performance Rights Granted on 25 February 2022	
Expected volatility (%)	100
Risk free interest rate (%)	4.16
Weighted average expected life of Performance Rights (years)	2
Expected dividends	Nil
Performance Right exercise price (\$)	Nil
Share price at grant date (\$)	0.0135
Fair value of Performance Right (\$)	0.007
Expiry date	16-Jun-2025
Performance milestone	Achievement of 20 consecutive days of trading in which the Company's share price reaches \$0.05

- (xi) 5,000,000 Performance Rights Class J issued as part of equity-based remuneration packages of the CEO and Directors have been calculated using a hybrid up-and-in trinomial option pricing model with a Parisian barrier adjustment, with the following inputs:

Performance Rights Granted on 25 February 2022	
Expected volatility (%)	100
Risk free interest rate (%)	4.16
Weighted average expected life of Performance Rights (years)	2
Expected dividends	Nil
Performance Right exercise price (\$)	Nil
Share price at grant date (\$)	0.0135
Fair value of Performance Right (\$)	0.005
Expiry date	16-Jun-2025
Performance milestone	Achievement of 20 consecutive days of trading in which the Company's share price reaches \$0.07

15.1 Share-based payments (cont'd)

- (xii) 5,000,000 Performance Rights Class K issued as part of equity-based remuneration packages of the CEO and Directors have been calculated using a hybrid up-and-in trinomial option pricing model with a Parisian barrier adjustment, with the following inputs:

Performance Rights Granted on 25 February 2022	
Expected volatility (%)	100
Risk free interest rate (%)	4.16
Weighted average expected life of Performance Rights (years)	2
Expected dividends	Nil
Performance Right exercise price (\$)	Nil
Share price at grant date (\$)	0.0135
Fair value of Performance Right (\$)	0.004
Expiry date	16-Jun-2025
Performance milestone	Achievement of 20 consecutive days of trading in which the Company's share price reaches \$0.09

Each Performance Right is a right of the holder to acquire one fully paid ordinary share in the capital of the Company subject to the below terms and conditions.

Management evaluates estimates and judgements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data.

Options

The following options arrangements were in existence at the reporting date:

Option series	Number	Grant date	Exercise price	Expiry date	Vesting date
			\$		
MRROPT7	86,895,162 ¹	30 Nov 2022	0.1000	02 Dec 2024	2 Dec 2022
MRRAOPT01	10,000,000	30 Nov 2022	0.1000	02 Dec 2024	2 Dec 2022
MRRIOPTA	5,000,000	30 Nov 2022	0.1000	02 Dec 2025	2 Dec 2022
MRRIOPTB	5,000,000	30 Nov 2022	0.1000	02 Dec 2025	2 Dec 2022

¹ Free attaching options included as part of capital raise.

There has been no alteration of the terms and conditions of the above options arrangements since the grant date.

The fair value of the options is determined using the Black & Scholes option pricing model, taking into account the terms and conditions upon which the rights were granted.

15.1 Share-based payments (cont'd)

The following input were used for the valuation of options issued during the period:

	MRRAOPT01 (i)	MRRIOPTA	MRRIOPTB
Grant date	30 Nov 2022	30 Nov 2022	30 Nov 2022
Spot price	\$0.039	\$0.039	\$0.039
Exercise price	\$0.100	\$0.100	\$0.120
Life of the Options (Years)	2.00	3.00	3.00
Expiry	2 Dec 2024	2 Dec 2025	2 Dec 2025
Volatility %	120%	120%	120%
Risk free rate	3.110%	3.165%	3.165%
Dividend yield	Nil	Nil	Nil
Number of Options	10,000,000	5,000,000	5,000,000
Valuation per Option	\$0.0165	\$0.0220	\$0.0208

- (i) The company has issued 10,000,000 lead manager options on 2 December 2022, in accordance with the lead manager mandate and following approval at the Annual General Meeting held on 30 November 2022.

