DRAGON MOUNTAIN GOLD

ABN 82 111 005 282

ANNUAL REPORT

30 June 2023

Corporate Directory

Current Directors

Robert Gardner	*Executive Chairman*
Jay Stephenson	*Non-executive Director*
Dimitri Bacopanos	*Non-executive Director*

Company Secretary

Jay Stephenson

Registered Office

Street:	182 Claisebrook Road Perth WA 6000
Postal:	PO Box 52 West Perth WA 6872
Telephone:	+61 (0)8 6141 3500
Facsimile:	+61 (0)8 9481 1947
Email:	info@dragonmountain.com.au
Website:	www.dragonmountain.com.au

Share Registry

Computershare Registry Services

Street:	Level 11, 172 St Georges Terrace Perth WA 6000
Postal:	GPO Box D182 Perth WA 6840
Telephone:	1300 850 505 (investors within Australia) +61 (0)3 9415 4000

Securities Exchange

Australian Securities Exchange

Street:	Level 40, Central Park 152-158 St Georges Terrace Perth WA 6000
ASX Code:	DMG

Auditor

Moore Australia Audit (WA)

Street:	Level 15, Exchange Tower 2 The Esplanade Perth WA 6000
Postal:	PO Box P1213 Perth WA 6844
Telephone:	+61 0(8) 9481 1448

Corporate Adviser

Wolfstar Group Pty Ltd

Street:	Barringtons House 283 Rokeby West Perth WA 6005
Telephone:	+61 (0)8 6141 3500

Solicitors to the Company

Steinepreis Paganin

Postal:	GPO Box 2799 Perth WA 6001
Telephone:	+61 0(8) 9321 4000

ANNUAL REPORT
30 June 2023

Contents

Directors' Report

Your Directors present their report together with the summary of the financial information of Dragon Mountain Gold Limited (**the Company**) and its controlled entity (**the Consolidated Entity** or **the Group**) for the financial year ended 30 June 2023 and the auditor's report thereon.

1. Directors

The names of Directors in office at any time during or since the end of the year are:

- Mr Robert Gardner *Executive Chairman*
- Mr Jay Stephenson *Non-executive Director*
- Mr Dimitri Bacopanos *Non-executive Director*

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated. For additional information of Directors including details of the qualifications of Directors please refer to paragraph 9 Information on Directors of this Directors Report.

2. Company Secretary

The following person held the position of Company Secretary at the end of the financial year:

- Mr Jay Stephenson Please refer to paragraph 9 Information on Directors of this Directors Report.

3. Nature of Operations and Principal Activities

During the year, the principal continuing activities of the Group consisted of exploration for minerals within the Cawse Project, the Avalon Project and Gordon's Project, all mineral exploration projects based in Western Australia.

4. Dividends Paid or Recommended

There were no dividends paid or recommended during the financial year ended 30 June 2023 (2022: nil).

5. Review of Operations

The Group holds an interest in the Cawse Project and the Avalon Project, each comprising 26 tenements and 7 tenements respectively. The Company has entered into binding agreements for both projects with similar terms and conditions with Wingstar Investments Pty Ltd (Wingstar) and Mesmeric Enterprises Pty Ltd (Mesmeric), both controlled by Robert Gardner, to earn up to 80% interest in the mineral rights (excluding nickel and cobalt) over four stages in accordance with the agreed earn in schedule.

The Company has completed stage 1 and 2, earning a 25% interest in each project. As at 30 June 2023, the Company is in stage 3, whereby requires to solely fund the exploration program with $250,000 each to earn a further 26% interest on each project. At completion of stage 3, Wingstar and Mesmeric can elect to maintain its 49% interest in the projects or alternatively can give the Company the right to elect to increase its earn up interests to 80%. Should the Company elect to increase its earn up interests to 80%, the Company is required to fund exploration expenditures of $300,000 for each project over 15 months from the anniversary date of the Company acquiring 51% interest in each project. If the Company's interest in the projects was to increase to 80%, Wingstar will be free caried until either the completion of a definitive feasibility study in respect of a potential mine or the cumulative exploration expenditure of $4 million from commencement of stage 1 by the Company.

On 9 November 2022, the Company announced that it had acquired a package of 23 Prospecting Licenses covering 40km^2 located within the Cawse Envelope.

The Company considers that these tenements may be highly prospective for gold that are within the Gordon's Project on the granite ultramafic boundary alongside our existing Cawse interest South of Ora Banda Road.

The tenements were acquired through a share purpose agreement from Sleeklines Holdings Pty Ltd. In consideration for acquiring 100% of the issued capital of Sleeklines Holdings Pty Ltd, the Company has issued the vendors 1,000,000 Shares in the Company and made a cash payment of $300,000 as a reimbursement for exploration costs on the tenements incurred by Sleeklines Holdings Pty Ltd.

These three projects are the primary focus of the Group.

The Group had $697,551 in cash reserves at the end of the year. Directors are continuing to manage the Group's cash flow in this difficult capital raising environment for junior exploration companies.

Directors' Report

5.1. Operating results

The loss of the Company for the year ending 30 June 2023 amounted to $486,232 (2022: $653,437).

5.2. Financial position

The net assets of the Company have increased by $794,837 from 30 June 2022 to a net asset position of $1,482,376 at 30 June 2023.

As at 30 June 2023, the Company's cash and cash equivalents decreased from 30 June 2022 by $915,647 to $697,551 and has a working capital of $558,242 (2022: $(1,064,666) working capital deficit).

6. Significant Changes in State of Affairs

There were no other significant changes to the state of affairs of the Group.

7. Events Subsequent to Reporting Date

There are no significant events subsequent to reporting date that are not covered in this Directors' Report or within the financial statements at Note 13 Events subsequent to reporting date on page 38.

8. Likely Developments

There are Likely developments in the operations of the consolidated entity are set out in the above review of operations in this annual report. Any future prospects are dependent upon the results of future exploration and evaluation.

9. Information on Directors

Mr Robert Gardner	Chairman (Executive) – appointed 8 October 2008
Experience and Qualifications	Mr Gardner is a Perth based business proprietor, with over 27 years' experience in the mining industry. Mr Gardner has developed a number of projects that are now major assets of ASX listed companies and has extensive experience in the China region. He was the original founder and funder of the Lixian Project, prior to its acquisition by the Company. Mr Gardner is also a major shareholder in the Company.
Interest in Shares and Options	54,316,817 ordinary Shares and 50,341,150 escrowed shares in Dragon Mountain Gold Limited.
Directorships held in other listed entities	Executive Chairman of Stonehorse Energy Limited, from October 2010 to present.
Mr Jay Stephenson	Director (Non-executive) and Company Secretary – Appointed 31 December 2016
Experience and Qualifications	Mr Stephenson has been involved in business development for over 30 years, including approximately 26 years as Director, Chief Executive Officer, and Company Secretary of various listed and unlisted entities in resources, manufacturing, wine, hotels and property. He has been involved in business acquisitions, mergers, initial public offerings, capital raisings, and business restructuring, as well as managing all areas of finance for companies. MBA, FCPA, CPA (Canada) CMA (Canada), FCIS, FGIA, MAICD
Interest in Shares and Options	7,000,000 options in Dragon Mountain Gold Limited

Directors' Report

Directorships held in other listed entities	Mr Stephenson also holds or has held the following directorships over the past four years: Non-Executive Director of Stonehorse Energy Limited from July 2011 to present and Non-Executive Director of Fiji Java Limited from February 2018 to April 2020. In the past three years, Mr Stephenson has been a Non-Executive Director of Blina Minerals Limited - October 2016 to April 2020, Doray Minerals Limited – August 2009 to April 2020 and Chairman & Non-Executive Director of Auctus Alternative Investments Limited - February 2011 to March 2020.
Mr Dimitri Bacopanos	Director (Non-executive) Appointed 2 July 2021
Experience and Qualifications	Mr Bacapanos has extensive experience in mergers and acquisitions, mostly recently as Executive Director in the Transaction Advisory Services team at Ernst & Young. He has more than 20 years' commercial experience in both private and ASX listed companies and has worked across a number of major transactions, including in the technology, industrial, and agriculture sectors. His expertise extends to a wide range of corporate advisory roles covering operational reviews, feasibility analyses, strategic planning and implementation. B.Com, CA
Interest in Shares and Options	600,000 ordinary Shares and 7,000,000 options in Dragon Mountain Gold Limited.
Directorships held in other listed entities	Non-executive director of Threat Protect Australia Limited, January 2017 to present.

10. Meetings of Directors

During the financial year 30 June 2023, no formal meetings of Directors (including committees of Directors) were held. Attendances by each Director during the year are stated in the following table. Although no formal board meetings were held, the Directors met regularly via conference call to discuss the operations of the Company including the reinstatement to ASX.

<table>
<tr><th></th><th colspan="8">COMMITTEE MEETINGS</th></tr>
<tr><th></th><th colspan="2">DIRECTORS' MEETINGS</th><th colspan="2">DUE DILIGENCE COMMITTEE</th><th colspan="2">REMUNERATION COMMITTEE</th><th colspan="2">AUDIT COMMITTEE</th></tr>
<tr><th></th><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th><th>Number eligible to attend</th><th>Number Attended</th></tr>
<tr><td>Robert Gardner</td><td>2</td><td>2</td><td colspan="6" rowspan="3">At the date of this report, the Remuneration Committee, Audit Committee and Nomination Committee comprise the full Board of Directors. The Directors believe the Group is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.</td></tr>
<tr><td>Dimitri Bacopanos</td><td>2</td><td>2</td></tr>
<tr><td>Jay Stephenson</td><td>2</td><td>2</td></tr>
</table>

11. Indemnifying Officers or Auditor

11.1. Indemnification

The Group entered into an Agreement with each Director of the Group indemnifying them against liabilities to another person (other than the Group or a related body corporate) that may arise from their position as Directors of the Group and its controlled entities, with the exception of conduct involving a wilful breach of duty or improper use of information to gain a personal advantage. This agreement stipulates that the Group will meet the full amount of any such liabilities, including costs and expenses.

The Group has not entered into any agreement with its current auditors indemnifying them against any claims by third parties arising from their report on the financial report.

11.2. Insurance premiums

Since the end of the previous financial year the Group paid insurance premiums of $41,515 in respect of Directors and Officers liability insurance contracts for current and former Directors and Officers of the Group.

Directors' Report

12. Options

12.1. Unissued shares under option

At the date of this report, there were 14,000,000 un-issued ordinary shares of Dragon Mountain Gold Limited under option (listed or unlisted) (2022: nil).

No person entitled to exercise the option has or has any right by virtue of the option to participate in any share issue of any other body corporate.

12.2. Shares issued on exercise of options

No ordinary shares were issued by the Group as a result of the exercise of options during or since the end of the financial year.

13. Business Risks and External Factors

The Company's business, operating and financial performance are subject to various risks and uncertainties, some of which are beyond the Group's reasonable control. The identification and, where possible, mitigation and management of these risks is central to achieving the objectives and targets of our Strategic Growth Plan.

The matters that have the potential to materially impact the Group's operating and/or financial results are set out below. The matters identified are not intended as an exhaustive list of all the risks and uncertainties associated with the Group's business.

Information that could result in unreasonable prejudice to the Group has been excluded, including that which is confidential or commercially sensitive, except where disclosure is required pursuant to our continuous disclosure obligations.

13.1. Future funding risk

In the future, the Group may require additional funds (whether by way of debt and/or equity), so as to, without limitation:

- carry out additional exploration activities at its projects;
- complete future feasibility studies on its projects;
- undertake the future development of a mining operation subject to the results of the feasibility studies; and
- fund corporate, administrative and working capital needs.

The ability of the Group to meet these future funding requirements, when they arise, will be dependent upon its continued capacity to access capital market funding sources and/or financing facilities. Funding via additional equity issues may be dilutive to existing Shareholders and, if available, debt financing may be subject to the Group agreeing to certain debt covenants and encumbering the Group's assets.

If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations, delay, suspend and/or scale back its exploration programs and business strategies, as the case may be. There is however no guarantee that Musgrave will be able to secure any additional funding as and when required on terms favourable to the Company at all. The failure of which would thus have a material adverse effect on the Group's activities, its solvency and its reputation.

13.2. Exploration and Operating Risks

The projects of the Group are at various stages of exploration. The future exploration activities of the Group may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Group.

13.3. Environmental Regulation

The mining leases granted to the Group pursuant to Mining Acts are granted subject to various conditions, which include standard environmental requirements. The Group adheres to these conditions and the Directors are not aware of any contraventions of these requirements.

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. For the first measurement period the directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

Directors' Report

13.4. Covid 19 Update

The Group is continuing to review updates in relation to the COVID 19 pandemic and potential impacts to its exploration programs, drill schedules, health and wellbeing of its employees, contractors and other stakeholders. The Group has operational procedures and guidelines in-line with official health advice and government directives which can be modified in response to changing conditions.

The Company is an active explorer and continues to progress its work programs subject to travel restrictions enforcement.

14. Non-Audit Services

During the year, Moore Australia Audit (WA), the Group's auditor, did not perform any services other than their statutory audits.

Details of remuneration paid to the auditor can be found within the financial statements at Note 16 Auditor's Remuneration on page 39.

In the event that non-audit services are provided by the auditor, the Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the Corporations Act 2001. These procedures include:

- non-audit services will be subject to the corporate governance procedures adopted by the Group and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- ensuring non-audit services do not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

The Directors are satisfied that the provision of non-audit services by the auditor (or by another person or firm on the auditor's behalf is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth).

15. Proceedings on Behalf of Group

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

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

16. Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the year ended 30 June 2023 has been received and can be found on page 11 on the annual report.

17. Remuneration Report (Audited)

17.1. Principles of compensation

Remuneration is referred to as compensation throughout this report.

Key Management Personnel (KMP) have authority and responsibility for planning, directing and controlling the activities of the Group. KMP comprise the directors of the Group.

Compensation levels for KMP are competitively set to attract and retain appropriately qualified and experienced directors and executives.

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

Shares and options may only be issued to directors subject to approval by shareholders in a general meeting.

The Board has no established retirement or redundancy schemes.

The remuneration structure for KMP is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Group. The contracts for service between the Group and KMP are on a continuing basis, the terms of which are not expected to change in the immediate future.

Directors' Report

The Board determines the proportion of fixed and variable compensation for each KMP.

a. **Fixed Remuneration**

All executives receive a base salary, superannuation, fringe benefits, and options and have the ability to receive performance incentives.

The Australian domiciled executive directors and executives receive a superannuation guarantee contribution as required by the government, which is currently 10.5%, and do not receive any other retirement benefits.

All remuneration paid to Directors and executives to the Group and expensed. Shares provided to Directors and executives are valued as the difference between the market price of those shares and the amount paid by the Director or executive.

b. **Performance Based Remuneration – Short-term and long-term incentive structure**

The Board will review executive packages annually by reference to the Group's performance and executive performance and comparable information from industry sectors using independent external advice where appropriate.

- Short-term incentives

No short-term incentives in the form of cash bonuses were granted during the year.

- Long-term incentives

The Board has a adopted an Incentive Option Plan and a Performance Rights Plan of granting incentive equity to directors, executives, and employees. Incentive equity granted generally only is of benefit if the recipients perform to the level whereby the value of the Group increases sufficiently to warrant exercising the incentive options granted.

Directors' Report

c. **Service Contracts**

The employment conditions of the executive director, Mr Robert Gardner and other KMP are formalised in contracts of employment. Terms of employment contracts are structured to industry standards including normal provisions for termination and notice periods.

Name:	Robert Gardner
Title:	Executive Chairman
Agreement commenced:	8 October 2008
Term of agreement:	No Fixed Term
Details:	Base salary for the year ending 30 June 2023 of $50,000, to be reviewed annually by the Board and approved by the shareholders during the AGM. No fixed term contract, however a 3 month termination notice by the executive is required. No bonus schemes have been implemented by the board of directors.

Name:	Jay Stephenson
Title:	Non-executive Director and Company Secretary
Agreement commenced:	31 December 2016
Term of agreement:	No Fixed Term
Details:	Base salary for the year ending 30 June 2023 of $35,000 plus superannuation, to be reviewed annually by the Board and approved by the shareholders during the AGM. No fixed term contract, however a 3 month termination notice by the executive is required. No bonus schemes have been implemented by the board of directors.

Name:	Dimitri Bacopanos
Title:	Non-executive Director
Agreement commenced:	2 July 2021
Term of agreement:	No Fixed Term
Details:	Base salary for the year ending 30 June 2023 of $35,000, to be reviewed annually by the Board and approved by the shareholders during the AGM. No fixed term contract, however a 3 month termination notice by the executive is required. No bonus schemes have been implemented by the board of directors.

d. **Non-executive Directors**

Total compensation for all non-executive directors is based on advice from external advisors with reference to fees paid to other non-executive directors of comparable companies. Non-executive directors' fees are presently limited to an aggregate of $70,000 per annum, in accordance with a resolution at the 2022 annual general meeting.

Board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. Fees for non-executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, Directors are encouraged to hold shares in DMG and are able to participate in the employee option plan.

Fees for the Non-Executive Directors for the financial year were $70,000 (2022: $70,080) and cover main Board activities only. Non-Executive Directors may receive additional remuneration for other services provided to the Group.

e. **Engagement of Remuneration Consultants**

During the financial year, the Group did not engage any remuneration consultants.

f. **Relationship between Remuneration of Key Management Personnel and Shareholder Wealth**

Directors' Report

During the Group's future exploration and development phases of its business, the Board anticipates that the Group will retain earnings (if any) and other cash resources for the exploration and development of its resource projects. Accordingly, the Group does not currently have a policy with respect to the payment of dividends and returns of capital. Therefore, there was no relationship between the Board's policy for determining, or in relation to, the nature of remuneration of KMP and shareholder wealth during the current and previous financial years.

The Board did not determine the nature and amount of remuneration of the KMP by reference to changes in the price at which shares in the Group traded between the beginning and end of the current and previous financial years.

g. **Relationship between Remuneration of Key Management Personnel and Earnings**

As discussed above, the Group is currently undertaking exploration activities and does not expect to be undertaking profitable operations (other than by way of material asset sales, none of which is currently planned) until sometime after the successful commercialisation, production and sales of commodities from its projects. Accordingly, the Board does not consider earnings during the current and previous financial years when determining the nature and amount of remuneration of KMP.

17.2. Additional information

The earnings of the consolidated entity for the five years to 30 June 2023 are summarised below:

	2023 $	2022 $	2021 $	2020 $	2019 $
Sales revenue	12,604	66,985	9,011	31,696	38,399
EBITDA	(427,828)	(497,719)	(571,927)	(587,114)	(672,326)
EBIT	(471,551)	(585,363)	(663,989)	(679,179)	(673,234)
Profit after income tax	(486,232)	(653,437)	(682,191)	(722,917)	(711,633)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2023 $	2022 $	2021 $	2020 $	2019 $
Share price at financial year end ($)	(0.0110)	(0.0200)	(0.0200)	(0.0200)	-
Total dividends declared (cents per share)	-	-	-	-	-
Basic earnings per share (cents per share)	(0.13)	(0.25)	(0.26)	(0.27)	(0.27)

17.3. Remuneration Details for the Year Ended 30 June 2023

There were no cash bonuses paid during the year and there are no set performance criteria for achieving cash bonuses.

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the KMP of the Group**:**

2023 *Key Management Person*	Short-term benefits				Post-employment benefits	Long-term benefits	Equity-settled share-based payments		Total	Compen-sation consisting of options
	Salary, fees and leave $	Profit share and bonuses $	Non-monetary $	Other $	Super-annuation $	Other $	Equity $	Options $	$	%
Robert Gardner[1]	50,000	-	-	-	-	-		-	50,000	-
Dimitri Bacopanos	35,000	-	-	-	-	-	-	21,662	56,662	38.23%
Jay Stephenson	35,000	-	-	-	3,675	-	-	21,662	60,337	35.90%
	120,000	-	-	-	3,675	-	-	43,324	166,999	-

(1) Fastwitch Enterprises Pty Ltd, a company controlled by Mr Gardner, receives director's fees and consulting services provided by Mr Gardner in respect of the Group's operations.

Directors' Report

17 Remuneration Report (Audited)

2022 Key Management Person	Short-term benefits				Post-employment benefits	Long-term benefits	Equity-settled share-based payments		Total	Compen-sation consisting of options
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super-annuation	Other	Equity	Options		
	$	$	$	$	$	$	$	$	$	%
Robert Gardner[1]	202,125	-	-	-	-	-	-	-	202,125	-
Dimitri Bacopanos	35,000	-	-	-	-	-	-	-	35,000	-
Jay Stephenson	31,891	-	-	-	3,189	-	-	-	35,080	-
	269,016	-	-	-	3,189	-	-	-	272,205	-

(1) Fastwitch Enterprises Pty Ltd, a company controlled by Mr Gardner, receives director's fees and consulting services provided by Mr Gardner in respect of the Group's operations.

17.4. Service Agreements

Dragon Mountain Gold Limited has a contract with Fastwitch Enterprises Pty Ltd (previously Thegold Corporation Pty Ltd) for the services of Robert Gardner as Executive Chairman at a rate of $50,000 per annum paid monthly with no fixed duration. The contract can be terminated with three months' notice or payment in lieu.