16. Auditor's remuneration

	30-Jun-23	30-Jun-22
	\$	\$
Amounts received or due and receivable by PKF Perth and BDO Audit (WA) Pty Ltd are as follows:		
Audit Services – PKF Perth & BDO Audit (WA) Pty Ltd	68,743	52,825
Other Services – PKF Perth	2,524	16,350
Other Services – BDO Audit (WA) Pty Ltd	15,889	-
	87,156	69,175

17. Key management personnel disclosures

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

(a) Remuneration of Key Management Personnel

	30-Jun-23	30-Jun-22
	\$	\$
Short-term employment benefits		
Directors' and CEO fees	497,076	394,538
Consulting fees and exploration manager fee	356,235	226,231
Superannuation	26,176	4,366
Share-based payments	414,523	528,531
Total short-term employment benefits	1,294,009	1,153,666

17. Key management personnel disclosures (cont'd)

(b) Related party transactions

In May 2023 the Company entered into a Binding terms sheet agreement with HearMeOut Limited to sell 4 tenements, for a consideration of 1,250,000 paid ordinary shares at a deemed issue price of \$0.20 per share in the capital of HearMeOut Limited, subject to HearMeOut Limited receiving conditional approval from the ASX to be admitted to the official list of the ASX. Company director Glenn Whiddon is a director of HearMeOut Limited.

There are no other related party transactions during the period apart from the payment of Directors' fees, Consulting fees and Exploration Manager fees as disclosed at (a) above. (2022: \$Nil).

(c) Outstanding balances

There were no outstanding amounts payable to Directors of the Company in relation to the transactions with related parties (2022: \$Nil).

18. Loss per share	30-Jun-23	30-Jun 22
Basic loss per share (cents)	(1.60)	(0.38)
Diluted loss per share (cents)	(1.60)	(0.38)
Net (Loss)	(17,305,419)	(2,723,054)
Loss used to calculate earnings per share	(17,305,419)	(2,723,054)
Loss used to calculate diluted earnings per share	(17,305,419)	(2,723,054)
Weighted average number of ordinary shares used in calculating basic loss per share	1,080,493,102	725,358,987
Effect of dilution	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted loss per share	1,080,493,102	725,358,987

19. Financial risk management

Exposure to interest rate, liquidity and credit risk arises in the normal course of the Company's business. The Company does not hold or issue derivative financial instruments.

The Company uses different methods as discussed below to manage risks that arise from these financial instruments. The objective is to support the delivery of the financial targets while protecting future financial security. Risk management is carried out by executive management with guidance from the Audit & Risk Management Committee. Primary responsibility for the identification and management of financial risks rests with the Board.

(a) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash facilities to meet the operating requirements of the business. The responsibility for liquidity risk management rests with the Board of Directors.

19. Financial risk management (cont'd)

(a) Liquidity risk (cont'd)

Maturity analysis for financial liabilities

	Contractual cash flows					
	Carrying Amount	Less than 1 month	1-3 months	3-12 months	1 year to 5 years	Total contractual cash flows
	\$	\$	\$	\$	\$	\$
2023						
Trade and other payables	408,289	408,289	-	-		408,289
Lease Liability	105,027	2,693	5,392	25,212	71,729	105,026
2022						
Trade and other payables	341,390	341,390	-	-	-	341,390
Lease Liability	129,712	1,967	3,923	18,794	105,027	129,711

(b) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments.

The Company's exposure to market risk for changes to interest rate risk relates primarily to its earnings on cash.

Interest rate sensitivity

The following table demonstrates the sensitivity of the Company's Consolidated Statement of Comprehensive Income to a reasonably possible change in variable interest rates, with all other variables constant.

	Effect on post tax earnings increase/(decrease)	Effect on equity including accumulated losses increase/(decrease)	Effect on post tax earnings increase/(decrease)	Effect on equity including accumulated losses increase/(decrease)
	30-Jun-23	30-Jun-23	30-Jun-22	30-Jun-22
	\$	\$	\$	\$
Increase 100 basis points	116,870	116,870	141,867	141,867
Decrease 10 basis points	(116,870)	(116,870)	(141,867)	(141,867)

A sensitivity of 100 basis points has been used as this is considered reasonable given the current level of both short term and long-term Australian Dollar interest rates. The change in basis points is derived from a review of historical movements and management's judgement of future trends.

19. Financial risk management (cont'd)

(c) Equity price risk

Equity price risk arises on financial assets recognised at FVTPL due to fluctuation in share prices of the investments which are listed on the Australian Stock Exchange.

Equity price sensitivity analysis

The sensitivity analysis below has determined based on the exposure to fluctuations in shares prices at the end on the reporting period.

If share prices had been 100 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 30 June 2023 would decrease/increase by \$1,113 (2022: Nil).

(d) Fair value

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy.

The three levels are defined based on the observe ability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying values of the financial instruments as at 30 June 2023 are fair valued based on ASX listed price (Level 1).

Reconciliation of Level 1 fair value measurements

	30-Jun-23	30-Jun-22
	\$	\$
Opening balance	-	-
Acquisition of shares	250,000	-
Sale of shares	(95,346)	-
Fair value gain loss at balance date ¹	111,346	-
Closing balance	266,000	-

On 5 May 2023, the Company acquired 1,250,000 shares at \$0.20 per share in Augustus Minerals Limited (ASX: AUG) through IPO. Total consideration for the acquisition was \$250,000. The Company subsequently sold 300,000 shares in June 2023.

¹Total fair value profit

	30 June 2023	30-Jun-22
	\$	\$
Level 1 asset	111,346	-
Balance per statement of profit or loss	111,346	-

20. Contingent liabilities and commitments

Pursuant to the Sofala Projects and the Sofala Farm-in Rights, a 2% net smelter royalty in respect of all mineral production from the Sofala Projects and the Sofala Farm-in Rights will be payable by the Company upon the achievement of the set milestone.

Pursuant to the acquisition of Odette Five Pty Ltd a 1% gross overriding royalty payable on any minerals extracted from E45/5869, E45/5871 & E45/5873 tenement is also payable on the achievement of the set milestone.

The Consideration payable to the Abeh Vendors comprises of a 1% NSR royalty, payable on any minerals extracted from tenements E45/5071, E45/4455 and E45/3926 pursuant to the Company's mineral rights on the tenements.

The Consideration payable to the Abeh Vendors also comprises of a 1% NSR royalty payable on any minerals extracted from the acquired licences (E45/4953, E45/4275, E45/4601 and E45/4266). However, this royalty deed was transferred to Tambourah Metals Limited (ASX: TBR) on 1 August 2023, following the sale of the tenements on 27 June 2023.

As at the date of this report, no other contingent liabilities or commitments had been identified.

21. Capital commitments

The Company's minimum expenditure commitments in relation to its tenements are as follows:

	30-Jun-23	30-Jun-22
	\$	\$
Within 1 year	210,984	103,169
Between 2 and 5 years	296,316	1,645,366
Over 5 years	-	21,492
	507,300	1,770,027

22. Events subsequent to reporting date

In July 2023, the company received \$5,500 part payment in cash and \$100,000 worth of fully paid ordinary shares in Tambourah Metals Limited (ASX: TBR) for the sale consideration of six of the Company's Eastern Pilbara tenements.

On 15 August 2023 George Karageorge's resignation as Non-Executive Chairman became effective.

On 24 August 2023 the Company announced the appointment of James Pears as Non-Executive Director.

No other matter or circumstance has arisen since the end of the financial year that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in the future financial years.

23. Parent information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

STATEMENT OF FINANCIAL POSITION	30-Jun-23	30-Jun-22
ASSETS		
Current Assets	11,846,632	14,369,014
Non-Current Assets	7,163,333	20,185,790
TOTAL ASSETS	19,009,965	34,554,804
LIABILITIES		
Current Liabilities	(436,399)	(326,078)
Non-Current Liabilities	(71,729)	(105,027)
TOTAL LIABILITIES	(508,128)	(431,105)
Net Assets	18,501,837	34,123,699
EQUITY		
Contributed Equity	42,614,224	41,516,490
Share-based payment reserve	638,578	52,755
Accumulated Losses	(24,750,9655)	(5,993,388)
Total Equity	18,501,837	34,123,699
Loss for the year	12,650,411	446,243

There are no material guarantees or capital commitments to be disclosed.

24. Interests in controlled entities

The consolidated financial statements incorporate the assets, liabilities, and the results of the following subsidiaries in accordance with the accounting policy described in note 2. The recently acquired subsidiaries do not form part of business combinations as the acquired subsidiaries were not considered a business under the AASB.