Non-Executive Directors have service contracts with Dragon Mountain Gold Limited providing a salary of $35,000 per annum paid monthly unless they contract their services through a private company in which case no Superannuation Guarantee is payable. Directors based in Australia are paid Superannuation Guarantee at a rate of 10.5%. Directors who contract their services through a private company do not receive Superannuation Guarantee payments. There are no notice periods or termination payments provided under the contracts.

17.5. Share-based compensation

a. **Director and Key Management Personnel Options**
14,000,000 options were on issue as at 30 June 2023 to Directors or KMP (2022: nil).

b. **Share-based Payments**
14,000,000 options were granted as remuneration during the year to Directors or KMP (2022: nil).

17.6. Key management personnel equity holdings

a. **Fully paid ordinary shares of Dragon Mountain Gold Limited held by each KMP**

30 June 2023	Balance at start of year No.	Received during the year as compensation No.	Received during the year on the exercise of options No.	Other changes during the year[1] No.	Balance at end of year No.
Robert Gardner	54,316,817	-	-	50,341,150	104,657,967
Jay Stephenson	-	-	-	600,000	600,000
Dimitri Bacopanos	-	-	-	-	-
	54,316,817	-	-	50,941,150	105,257,967

(1) Other changes during the year relate to share purchased or sold on market.

Directors' Report

17 Remuneration Report (Audited)

30 June 2022	Balance at start of year No.	Received during the year as compensation No.	Received during the year on the exercise of options No.	Other changes during the year No.	Balance at end of year No.
Robert Gardner	54,316,817	-	-	-	54,316,817
Jay Stephenson	-	-	-	-	-
Dimitri Bacopanos	-	-	-	-	-
	54,316,817	-	-	-	54,316,817

17.7. Loans to key management personnel

There are no loans made to directors of the Group as at 30 June 2023 (2022: nil).

17.8. Other transactions with key management personnel

There have been no other transactions involving equity instruments other than those described in the tables above. For details of other transactions with KMP, refer to Note 20 Related party transactions on page 40.

END OF REMUNERATION REPORT

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001* (Cth).

R. Gardner

ROBERT GARDNER
Chairman
Dated this 28 September 2023

Moore Australia Audit (WA)

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF DRAGON MOUNTAIN GOLD LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, there have been:

a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

Neil Pace	Moore Australia
NEIL PACE PARTNER	MOORE AUSTRALIA AUDIT (WA) CHARTERED ACCOUNTANTS

Signed at Perth this 28th day of September 2023.

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Liability limited by a scheme approved under Professional Standards Legislation.

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

	Note	2023 $	2022 $
Continuing operations			
Revenue	1	12,604	66,985
		12,604	66,985
Accounting and audit fees		(65,956)	(98,029)
Computers and communications		(6,819)	(5,105)
Depreciation	2.3	(43,723)	(86,924)
Employee benefits expenses	2.1	(119,417)	(272,205)
Finance Costs	2.2	(2,077)	(1,809)
Insurance		(72,722)	(34,627)
Occupancy expenses		(18,000)	(180)
Professional fees		(64,198)	(171,422)
Regulatory expenses		(60,713)	(48,484)
Share-based payment expense		(43,324)	-
Other expenses		(1,887)	(1,637)
Loss before tax		(486,232)	(653,437)
Income tax benefit / (expense)	5	-	-
Loss from continuing operations		(486,232)	(653,437)
Net loss for the year		(486,232)	(653,437)
Other comprehensive income, net of income tax			
Other comprehensive income/(loss) for the year, net of tax		-	-
Total comprehensive income/(loss) attributable to members of the parent entity		(486,232)	(653,437)
Profit/(loss) for the period attributable to:			
Owners of the parent		(486,232)	(653,437)
Total comprehensive income/(loss) attributable to:			
Owners of the parent		(486,232)	(653,437)
Earnings per share:		¢	¢
Basic/diluted loss per share (cents per share)	17	(0.13)	(0.25)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position
as at 30 June 2023

	Note	2023 $	2022 $
Current assets			
Cash and cash equivalents	6.1	697,551	1,613,198
Trade and other receivables	6.2	112,993	27,552
Other current assets	6.3	15,739	10,140
Total current assets		826,283	1,650,890
Non-current assets			
Exploration and evaluation assets	7.1	922,014	331,284
Plant and equipment	7.2	2,120	2,760
Right of use asset	7.3.1	-	43,083
Total non-current assets		924,134	377,127
Total assets		1,750,417	2,028,017
Current liabilities			
Trade and other payables	6.4	258,706	2,697,755
Short-term financial liabilities	6.5	9,335	0
Short-term lease liabilities	7.3.3	-	17,801
Total current liabilities		268,041	2,715,556
Total liabilities		268,041	2,715,556
Net (liabilities)/assets		1,482,376	(687,539)
Equity			
Issued capital	8	35,694,626	33,081,803
Reserves	9	44,364	1,040
Accumulated losses		(34,256,614)	(33,770,382)
Total equity		1,482,376	(687,539)

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity
for the year ended 30 June 2023

	Issued Capital $	Accumulated Losses $	Foreign Exchange Translation Reserve $	Share Based Equity Reserve $	Total $
Balance at 1 July 2021	33,081,803	(33,116,945)	1,040	-	(34,102)
Loss for the year attributable owners of the parent		(653,437)			(653,437)
Other comprehensive income/(loss) for the year attributable owners of the parent	-	-	-	-	-
Total comprehensive income/(loss) for the year attributable owners of the parent	-	(653,437)	-	-	(653,437)
Balance at 30 June 2022	33,081,803	(33,770,382)	1,040	-	(687,539)
Balance at 1 July 2022	33,081,803	(33,770,382)	1,040	-	(687,539)
Loss for the year attributable owners of the parent	-	(486,232)	-	-	(486,232)
Other comprehensive income/(loss) for the year attributable owners of the parent	-	-	-	-	-
Total comprehensive income/(loss) for the year attributable owners of the parent	-	(486,232)	-	-	(486,232)
Transactions with owners in their capacity as owners					
Shares issued during the year	2,612,823	-	-	-	2,612,823
Share based payments	-	-		43,324	43,324
Balance at 30 June 2023	35,694,626	(34,256,614)	1,040	43,324	1,482,376

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows
for the year ended 30 June 2023

	Note	2023 $	2022 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,943,521)	(131,077)
Interest received		12,604	3,975
Net cash used in operating activities	6.1.2	(1,930,917)	(127,102)
Cash flows from investing activities			
Payments for exploration expenditure		(580,730)	(331,284)
Net cash used in investing activities		(580,730)	(2,650,272)
Cash flows from financing activities		-	-
Proceeds held on trust for placement and issue of shares		1,596,000	1,252,985
Net cash provided by financing activities		1,596,000	1,252,985
Net increase/(decrease) in cash held		(915,647)	(1,524,389)
Cash and cash equivalents at the beginning of the year		1,613,198	818,599
Cash and cash equivalents at the end of the year	6.1	697,551	1,613,198

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

for the year ended 30 June 2023

In preparing the 2023 financial statements, Dragon Mountain Limited has grouped notes into sections under five key categories:

Significant accounting policies specific to each note are included within that note. Accounting policies that are determined to be non-significant are not included in the financial statements.

The financial report is presented in Australian dollars, except where otherwise stated.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

SECTION A. HOW THE NUMBERS ARE CALCULATED

This section provides additional information about those individual line items in the financial statements that the directors consider most relevant in the context of the operations of the entity, including:

(a) accounting policies that are relevant for an understanding of the items recognised in the financial statements. These cover situations where the accounting standards either allow a choice or do not deal with a particular type of transaction

(b) analysis and sub-totals, including segment information

(c) *information about estimates and judgements made in relation to particular items.*

NOTE 1 REVENUE AND OTHER INCOME

	2023 $	2022 $
1.1 Revenue		
Interest revenue	12,604	3,975
Other income	-	63,010
Total revenue	12,604	66,985

1.2 Accounting policy

1.2.1 Interest income

Interest revenue is recognised in accordance with Note 4.1 Financial income and expenses.

NOTE 2 LOSS BEFORE INCOME TAX

	2023 $	2022 $
The following significant revenue and (expense) items are relevant in explaining the financial performance:		
2.1 Employee benefits:		
Wages and salaries	113,544	269,016
Superannuation expenses	5,873	3,189
Total personnel expenses	119,417	272,205
2.2 Finance costs:		
Interest expense	2,077	1,809
Total finance costs	2,077	1,809
2.3 Depreciation:		
Right of use assets	43,083	86,166
Property plant and equipment	640	758
Total depreciation expenses	43,723	86,924

2.4 Accounting policy

2.4.1 Defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions onto a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the income statement as incurred. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 2 LOSS BEFORE INCOME TAX (CONT.)

2.4 Accounting policy (continued)

2.4.2 Short-term benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay at the reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

2.4.3 Other long-term benefits

For the year ended 30 June 2023, no amount for long term benefits has been recognised in the financial statements as the Group has no employees.

NOTE 3 BUSINESS COMBINATIONS

On 9 November 2022, Dragon Mountain Gold Limited acquired a 100% interest in the business of Sleeklines Holding Limited under an asset sale agreement. This transaction constitutes a business combination under AASB 3.

Acquisition consideration

The consideration for the acquisition of Sleeklines Holdings Limited consisted of the cash consideration of 1,000,000 fully paid ordinary shares in Dragon Mountain Gold Limited at $0.01 per share.

	30 June 2023 $
Cash	-
Exploration Assets	310,010
Total Assets	0
Liabilities	
Shareholder loans	(300,010)
Total Liabilities	310,010
Net Assets	310,010

The consideration for the acquisition of Sleeklines Holdings Limited consisted of the cash consideration of 1,000,000 fully paid ordinary shares in ASX:DMG.
The Fair Value of consideration issued on 9 November 2022 was $10,000 which was by reference to be fair value of the net assets acquired

	30 November 2022 $
Fair value of Assets Acquired	10,000
Consideration provided for assets acquired	
Ordinary shares	10,000

In accordance with the company's accounting policy at note 5.4 the acquired exploration and evaluation expenditure has been expensed.

Significant Accounting Judgement

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 3 BUSINESS COMBINATIONS (CONT.)

Asset Acquisition not constituting a business

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transactions and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill arise on the acquisition and transaction costs to the acquisition will be included in the capitalised cost of the asset.

In determining when an acquisition is determined to be an asset acquisition and not a business, significant judgment is required to assess whether the assets acquired constitute a business in accordance with AASB 3. Under AASB 3 a business is a integrated set of activities and assets that is capable of being conducted or managed for the purpose of providing a return, and consists of inputs and processes, which when applied to those inputs has the ability to create outputs.

Management determined that the acquisition of Sleeklines holdings Pty Ltd was an asset acquisition.

Fair value of asset acquisition

During the financial year 1,000,000 ordinary shares were issued in consideration of Sleeklines Holdings Pty Ltd. The fair value of consideration was by reference to the fair value of assets and liabilities acquired in accordance with AASB 2. The fair value of the shares granted by Dragon Mountain Gold Ltd was $10,000.

NOTE 4 OTHER SIGNIFICANT ACCOUNTING POLICIES RELATED TO ITEMS OF PROFIT AND LOSS

4.1 Financial income and expenses

Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in income in the period in which they are incurred.

Foreign currency gains and losses are reported on a net basis.

NOTE 5 INCOME TAX

	Note	2023 $	2022 $
5.1 Reconciliation of income tax expense to prima facie tax payable			
The prima facie tax payable / (benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:			
Prima facie tax on operating loss at 25% (2022: 25%)		(121,558)	(159,609)
Add / (Less)			
Tax effect of:			
Change in tax rates		-	100,729
Deferred tax asset not brought to account		121,558	58,880
Income tax expense / (benefit)		-	-
5.2 Deferred tax assets			
Tax losses		2,418,512	2,396,249
Provisions and accruals		(142,805)	297,607
		2,418,512	1,643,252,160
Net deferred tax assets		2,275,707	2,658,835,872
Less deferred tax assets not recognised		(2,275,707)	(4,302,088,032)
Net tax assets		-	-

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 5 INCOME TAX (CONT.)

5.3 Tax losses

	2023 $	2022 $
Unused tax losses for which no deferred tax asset has been recognised, that may be utilised to offset tax liabilities:		
Deductible temporary differences	(142,805)	297,607
Revenue losses	2,418,512	2,396,249
	2,275,707	2,693,856

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward have not been brought to account at 30 June 2023 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

i. the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;

ii. the company continues to comply with conditions for deductibility imposed by law; and

iii. no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss and exploration expenditure.

5.4 Accounting policy

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 reporting date. 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 year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items recognised outside profit or loss.

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 reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

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.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 5 INCOME TAX (CONT.)

5.4 Accounting policy (continued)

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.

5.5 Key Estimate – Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions.

NOTE 6 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

6.1 CASH AND CASH EQUIVALENTS	2023 $	2022 $
Cash at bank	697,551	1,613,198
	697,551	1,613,198

6.1.1 The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 10 Financial Risk Management on page 33.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 6 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT.)

6.1 CASH AND CASH EQUIVALENTS (CONT.)

	2023 $	2022 $
6.1.2 Reconciliation of cash flow from operations to loss after income tax		
Loss after income tax	(486,232)	(653,437)
Non-cash flows in profit from ordinary activities:		
Gain/(loss) on modification of lease liabilities	-	(63,010)
Share based payment	43,324	-
Depreciation	43,723	86,924
Interest	-	1,809
Exploration expenditure written off	-	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
(Increase)/decrease in trade and other receivables	(85,442)	31,772
(Increase) in prepayments	3,736	(817)
Increase in trade and other payables	(1,450,026)	469,657
Cash flow from operations	(1,930,917)	(127,102)

6.1.3 Credit Standby Facilities

The Group has no credit standby facilities.

6.1.4 Non-Cash Investing and Financing Activities

The Group has no non-cash investing and financing activities.

6.1.5 Accounting policy

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments, such as term deposits with original maturities of three (3) months or less, and bank overdrafts.

6.2 TRADE AND OTHER RECEIVABLES

	Note	2023 $	2022 $
Current			
Value-added tax receivable	6.2.1	112,785	27,468
Other receivables		208	84
		112,993	27,552

6.2.1 Value-added tax (VAT) is a generic term for the broad-based consumption taxes that the Group is exposed to such as: Australia (GST) and in China (VAT).

6.2.2 The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 10 Financial Risk Management on page 33.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 6 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT.)

6.2 TRADE AND OTHER RECEIVABLES (CONTINUED)

6.2.3 Accounting policy

6.2.3.1 Value-added taxes

Value-added tax (VAT) is the generic term for the broad-based consumption taxes that the Group is exposed to such as: Australia (GST); China (VAT).

Revenues, expenses, and assets are recognised net of the amount of VAT, except where the amount of VAT incurred is not recoverable from the relevant country's taxation authority. In these circumstances the VAT 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 statement of financial position are shown inclusive of VAT.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office (or jurisdictional equivalent) is included as a current asset or liability in the balance sheet.

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

6.2.3.2 Trade and other receivables

Trade receivables are initially recognised at cost and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Receivables are usually settled within 60 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

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

6.3 OTHER ASSETS

	2023 $	2022 $
Current		
Prepayments	15,739	10,140
	15,739	10,140

6.4 TRADE AND OTHER PAYABLES

	Note	2023 $	2022 $
Current			
Unsecured			
Trade payables	6.4.3	113,804	797,035
Other creditors and accruals		126,902	372,735
Related party rent payable (Note 19)		18,000	275,000
Trust account – share application		-	1,252,985
		258,706	2,697,755

6.4.1 Trade payables are non-interest bearing and usually settled within the lower of terms of trade or 30 days. This includes amounts totalling $38,880 owed to of Mr Jay Stephenson at 30 June 2023 and Rent of $18,000.

6.4.2 The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 10 Financial Risk Management on page 33.

6.4.3 Other creditors and accruals includes amounts totalling $33,333 owed to a Mr Robert at 30 June 2023 for unpaid Director fees.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 6 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT.)

6.4 TRADE AND OTHER PAYABLES (CONTINUED)

6.4.4 Accounting policy

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid and stated at their amortised cost. The amounts are unsecured and are generally settled on 30 day terms.

6.4.5 Impairment

The Group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

6.5 SHORT-TERM FINANCIAL LIABILITIES

	2023 $	2022 $
Current		
Insurance premium funding	9,335	-
	9,335	-

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 7 NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES

7.1 EXPLORATION AND EVALUATION ASSETS	Note	2023 $	2022 $
Non-current			
Exploration expenditure capitalised:			
- Exploration and evaluation phase at cost		922,014	331,284
Net carrying value	7.1.1	922,014	331,284
7.1.1 Movements in Carrying Amounts			
Balance at the beginning of year		331,284	-
Expenditure during the period		590,730	331,284
Exploration written off		-	-
Carrying amount at the end of year		922,014	331,284

7.1.2 Accounting Policy

7.1.2.1 Recognition and measurement

Exploration and evaluation costs, including the costs of acquiring licenses, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in the income statement.

Exploration and evaluation costs are recognised as an asset if the rights of the area of interest are current and either:

- the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
- activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

7.1.2.2 Subsequent measurement

Exploration and evaluation assets are assessed for impairment if:

(1) sufficient data exists to determine technical feasibility and commercial viability; or

(2) facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see accounting policy 7.4.1 Impairment of non-financial assets).

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash-generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation assets to mine properties within property, plant and equipment.

The value of the Group's interest in exploration expenditure is dependent upon:

(1) the continuance of the Group’s rights to tenure of the areas of interest;

(2) the results of future exploration; and

(3) the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 7 NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES (CONT.)

7.1 EXPLORATION AND EVALUATION ASSETS (CONTINUED)

7.1.3 Accounting policy (continued)

7.1.3 Key Judgments – Exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at reporting date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Refer to the accounting policy stated in note (7.1 Exploration and evaluation assets). The carrying value of capitalised expenditure at reporting date is $922,014.

The ultimate recoupment of the value of the exploration and evaluation assets and mine properties is dependent on successful development and commercial exploitation or alternatively, sale, of the underlying mineral exploration properties. The Group undertakes at least on an annual basis, a comprehensive review for indicators of impairment of these assets. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

The key areas of estimation and judgment that are considered in this review include:

- recent drilling results and reserves and resource estimates;
- environmental issues that may impact the underlying tenements;
- the estimated market value of assets at the review date;
- independent valuations of underlying assets that may be available;
- fundamental economic factors such as diamond prices, exchange rates and current and anticipated operating costs in the industry; and
- the Group's market capitalisation compared to its net assets.

7.2 PLANT AND EQUIPMENT

	2023 $	2022 $
Non-current		
Furniture and fittings	16,740	16,740
Accumulated depreciation	(14,718)	(14,204)
	2,022	2,536
Office equipment	54,213	54,087
Accumulated depreciation	(54,115)	(53,863)
	98	224
Total plant and equipment	2,120	2,760

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 7 NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES (CONT.)

7.2 PLANT AND EQUIPMENT (CONTINUED)

7.2.1 Movements in Carrying Amounts

	Furniture and Fittings $	Office equipment $	Total $
Balance at 1 July 2021	3,168	350	3,518
Additions	-	-	-
Depreciation expense	(632)	(126)	(758)
Carrying amount at 30 June 2022	2,536	224	2,760
Balance at 1 July 2022	2,536	224	2,760
Additions	-	126	126
Depreciation expense	(514)	(252)	(766)
Carrying amount at 30 June 2023	2,022	98	2,120

7.2.2 Accounting Policy

7.2.2.1 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation (see below). and impairment losses (see accounting policy 7.4.1 Impairment of non-financial assets).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within “other income” in profit or loss.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

7.2.2.2 Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as an expense as incurred.

7.2.2.3 Depreciation

With the exception of exploration and evaluation assets, depreciation is charged to the income statement on a diminishing value basis over the estimated useful lives of each part of an item of property, plant and equipment, except to the extent that they are included in the carrying amount of another asset as an allocation of production overheads.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 7 NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES (CONT.)

7.2 PLANT AND EQUIPMENT (CONTINUED)

Depreciation rates and methods are reviewed annually for appropriateness. The depreciation rates used for the current and comparative period are:

	2023 %	2022 %
Plant and equipment	5% – 10%	5% – 10%
Office equipment	5% – 40%	5% – 40%
Leasehold improvements	7%	7%

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

7.2.3 Key Estimates – Useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

7.3 LEASES

	2023 $	2022 $
7.3.1 Right of use asset		
Leased building	913,089	913,089
Accumulative depreciation	(913,089)	(870,006)
	-	43,083
7.3.2 Movements in carrying amounts		
Carrying amount at the beginning of year	43,083	136,964
Additions	-	-
Depreciation expense	(43,083)	(93,881)
Carrying amount at the end of year	-	43,083
7.3.3 Lease liabilities		
Current		
Short-term lease liabilities	-	17,801
	-	17,801
7.3.4 AASB 16 related amounts recognised in the statement of profit or loss		
Depreciation charge related to right of use assets	43,083	93,881
Interest expense on lease liabilities	2,077	1,809
Short term lease	18,000	-
	63,160	95,690

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 7 NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES (CONT.)