Name	Country of incorporation	Date of incorporation	Equity holding	
			30 June 2023	30 June 2022
East Pilbara Conglomerates Pty Ltd	Australia	17 November 2017	100%	100%
SR (Sale Entity) Pty Ltd	Australia	17 November 2017	100%	100%
Sofala Minerals Pty Ltd	Australia	11 September 2020	100%	100%
MR Resources Pty Ltd	Australia	30 July 2020	100%	100%
Moghul Mining Pty Ltd*	Australia	23 November 2020	100%	100%
Odette Five Pty Ltd**	Australia	25 January 2021	100%	100%

* Acquired on 20 October 2021.

** Acquired on 21 February 2022.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of MinRex Resources Limited, I state that:

1. In the opinion of the Directors:
 - (a) the financial statements and notes of MinRex Resources Limited are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the Group as at 30 June 2023 and of its performance, for the year ended on that date; and
 - (ii) complying with Accounting Standard (including the Australian Accounting Interpretation) and the Corporations Regulations 2001;
 - (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(b); and
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with sections of 295A of the *Corporations Act 2001* for the financial year ended 30 June 2023.

On behalf of the Board



Robert Boston
Managing Director & CEO
Perth, 28 September 2023

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF MINREX RESOURCES LIMITED

As lead auditor of Minrex Resources Limited for the 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Minrex Resources Limited and the entities it controlled during the period.



Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth

28 September 2023

INDEPENDENT AUDITOR'S REPORT

To the members of Minrex Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Minrex Resources 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 Capitalised Exploration and Evaluation Assets

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The carrying value of the capitalised exploration and evaluation asset as at 30 June 2023 is disclosed in Note 9 of the financial report.</p> <p>As the carrying value of the capitalised exploration and evaluation asset represents a significant asset of the Group, we considered this to be a key audit matter.</p> <p>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:</p> <ul style="list-style-type: none"> • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; • Recognition and valuation of purchase consideration for tenement acquisitions; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment. 	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • 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 director’s minutes; • Considering whether any area of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Evaluating management’s basis for the impairment recognised and considering whether any facts or circumstances existed to suggest impairment testing was required for any other area of interest; and • Assessing the adequacy of the related disclosures in Note 9 and Note 3 of the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group’s annual report for the year ended 30 June 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.



Other matter

The financial report of Minrex Resources Limited, for the year ended 30 June 2022 was audited by another auditor who expressed an unmodified opinion on that report on 2 September 2022.

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 15 to 20 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Minrex 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.

BDO Audit (WA) Pty Ltd

BDO


Jarrad Prue

Director

Perth, 28 September 2023

ASX Additional Information

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

(a) Distribution of Shareholders

Number of Shares Held	Number of Shareholders	Number of Shares
1 - 1,000	63	10,099
1,001 - 5,000	43	138,444
5,001 - 10,000	295	2,604,843
10,001 - 100,000	1,991	85,665,457
100,001 and over	1,183	996,448,660
Total	3,575	1,084,867,503

The numbers of shareholders holding less than a marketable parcel is 1,452.

Top Twenty Shareholders

	Holder name	Securities	%
1	St Barnabas Investments Pty Ltd <The Melvista Family A/C>	60,197,050	5.55
2	Argent Minerals Limited	30,000,000	2.77
3	Australia United Mining Limited	29,000,000	2.67
4	Mr Jianjun Li	21,780,580	2.01
5	Kyriazis Holdings Pty Ltd <Kyriazis Family A/C>	16,121,291	1.49
6	High Fidelity Capital Pty Ltd <Championship Vinyl A/C>	13,125,000	1.21
7	Pacreef Investments Pty Ltd	12,900,010	1.19
8	Payzone Pty Ltd <St Barnabas Super A/C>	12,273,555	1.13
9	Mr George Karageorge & Mrs Sandra Karageorge <The Geosan Family A/C>	11,365,799	1.05
10	Woodrif Pty Ltd	10,625,000	0.98
11	HSBC Custody Nominees (Australia) Limited	10,026,216	0.92
12	Fairplan Holdings Pty Ltd <The Hanrahan Super Fund A/C>	10,000,000	0.92
13	Mrs Hui An	8,672,742	0.80
14	Jake Group Pty Ltd <The Ciantar Family A/C>	8,071,187	0.74
15	Mr Brett Atherton & Mrs Tanya Elizabeth Atherton <Atheron Super Fund A/C>	8,000,000	0.74
16	Ms Ying Kong	7,788,378	0.72
17	Golden Hope Pty Ltd <The William Family A/C>	7,564,516	0.70
18	Odette Geoscience Pty Ltd	7,500,000	0.69
19	BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP>	7,459,384	0.69
20	BNP Paribas Noms Pty Ltd <DRP>	7,376,257	0.68
	Total	299,846,965	27.64