7.3.5 Accounting policy

a) Recognition and measurement

The leases are recognised as a right-of-use-asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

i) *Right of use Asset*

The Group recognises a right of use asset at the commencement date of the lease. The right of use asset is initially measured at cost. The cost of right of use assets includes the amount of lease liabilities recognised, adjusted for any lease payments made at or before the commencement date, plus initial direct costs incurred and an estimate of costs to dismantle, remove or restore the leased asset, less any lease incentives received

Subsequent to initial measurement, the right of use asset is depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life. Right of use assets are subject to impairment and are adjusted for any remeasurement of lease liabilities.

ii) *Lease Liabilities*

At the commencement date of the lease, the Group recognises lease liabilities at the present value of lease payment to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the assessment of lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payments occurs. The present value of lease payments is discounted using the interest rate implicit in the lease or, if the rate cannot be readily determined, the Group's incremental borrowing rate.
The lease liability is measured at amortised cost using the effective interest method. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.
The amount of lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recognised in profit or loss if the carrying amount of the right of use asset has been reduced to zero.
The Group has elected not to recognise right of use assets and lease liabilities for short term leases that have a lease term of 12 months of less and do not contain a purchase option, and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 7 NON-FINANCIAL ASSETS AND NON-FINANCIAL LIABILITIES (CONT.)

7.3.6 Key estimates – Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

7.3.7 Key estimates – Incremental borrowings rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

7.4 OTHER SIGNIFICANT ACCOUNTING POLICIES RELATED TO NON-FINANCIAL ASSETS AND LIABILITIES

7.4.1 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 8 EQUITY

8.1 Issued capital	Note	30 June 2023 No.	30 June 2022 No.	30 June 2023 $	30 June 2022 $
Fully paid ordinary shares at no par value	8.1.1	394,671,665	263,530,515	35,694,626	33,081,803

		12 months to 30 June 2023 No.	12 months to 30 June 2022 No.	12 months to 30 June 2023 $	12 months to 30 June 2022 $
8.1.1 Ordinary shares					
At the beginning of the period		263,530,515	263,530,515	33,081,803	33,081,803
Capital Raise at $0.02		79,800,000		1,596,000	
Shares issued on Debt Conversion		50,341,150		1,006,823	
Shares issued to Acquire Sleeklines Holdings Limited		1,000,000	-	10,000	-
At reporting date		394,671,665	263,530,515	35,694,626	33,081,803

The Group does not have authorised capital in respect to its issued shares.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and the proceeds on winding up c the parent entity in proportion to the number of shares held. At the shareholders' meetings, each ordinary share is entitled to o vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

8.2 Options

There were 14,000,000 options issued during the financial year (2022: nil). No lapsed options occurred during the financial year (2022: nil).

Options	Note	30 June 2023 No.	30 June 2022 No.	30 June 2023 $	30 June 2022 $
Incentive Options	9.2	14,000,000		43,324	
At beginning of the period		-	-	-	-
Options issued/(lapsed) during the year		-	-	-	-
Options Exercisable at $0.03 each expiring 23/11/2025		14,000,000	-	43,324	-
At reporting date		14,000,000	-	43,324	-

NOTE 9 RESERVES	Note	2023 $	2022 $
Foreign exchange reserve	9.1	1,040	1,040
		1,040	1,040

9.1 FOREIGN EXCHANGE TRANSLATION RESERVE

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign controlled subsidiary.

9.2 Share Based Payment Reserves

	31 December 2022 No.	30 June 2022 No.
Share Based Payment Reserve	43,324	-
Gross Share-based payments	43,324	-

a. Share-based payment arrangement in effect during the half-year

i. Incentive options

Number of Incentive Options	Date of Expiry	Milestone	Vesting Terms
14,000,000	*23 November 2025*	*N/A*	*Immediately*

ii. Fair value of incentive options granted during the period

The fair value of the performance rights granted is deemed to represent the value of the services received over the vesting period.

These values were calculated using the Black-Scholes option pricing model, applying the following inputs to performance rights issued this year:

Grant date:	23 Nov 2022
Grant date share price:	$0.01
Share price target:	N/A
Number of performance rights issued:	14,000,000
Expiry Date	23 November 2025
Expected share price volatility:	83.7%
Risk-free interest rate:	3.27%
Value per option	$0.003

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

SECTION B. RISK

This section of notes discusses the Group's exposure to various risks and shows how these could affect the Group's financial position and performance.

NOTE 10 FINANCIAL RISK MANAGEMENT

10.1 Financial Risk Management Policies

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

The Group's financial instruments consist mainly of deposits with banks, short-term investments, and accounts payable and receivable.

The Group does not speculate in the trading of derivative instruments.

A summary of the Group's Financial Assets and Liabilities is shown below:

	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	2023 Total $	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	2022 Total $
Financial Assets								
Cash and cash equivalents	697,551	-	-	697,551	1,613,198	-	-	1,613,198
Trade and other receivables	-	-	112,993	112,993	-	-	27,552	27,552
Other assets	-	-	15,739	15,739	-	-	10,140	10,140
Total Financial Assets	697,551	-	128,732	826,283	1,613,198	-	37,692	1,650,890
Financial Liabilities								
Financial liabilities at amortised cost								
Trade and other payables	-	-	258,706	258,706	-	-	2,697,755	2,697,755
Financial Liabilities	-	9,335	-	9,335	-	-	-	-
Lease Liabilities	-	-	-	-	-	17,801	-	17,801
Total Financial Liabilities	-	9,335	258,706	268,041	-	17,801	2,697,755	2,715,556
Net Financial Assets	697,551	(9,335)	(129,974)	558,242	1,613,198	(17,801)	(2,660,063)	(1,064,666)

10.2 Specific Financial Risk Exposures and Management

The main risk the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity price risk.

The Board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Group's risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discuss all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 10 FINANCIAL RISK MANAGEMENT (cont.)

i. Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

- *Credit risk exposures*

  The maximum exposure to credit risk is that to its alliance partners and that is limited to the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

  Credit risk related to balances with banks and other financial institutions is managed by the Group in accordance with approved Board policy. Such policy requires that surplus funds are only invested with financial institutions residing in Australia, wherever possible.

- *Impairment losses*

  None of the Group's financial assets are past due (2022: $nil). There has been no allowance for impairment in respect of the financial assets of the Group during this year.

ii. Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required. Any surplus funds are invested with major financial institutions.

The financial liabilities of the Group are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days of the reporting date.

iii. Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board meets on a regular basis and considers the Group's exposure currency and interest rate risk.

(1) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is not material to the Group as no debt arrangements have been entered into, and movement in interest rates on the Group's financial assets is not material.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 10 FINANCIAL RISK MANAGEMENT (cont.)

(2) Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

With instruments being held by overseas operations, fluctuations in foreign currencies may impact on the Group's financial results. The Group's exposure to foreign exchange risk is minimal; however, the Board continues to review this exposure regularly.

(3) Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Group is not exposed to any material securities price risk.

iv. **Sensitivity Analyses**

(1) Interest rates

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance sheet date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

A change of 100 basis points in the interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. The analysis is performed on the same basis for 2022.

	Profit $	Equity $
Year ended 30 June 2023		
±100 basis points change in interest rates	± 6,976	± 6,976
Year ended 30 June 2022		
±100 basis points change in interest rates	± 16,132	± 16,132

(2) Foreign exchange

The Group did not carry significant assets or liabilities in foreign currencies in the 2023 financial year (2022: nil), and therefore was not subject to material foreign exchange risk, and according not subject to material sensitivities.

v. **Net Fair Values**

(1) Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The carrying value of cash and cash equivalents, trade and other receivables, and trade and other payables approximate fair value.

The methods and assumptions used in determining the fair values of financial instruments are disclosed in the accounting policy notes specific to the asset or liability.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 10 FINANCIAL RISK MANAGEMENT (cont.)

vi. **Financial Liability and Asset Maturity Analysis**

	Within 1 Year		1 to 5 Years		Total	
	2023 $	2022 $	2023 $	2022 $	2023 $	2022 $
Financial liabilities due for payment						
Trade and other payables	258,706	2,697,755	-	-	258,706	2,697,755
Short-term lease liabilities	-	17,801	-	-	-	17,801
Short-term financial liabilities	9,335	0		-	9,335	0
Total contractual outflows	268,041	2,715,556	-	-	268,041	2,715,556
Financial assets						
Cash and cash equivalents	697,551	1,613,198	-	-	697,551	1,613,198
Trade and other receivables	112,993	27,552	-	-	112,993	27,552
Other assets	15,739	10,140	-	-	15,739	10,140
Total anticipated inflows	826,283	1,650,890	-	-	826,283	1,650,890
Net (outflow)/inflow on financial	558,242	(1,064,666)	-	-	558,242	(1,064,666)

NOTE 11 CAPITAL MANAGEMENT

11.1 Capital management policy

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

As the Group incurs net cash outflows from operations and has large accumulated losses, the primary method used to adjust its capital structure is the issue of new shares. The Group has determined that where possible it will issue ordinary shares to avoid any restrictions on its use of capital or commit to interest payments. There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

There are no externally imposed capital requirements.

11.1.1 Current ratio

The current ratio of the Group at 30 June 2023 and 30 June 2022 were as follows:

	2023	2022
Current ratio	3.08	0.61

11.1.2 Working capital position

The working capital position of the Group at 30 June 2023 and 30 June 2022 were as follows:

	2023 $	2022 $
Cash and cash equivalents	697,551	1,613,198
Trade and other receivables	112,993	27,552
Other assets	15,739	10,140
Trade and other payables	(258,706)	(2,697,755)
Short-term lease liabilities	-	(17,801)
Short-term financial liabilities	(9,335)	-
Working capital position	558,242	(1,064,666)

Notes to the Consolidated Financial Statements

for the year ended 30 June 2023

SECTION C. GROUP STRUCTURE

This section provides information which will help users understand how the group structure affects the financial position and performance of the group as a whole. In particular, there is information about:

- *a) Changes to the structure that occurred during the year as a result of business combinations and the disposal of a discontinued operation*
- *b) Transactions with non-controlling interests, and*
- *c) Interests in joint operations*

A list of significant subsidiaries is provided in note 12 Controlled entities.

NOTE 12 CONTROLLED ENTITIES

Controlled Entities	Country of Incorporation	Class of Shares	Percentage Owned 2023 %	2022 %
Xinjiang Pan Pacific Mining Co Ltd	China	Ordinary	75.0	75.0
Sleeklines Holding Limited	Australia	Ordinary	100%	-

12.1 Investments in subsidiaries are accounted for at cost.

12.2 Dragon Mountain Gold Limited is the ultimate parent of the Group.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

SECTION D. UNRECOGNISED ITEMS

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

NOTE 13 EVENTS SUBSEQUENT TO REPORTING DATE

There are no other significant events after the end of the reporting period.

NOTE 14 CONTINGENT LIABILITIES

There are no contingent liabilities as at 30 June 2023 (2022: nil).

NOTE 15 COMMITMENTS

The Company has entered into binding agreements, both having similar terms and conditions, with Wingstar Investments Pty Ltd (Wingstar) (controlled by Mr Robert Gardner) to earn up to an 80% interest in in the mineral rights (excluding nickel and cobalt) of the Cawse and Avalon Projects, over four stages in accordance with the agreed earn in schedule. Stages 1 and 2 are complete giving the Company a 25% interest in each project.

The Company is now in stage 3 whereby it has to sole fund an exploration program spending a further $250,000 on each project in order to earn a further 26% interest in each project. At the completion of stage 3 Wingstar can elect to maintain its 49% interest going froward from that point or alternatively can give the Company the right to elect to increase its interest to 80% in each project (stage 4). If the Company was to elect to take up its 80% interest it would then need to fund a further $300,000 exploration program, in respect of each project, over a 15 month period from the date of the first anniversary after the Company acquired its 51% interest in each project. If the Company's interest in the projects was to increase to 80%, Wingstar will be free caried until either the completion of a definitive feasibility study in respect of a potential mine or the cumulative exploration expenditure of $4 million from commencement of stage 1 by the Company.

The company has also entered into a binding agreement with Mesmeric Enterprises Pty Ltd (Mesmeric) (controlled by Mr Robert Gardner) to earn up to an 80% interest in in the mineral rights (excluding nickel and cobalt) in relation to tenements that partially comprise the Cawse Project on or before 31 December 2022 on substantially the same terms as the agreements referred to above with Wingstar Investments Pty Ltd. At 30 June 2023 the Company had a 25% interest in the Mesmeric Cawse tenements (2022: $162,110).

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

SECTION E. OTHER INFORMATION

This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

NOTE 16 AUDITOR'S REMUNERATION

	2023 $	2022 $
Remuneration of the auditor of the Group for:		
Auditing or reviewing the financial reports	13,000	13,125
	13,000	13,125

NOTE 17 EARNINGS PER SHARE (EPS)

	2023 $	2022 $
17.1 Reconciliation of earnings to profit or loss		
Loss for the year attributable to owners of the Group	(486,232)	(653,437)
Loss used in the calculation of basic EPS	(486,232)	(653,437)

	2023 No.	2022 No.
17.2 Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	388,100,723	263,530,515

	Note	2023 ¢	2022 ¢
17.3 Earnings per share			
Basic EPS (cents per share)	17.3.1	(0.13)	(0.25)

17.3.1 The Group does not report diluted earnings per share, as dilution is not applied to annual losses generated by the Group, and the Group has no dilutionary equity instruments on issue as at 30 June 2023 (2022: nil).

17.4 Accounting Policy

17.4.1 Basic earnings per share

Basic earnings (or loss) per share is determined by dividing the profit or loss attributable to equity holders of the parent company, excluding any costs of service equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

17.4.2 Diluted earnings per share

Diluted earnings (or loss) per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares which comprise share options granted as Share-based payments.

The Group does not report diluted earnings per share, as dilution is not applied to annual losses generated by the Group, and the company has no dilutionary equity instruments on issue as at 30 June 2023 (2022: nil).

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 18 KEY MANAGEMENT PERSONNEL COMPENSATION

18.1 Key management personnel (KMP)

The names and positions of KMP are as follows:

- Mr Robert Gardner *Executive Chairman*
- Mr Jay Stephenson *Non-executive Director*
- Mr Dimitri Bacopanos *Non-executive Director*

NOTE 19 KEY MANAGEMENT PERSONNEL COMPENSATION

19.1 KMP compensation

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

	2023 $	2022 $
Short-term employee benefits	120,000	269,016
Post-employment benefits	3,675	3,189
Equity-settled share-based payments	43,324	-
Total	166,999	272,205

Refer to the Remuneration Report contained in the Director's Report on page 5 for details of the remuneration paid to each member of the Group's KMP for the year ended 30 June 2023.

NOTE 20 RELATED PARTY TRANSACTIONS

	2023 $	2022 $
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.		
Transactions with Key Management Personnel:		
Fastwitch Enterprises Pty Ltd Fastwitch Enterprises Pty Ltd, a company controlled by Mr Gardner, receives payments for director's fees and consulting services provided by Mr Gardner in respect of the Group's operations. These services are provided directly and indirectly by Mr Gardner and are therefore reported in the Remuneration Report contained in the Directors' Report on page 5. Balances reported in this note 19 represent reimbursements of Group costs paid directly by Mr Gardner.	50,000	202,125
Sunplus Holdings Pty Ltd Sunplus Holdings Pty Ltd, a company controlled by Mr Gardner, receives payments of $3,300 (incl GST) per month for occupancy costs in respect of the Group's operations.	18,000	55,000

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 20 RELATED PARTY TRANSACTIONS (CONT.)	Note	2023 $	2022 $
Balances with Key Management Personnel:			
Sunplus Holdings Pty Ltd			
Amounts have been accrued in respect to rental payable to Sunplus Holdings Pty Ltd, a company controlled by Mr Gardner.		18,000	275,000
Fastwitch Enterprises Pty Ltd			
Outstanding amounts owed in respect to exploration costs paid on behalf of the Company by Fastwitch Enterprises Pty Ltd, a company controlled by Mr Gardner.		-	17,863
Amounts have been accrued in respect to director fees payable to Fastwitch Enterprises Pty Ltd, a company controlled by Mr Gardner.		-	754,171
Wingstar Investments Pty Ltd			
Wingstar Investments Pty Ltd, a company controlled by Mr Robert Gardner has agreements with the Company allowing it to earn additional interests in the Cawse and Avalon projects. As disclosed in Note 15, in order for the Company to earn a 51% and 80% interest in the projects it is required to make expenditure commitments of $250,000 and $300,000 for the two projects respectively.		-	-
Mesmeric Enterprises Pty Ltd			
Mesmeric Enterprises Pty Ltd, a company controlled by Mr Robert Gardner, has an agreement with the Company allowing it to earn additional interests in the Cawse project. As disclosed in Note 15, in order for the Company to earn a 51% and 80% interest in the Cawse project, the Company is required make expenditure commitments of $250,000 and $300,000 respectively.		-	-

NOTE 21 OPERATING SEGMENTS

21.1 Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors on a regular basis and in determining the allocation of resources. Management continually assesses the Group's segments and has identified the operating segments based on the one principal location based on geographical areas and therefore different regulatory environments – Australia (2022: Australia). The Group operates predominantly in the minerals exploration and evaluation industry.

Due to its reduced activity, the Group currently operates materially in one business segment and one geographical segment as described above. Accordingly, the financial information presented in the statement of comprehensive income and statement of financial position is the same as that presented to the chief operating decision maker.

21.2 Accounting Policy

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' results are regularly reviewed by the Group's Board of Directors to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 22 PARENT ENTITY DISCLOSURES

		2023 $	2022 $
22.1	**Financial Position of Dragon Mountain Gold Limited**		
	Current assets		
	Cash and cash equivalents	697,551	1,613,198
	Trade and other receivables	112,993	27,552
	Other current assets	15,739	10,140
	Total current assets	826,283	1,650,890
	Non-current assets		
	Exploration and evaluation assets	922,014	331,284
	Plant and equipment	2,120	2,760
	Right of use assets	-	43,083
	Total non-current assets	924,134	377,127
	Total assets	1,750,417	2,028,017
	Current liabilities		
	Trade and other payables	258,706	2,697,755
	Short-term financial liabilities	9,335	
	Short-term lease liabilities	-	17,801
	Total current liabilities	268,041	2,697,7556
	Total liabilities	268,041	26,977,556
	Net (liabilities)/assets	1,482,376	(24,949,539)
	Equity		
	Issued capital	35,694,626	33,081,803
	Reserves	43,324	-
	Accumulated losses	(34,255,574)	(33,769,342)
	Total equity	1,482,376	(687,539)
22.2	**Financial performance of Dragon Mountain Gold Limited**		
	Loss for the year	(486,232)	(653,437)
	Total comprehensive income	(486,232)	(653,437)

22.3 Guarantees entered into by Dragon Mountain Gold Limited for the debts of its subsidiaries

There are no guarantees entered into by Dragon Mountain Gold Limited for the debts of its subsidiaries as at 30 June 2023 (2022: none).

22.4 Contingent liabilities

There are no contingent liabilities as at 30 June 2023 (2022: none).

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 23 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

23.1 Basis of preparation

23.1.1 Statement of compliance

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001* (Cth).

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

The financial statements were authorised for issue on 28 September 2023 by the directors of the Company.

23.1.2 Adoption of new and revised Accounting Standards

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial year.

23.1.3 Going Concern

The financial statements have been prepared on a going concern basis which assumes the settlement of liabilities and the realisation of assets in the normal course of business.

The Group incurred a net loss of $486,232 during the year ended 30 June 2023 and, as of that date, the Group had net assets of $1,482,376, including a cash balance of $697,551 with current assets exceeding its current liabilities by $558,242.

The ability of the Group to continue its planned activities and maintain its going concern status is dependent on being able to raise additional funds as required. The Directors continue to be focused on meeting the Company's business objectives and is mindful of the funding requirements to meet these objectives. The Directors consider the basis of going concern to be appropriate for the following reasons:

- The current cash balance of the Company relative to its fixed and discretionary expenditure commitments;
- Given the Company's market capitalisation and the underlying prospects for the Company to raise further funds from the capital markets; and

The fact that future exploration and evaluation expenditure is generally discretionary in nature (i.e. at the discretion of the Directors having regard to an assessment of the Company's eligible expenditure to date and the timing and quantum of its remaining earn-in expenditure requirements). Subject to meeting certain minimum expenditure commitments, further exploration activities may be slowed or suspended as part of the management of the Company's working capital.

Should the Group be unable to raise the amount of funding required and should the continued support from related party creditors not be forthcoming, there is material uncertainty that the Group will be able to continue as a going concern, and therefore whether it will be able to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

23.1.4 Financial position

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities

23.1.5 Use of estimates and judgments

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements made by management in the application of Australian Accounting Standards that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed after each note.

23.1.6 Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

23.1.7 Current and Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

23.1.8 Principles of consolidation

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

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

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

Notes to the Consolidated Financial Statements

for the year ended 30 June 2023

NOTE 23 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

23.1.9 Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control the Group takes into consideration potential voting rights that currently are exercisable.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquire; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree;

less

- the net recognised amount of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

23.2 Foreign currency transactions and balances

23.2.1 Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

23.2.2 Transaction and balances

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at year-end are retranslated to the functional currency at the foreign exchange rate at year-end.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments, a financial liability designated as a hedge of the net investment in a foreign operation, or qualifying cash flow hedges, which are recognised directly in equity.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 23 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

23.2.3 Foreign operations

The assets and liabilities of foreign operations are translated to Australian dollars at exchange rates at year-end. The income and expenses of foreign operations are translated to Australian dollars at the average exchange rates for the period.

Foreign currency differences are recognised directly in equity. Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the foreign currency translation reserve in the statement of financial position. When a foreign operation is disposed of, in part or in full, the relevant amount in the foreign currency translation reserve is transferred to profit or loss.