(b) Substantial Shareholder (Holding not less than 5%)

	Holder name	Securities	%
1	St Barnabas Investments Pty Ltd <The Melvista Family A/C>	60,197,050	5.55

(c) Class of Shares and Voting Rights

There is only one class of share. All ordinary shares carry one vote per share.

(d) Unquoted option and performance rights securities

The Company has the following classes of unquoted options and performance rights on issue.

	Number	Expiry Date	Exercise price
	86,895,162	2-Dec-24	\$0.10
	1,000,000	13-May-24	\$0.00
	13,000,000	25-Feb-27	\$0.00
	10,000,000	2-Dec-24	\$0.10
	5,000,000	2-Dec-25	\$0.10
	5,000,000	2-Dec-25	\$0.12
	22,500,000	2-Dec-27	\$0.00

(e) Restricted Securities

Nil

(f) On-Market Buy Back

There is no current on-market buy back of ordinary shares.

Schedule of Interests in Mining Tenement

Region	Project	Tenement	Area approx.	Grant Date	Expiry Date	Current Interest
East Pilbara	Soanesville West	E45/5071	16.72 km ²	1/11/2017	28/01/2025	0% ³
East Pilbara	Soanesville South	E45/4455	24.41 km ²	8/12/2015	11/08/2025	0% ³
East Pilbara	Soanesville Central	E45/3926	6.39 km ²	30/03/2012	29/03/2024	0% ³
East Pilbara	Coondina South (East)	E46/1381	108.1 km ²	17/08/2021	16/08/2026	100%
East Pilbara	Coondina South (West)	E45/5850	184.5 km ²	18/08/2021	16/08/2026	100%
East Pilbara	Wingarnie East	E15/1823	14.59 km ²	Applied for 26-05-21	N/A	100%
East Pilbara	Moolyella (Sisters)	E45/5871	19.23 km ²	1/07/2022	30/06/2027	0% ⁴
East Pilbara	Dalton	E45/4681	9 km ²	13/07/2017	12/07/2027	70%
East Pilbara	Moolyella (Garden Well)	E45/5869	19.24 km ²	1/07/2022	30/06/2027	0% ⁴
Murchison	Deflector Extended	E59/1657	15 km ²	12/07/2011	11/07/2023	100%
East Lachlan Fold	Mt Pleasant	EL9266	58 units	19/08/2021	19/08/2024	100%
East Lachlan Fold	Sofala	EL7423	14 units	30/11/2009	30/11/2027	- ¹
East Lachlan Fold	Sofala	EL7974	4 units	11/10/2012	11/10/2023	- ²
East Lachlan Fold	First Find	EL8976	7 units	14/04/2020	14/04/2026	100%
East Lachlan Fold	Sunny Corner North	EL9133	54 units	13/04/2021	13/04/2024	100%
East Lachlan Fold	Sunny Corner South	EL9504	12 units	17/02/2021	17/02/2024	100%
Port Hedland	Edgina Bridge	E45/6450	10 units	Applied for 29-11-22	N/A	100%

Notes:

1. Subject to Farm-In and Joint Venture with Fortius Mines Pty Ltd to earn up to an 80% interest in EL7423.
2. Subject to Farm-In and Joint Venture with Wattle Resources Pty Ltd to earn up to an 80% interest in EL7974.
3. The Company has secured mineral rights to all battery metals from current holders, Abeh Pty Ltd or Maxwell Peter Strindberg.
4. The Company has secured mineral rights to all battery metals from current holder, True Fella Pty Ltd.