23.3 New Accounting Standards and Interpretations not yet mandatory or early adopted

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

23.3.1 *Other standards not yet applicable*

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Notes to the Consolidated Financial Statements
for the year ended 30 June 2023

NOTE 24 COMPANY DETAILS

The registered office of the Company is:
Address:

Street:	182 Claisebrook Road
	Perth WA 6000
Postal:	PO Box 52
	West Perth WA 6872
Website:	www.dragonmountain.com.au
E-mail:	info@dragonmountain.com.au

The principal place of business is:
Finance and Administration Office:

Street:	Barringtons House
	283 Rokeby Road
	Subiaco WA 6008
Postal:	PO Box 1288
	Subiaco WA 6904
Telephone:	+61 (0)8 6141 3500
Facsimile:	+61 (0)8 6141 3599

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 12 to 47, are in accordance with the *Corporations Act 2001* (Cth) and:

   (a) comply with Accounting Standards;

   (b) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in note 23.1 to the financial statements; and

   (c) give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Consolidated Group.

2. the Chief Executive Officer and Chief Finance Officer have each declared that:

   (a) the financial records of the Consolidated Group for the financial year have been properly maintained in accordance with s 286 of the *Corporations Act 2001* (Cth);

   (b) the financial statements and notes for the financial year comply with the Accounting Standards; and

   (c) the financial statements and notes for the financial year give a true and fair view.

3. in the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

R. Gardner.

ROBERT GARDNER
Chairman
Dated this 28 September 2023

MOORE

Moore Australia Audit (WA)

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DRAGON MOUNTAIN GOLD LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Dragon Mountain Gold Limited and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

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

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report.

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

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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.

Emphasis of Matter – Material Uncertainty regarding Going Concern

We draw attention to Note 23.1.3 of the financial report, which indicates that the Company is dependent upon the ongoing support of its shareholders in order to fund its working capital and discharge its liabilities in the ordinary course of business. These conditions indicate the existence of a material uncertainty that may cast doubt about the Company's ability to continue as a going concern, which if it was to eventuate, the Company may be unable to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. Our audit opinion is not modified in this regard.

Key Audit Matters

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

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

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DRAGON MOUNTAIN GOLD LIMITED (CONTINUED)

Key Audit Matters (continued)

Carrying value of capitalised Exploration & Evaluation Assets	
Refer to Note 7.1 Exploration & Evaluation Assets	
As at 30 June 2023 the Group had capitalised exploration and evaluation expenditure of $922,014 The ability to recognise and to continue to defer exploration-evaluation assets under AASB 6 is impacted by the Group's ability, and intention, to continue to explore and evaluate the tenements or its ability to realise this value through development or sale. The carrying values of the capitalised exploration and evaluation assets were key audit matters given the significance of the exploration activities to the Group's balance sheet, and the judgement involved in the assessment of their values.	Our procedures included, amongst others the following: • Assessing the methodologies used by management to estimate recoverable amounts of the exploration and evaluation assets, including testing the integrity of the information provided, and assessing the appropriateness of the key assumptions adopted based on our knowledge of the tenements and industry. • Testing expenditures and other additions to the exploration and evaluation assets during the year on a sample basis against supporting documentation such as supplier invoices and cost agreements and ensuring such expenditures and additions are appropriately recorded in accordance with applicable accounting standards. • Reviewing the Group's rights to tenure to its areas of interest and commitment to continue exploration and evaluation activities in these interests and ensuring capitalised expenditures relating to areas of interest which have been discontinued or no longer being budgeted for are appropriately impaired. • Compared the Group's recent market capitalisation to its net asset position, noting that the market capitalisation below net assets is an indicator of possible impairment, thereby requiring further consideration. • Assessing the appropriateness of the relevant disclosures in the financial statements.

Other Information

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

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

MOORE

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF DRAGON MOUNTAIN GOLD LIMITED (CONTINUED)

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 on the Auditing and Assurance Standards Board website at:
https://www.auasb.gov.au/admin/file/content102/c3/ar2_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 as included in the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Dragon Mountain Gold 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.

Neil Pace

NEIL PACE
PARTNER

Moore Australia

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 28th day of September 2023.

Corporate Governance Statement

This Corporate Governance summary discloses the extent to which the Company will follow the recommendations set by the ASX Corporate Governance Council in its publication 'Corporate Governance Principles and Recommendations (3rd Edition)' (**Recommendations**). The Recommendations are not mandatory, however, the Recommendations that will not be followed have been identified and reasons have been provided for not following them.

The Company's Corporate Governance Plan has been posted on the Company's website at www.dragonmountain.com.au.

PRINCIPLES AND RECOMMENDATIONS	COMPLY	EXPLANATION
Principle 1: Lay solid foundations for management and oversight		
Recommendation 1.1 A listed entity should have and disclose a charter which: (a) sets out the respective roles and responsibilities of the board, the chair and management; and (b) includes a description of those matters expressly reserved to the board and those delegated to management.	Complying	The Company has adopted a Board Charter. The Board Charter sets out the specific responsibilities of the Board, requirements as to the Boards composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors access to company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy. A copy of the Company's Board Charter is stated in Schedule 1 of the Corporate Governance Plan which is available on the Company's website.
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.	Complying	(a) The Company has detailed guidelines for the appointment and selection of the Board. The Company's Corporate Governance Plan requires the Board to undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director. (b) Material information relevant to any decision on whether or not to elect or re-elect a Director will be provided to security holders in the notice of meeting holding the resolution to elect or re-elect the Director.
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Complying	The Company's Corporate Governance Plan requires the Board to ensure that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.
Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Complying	The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. The Company Secretary is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.

Corporate Governance Statement

Recommendation 1.5 A listed entity should: (a) have a diversity policy which includes requirements for the board: (i) to set measurable objectives for achieving gender diversity; and (ii) to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary or it; and (c) disclose as at the end of each reporting period: (i) the measurable objectives for achieving gender diversity set by the board in accordance with the entity's diversity policy and its progress towards achieving them; and (ii) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (B) the entity's "Gender Equality Indicators", as defined in the Workplace Gender Equality Act 2012.	Complying	(a) The Company has adopted a Diversity Policy. (i) The Diversity Policy provides a framework for the Company to achieve a list of 6 measurable objectives that encompass gender equality. (ii) The Diversity Policy provides for the monitoring and evaluation of the scope and currency of the Diversity Policy. The company is responsible for implementing, monitoring and reporting on the measurable objectives. (b) The Diversity Policy is stated in Schedule 9 of the Corporate Governance Plan which is available on the company website. (c) (i) The measurable objectives set by the Board will be included in the annual key performance indicators for the CEO, MD and senior executives. In addition the Board will review progress against the objectives in its annual performance assessment. (ii) The Company currently has no employees and utilizes external consultants and contractors as and when required. The Board will review this position on an annual basis and will implement measurable objectives as and when they deem the Company to require them.

Corporate Governance Statement

Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Complying	(a) The Board is responsible for evaluating the performance of the Board and individual directors on an annual basis. It may do so with the aid of an independent advisor. The process for this can be found in Schedule 6 of the Company's Corporate Governance Plan. . (b) The Company's Corporate Governance Plan requires the Board to disclosure whether or not performance evaluations were conducted during the relevant reporting period. Due to the size of the Board and the nature of the business, it has not been deemed necessary to institute a formal documented performance review program of individuals. However, the Chairman intends to conduct formal reviews each financial year whereby the performance of the Board as a whole and the individual contributions of each director are disclosed. The Board considers that at this stage of the Company's development an informal process is appropriate. The review will assist to indicate if the Board's performance is appropriate and efficient with respect to the Board Charter. The Board regularly reviews its skill base and whether it remains appropriate for the Company's operational, legal and financial requirements. New Directors are obliged to participate in the Company's induction process, which provides a comprehensive understanding of the Company, its objectives and the market in which the Company operates. Directors are encourages to avail themselves of resources required to fulfil the performance of their duties.
Recommendation 1.7 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Complying	(a) The Board is responsible for evaluating the performance of senior executives. The Board is to arrange an annual performance evaluation of the senior executives. (b) The Company's Corporate Governance Plan requires the Board to conduct annual performance of the senior executives. Schedule 6 'Performance Evaluation' requires the Board to disclose whether or not performance evaluations were conducted during the relevant reporting period. During the financial year an evaluation of performance of the individuals was not formally carried out. However, a general review of the individuals occurs on an on-going basis to ensure that structures suitable to the Company's status as a listed entity are in place.

Corporate Governance Statement

Principle 2: Structure the board to add value		
Recommendation 2.1 The board of a listed entity should: (a) have a nomination committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.	Complying	(b) Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company currently has no Nomination Committee. Pursuant to clause 4(h) of the Company's Board Charter, the full Board carries out the duties that would ordinarily be assigned to the Nomination Committee under the written terms of reference for that committee. The duties of the Nomination Committee are outlined in Schedule 5 of the Company's Corporate Governance Plan available online on the Company's website. The Board devotes time at board meetings to discuss board succession issues. All members of the Board are involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules. The Board regularly updates the Company's board skills matrix (in accordance with recommendation 2.2) to assess the appropriate balance of skills, experience, independence and knowledge of the entity.
Recommendation 2.2 A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Complying	See Board Skills Matrix below.

Board Skills Matrix	Number of Directors that Meet the Skill
Executive & Non- Executive experience	3
Industry experience & knowledge	3
Leadership	3
Corporate governance & risk management	3
Strategic thinking	3
Desired behavioural competencies	3
Geographic experience	3
Capital Markets experience	3
Subject matter expertise:	
- accounting	2
- capital management	3
- corporate financing	2
- industry taxation [1]	1
- risk management	3
- legal	3
- IT expertise [2]	0

(1) Skill gap noticed however an external taxation firm is employed to maintain taxation requirements.

(2) Skill gap noticed however an external IT firm is employed on an adhoc basis to maintain IT requirements.

Corporate Governance Statement

Recommendation 2.3 **A listed entity should disclose:** (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director	Complying	(a) The Board Charter provides for the disclosure of the names of Directors considered by the Board to be independent. These details are provided in the Annual Reports and Company website. (b) The Board Charter requires Directors to disclose their interest, positions, associations and relationships and requires that the independence of Directors is regularly assessed by the Board in light of the interests disclosed by Directors. Details of the Directors interests, positions associations and relationships are provided in the Annual Reports and Company website. (c) The Board Charter provides for the determination of the Directors' terms and requires the length of service of each Director to be disclosed. The length of service of each Director is provided in the Annual Reports and Company website.
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	Complying	The Board Charter requires that where practical the majority of the Board will be independent. Jay Stephenson is an Independent Director. Details of each Director's independence are provided in the Annual Reports and Company website.
Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Not complying	The Board Charter provides that where practical, the Chairman of the Board will be an independent Chairman. If the Chairman ceases to be independent then the Board will consider appointing a lead independent Director.
Recommendation 2.6 A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.	Complying	The Board Charter states that a specific responsibility of the Board is to procure appropriate professional development opportunities for Directors. The Board is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities.

Corporate Governance Statement

Principle 3: Act ethically and responsibly		
Recommendation 3.1 A listed entity should articulate and disclose its values	Complying	(a) The Corporate Code of Conduct applies to the Company's directors, senior executives and employees. (b) The Company's Corporate Code of Conduct is in Schedule 2 of the Corporate Governance Plan which is on the Company's website.
Recommendation 3.2 listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code by a director or senior executive; and (c) any other material breaches of that code that call into question the culture of the organisation.	Complying	(a) The Corporate Code of Conduct applies to the Company's directors, senior executives and employees. (b) The Company's Corporate Code of Conduct is in the Corporate Governance Plan. which is summarised on the Company's website.
Recommendation 3.3 A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	Complying	The Company has a whistleblowing policy which is outlined in the Company Corporate Governance Plan. The board is informed of any material incidents reported under the policy.
Recommendation 3.4 A listed entity should: (a) have and disclose an anti-bribery policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	Complying	The Company has an anti-corruption policy which is outlined in the Company Corporate Governance Plan. The board is informed of any material incidents reported under the policy.

Corporate Governance Statement

Principle 4: *Safeguard integrity in financial reporting*		
Recommendation 4.1 The board of a listed entity should: (a) have an audit committee which: (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by an independent director, who is not the chair of the board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	Complying	(b) Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company currently has no Audit and Risk Committee. Pursuant to Clause 4(h) of the Company's Board Charter, the full Board carries out the duties that would ordinarily be assigned to the Audit and Risk Committee under the written terms of reference for that committee. The role and responsibilities of the Audit and Risk Committee are outlined in Schedule 3 of the Company's Corporate Governance Plan available online on the Company's website. The Board devote time at annual board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors. All members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.
Recommendation 4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Complying	The Company's Corporate Governance Plan states that a duty and responsibility of the Board is to ensure that before approving the entity's financial statements for a financial period, the CEO and CFO have declared that in their opinion the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
Recommendation 4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Complying	The Company's Corporate Governance Plan provides that the Board must ensure the Company's external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

Corporate Governance Statement

Principle 5: *Make timely and balanced disclosure*		
Recommendation 5.1 A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	Complying	(a) The Board Charter provides details of the Company's disclosure policy. In addition, Schedule 7 of the Corporate Governance Plan is entitled 'Disclosure – Continuous Disclosure' and details the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation. (b) The Board Charter and Schedule 7 of the Corporate Governance Plan are available on the Company website.
Recommendation 5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Complying	Each member of the board receives copies of all material market announcements promptly after they have been made.
Recommendation 5.3 A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Complying	All substantive investor or analyst presentations are released on the ASX Market Announcement Platform ahead of the presentation.
Principle 6: *Respect the rights of security holders*		
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	Complying	Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website. Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company website.
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Complying	The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Shareholder Communications Strategy outlines a range of ways in which information is communicated to shareholders. The Shareholder Communications Strategy can be found in Schedule 10 of the Board Charter which is available on the Company website.

Corporate Governance Statement

Recommendation 6.3 A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Complying	The Shareholder Communications Strategy states that as a part of the Company's developing investor relations program, Shareholders can register with the Company Secretary to receive email notifications of when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted. Shareholders are encouraged to participate at all EGMs and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material with that notice of meeting stating that all Shareholders are encouraged to participate at the meeting.
Recommendation 6.4 A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by show of hands.	Complying	The Company ensures that all substantive resolutions at shareholder meetings are decided by poll.
Recommendation 6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Complying	Security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX. Shareholders queries should be referred to the Company Secretary at first instance.
Principle 7: Recognise and manage risk		
Recommendation 7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.	Complying	Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company currently has no Audit and Risk Committee. Pursuant to Clause 4(h) of the Company's Board Charter, the full Board currently carries out the duties that would ordinarily be assigned to the Audit and Risk Committee under the written terms of reference for that committee. The role and responsibilities of the Audit and Risk Committee are outlined in Schedule 3 of the Company's Corporate Governance Plan available online on the Company's website. The Board devote time at annual board meeting to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.

Corporate Governance Statement

Recommendation 7.2 The board or a committee of the board should: (a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board; and (b) disclose in relation to each reporting period, whether such a review has taken place.	Complying	(a) The Company process for risk management and internal compliance includes a requirement to identify and measure risk, monitor the environment for emerging factors and trends that affect these risks, formulate risk management strategies and monitor the performance of risk management systems. Schedule 8 of the Corporate Governance Plan is entitled 'Disclosure – Risk Management' and details the Company's disclosure requirements with respect to the risk management review procedure and internal compliance and controls. (b) The Board Charter requires the Board to disclose the number of times the Board met throughout the relevant reporting period, and the individual attendances of the members at those meetings. Details of the meetings will be provided in the Company's Annual Report.
Recommendation 7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Complying	Schedule 3 of the Company's Corporate Plan provides for the internal audit function of the Company. In the absence of a risk committee, the Board is responsible for identifying risks and ensuring that there are controls for these risks which are to be designed and ensure that any identified risk is mitigated to an acceptable level. The Board will review and discuss strategic risks and opportunities as they arise and arising from changes in the Company's business evaluate regularly on an 'as need' basis. The Charter outlines the monitoring, review and assessment of a range of internal audit functions and procedures.
Recommendation 7.4 A listed entity should disclose whether, and if so how, it has regard to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Complying	Schedule 3 of the Company's Corporate Plan details the Company's risk management systems which assist in identifying and managing potential or apparent business, economic, environmental and social sustainability risks (if appropriate). Review of the Company's risk management framework is conducted at least annually and reports are continually created by management on the efficiency and effectiveness of the Company's risk management framework and associated internal compliance and control procedures.

Corporate Governance Statement

Principle 8: Remunerate fairly and responsibly		
Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	Complying	Due to the size and nature of the existing board and the magnitude of the Company's operations the Company currently has no Remuneration Committee. Pursuant to clause 4(h) of the Company's Board Charter, the full Board currently carries out the duties that would ordinarily be assigned to the Remuneration Committee under the written terms of reference for that committee. The role and responsibilities of the Remuneration Committee are outlined in Schedule 4 of the Company's Corporate Governance Plan available online on the Company's website. The Board devote time at annual board meetings to fulfilling the roles and responsibilities associated with setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.
Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives and ensure that the different roles and responsibilities of non-executive directors compared to executive directors and other senior executives are reflected in the level and composition of their remuneration.	Complying	The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of non-executive, executive and other senior directors.
Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	Complying	(a) Company's Corporate Governance Plan states that the Board is required to review, manage and disclose the policy (if any) on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme. The Board must review and approve any equity based plans. (b) A copy of the Company's Corporate Governance Plan is available on the Company's website.

Additional Information For Listed Public Companies

The following additional information is required by the Australian Securities Exchange in respect of listed public companies.

1 SHAREHOLDING AS AT – 29 September 2023

a. Distribution of Shareholders

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	36	4,695	0.00
1,001 – 5,000	10	22,024	0.00
5,001 – 10,000	10	77,666	0.02
10,001 – 100,000	110	6,069,262	1.54
100,001 – and over	129	388,498,018	98.44
	295	**394,671,665**	**100.00**

b. Unmarketable Parcels

	Minimum Parcel Size	Holders	Units
Minimum $ 500.00 parcel at $ 0.0100 per unit	50,000	101	1,326,515

c. Voting Rights

The voting rights attached to each class of equity security are as follows:

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

d. 20 Largest Shareholders — Ordinary Shares as at – 29 September 2023

Rank	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	FASTWITCH ENTERPRISES PTY LTD <NC A/C>	104,657,976	26.52%
2.	LL ARTHUR LTD	57,500,000	14.57%
3.	RJ & JG HOLDINGS PTY LTD <SWAN EXEC SUPER FUND A/C>	24,276,792	6.15%
4.	COOLCAT ENTERPRISES PTY LTD	14,000,000	3.55%
5.	SWIFTYLINK PTY LTD	14,000,000	3.55%
6.	DROMANA HOLDINGS PTY LTD	13,982,301	3.54%
7.	BELLRAY HOLDINGS PTY LTD	13,709,372	3.47%
8.	DELTA HOTEL PTY LTD	13,175,000	3.34%
9.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	12,980,576	3.29%
10.	KESLI CHEMICALS PTY LTD <RUANE S/F A/C>	11,874,549	3.01%
11.	GOTHA STREET CAPITAL PTY LTD <BLUE SKY NO 2 A/C>	9,300,000	2.36%
12.	BNP PARIBAS NOMS PTY LTD <DRP>	6,890,114	1.75%
13.	BELLRAY HOLDINGS PTY LTD	5,186,929	1.31%
14.	MR THOMAS EDWARD ARTHUR & MS MARY JANE ARTHUR <TE & MJ ARTHUR S/F A/C>	4,488,995	1.14%
15.	P R PERRY NOMINEES PTY LTD <DONESK FAMILY A/C>	4,130,000	1.05%
16.	ZETETIC INVESTMENTS PTY LTD	4,000,000	1.01%
17.	BELLRAY HOLDINGS PTY LTD	3,481,852	0.88%
18.	DIRDOT PTY LIMITED <GRIFFITH SUPER FUND A/C>	3,393,920	0.86%
19.	CITICORP NOMINEES PTY LIMITED	2,917,693	0.74%
20.	MR JOSHUA KLENBORT <HSBC SHANGHAI A/C>	2,526,662	0.64%
	TOTAL	326,472,722	82.72%

Additional Information For Listed Public Companies

2 The name of the Company Secretary is Jay Richard Stephenson.

3 PRINCIPAL REGISTERED OFFICE

As disclosed in Note 24 Company Details on page 47 of this Annual Report.

4 REGISTERS OF SECURITIES

As disclosed in the Corporate Directory on page i of this Annual Report.

5 STOCK EXCHANGE LISTING

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited, As disclosed in the Corporate Directory on page i of this Annual Report.

6 UNQUOTED SECURITIES

a. **Options over Unissued Shares**

The Company has 14,000,000 options on issue.

7 USE OF FUNDS

The Company has used its funds in accordance with its initial business objectives.

Tenement Report

AS AT 30 JUNE 2023

Project/Tenements	Location	Held at end of quarter	Acquired during the year	Disposed during the year
XPPM License	China	100%	0%	0%
The Cawse Project	Australia	100%	0%	0%
Avalon Project	Australia	100%	0%	0%
Sleeklines	Australia	100%	100%	0%

PROJECT/TENEMENTS THE COMPANY HAS A RIGHT TO EARN AN INTEREST IN:

The Company has a right to earn an interest in the Cawse and Avalon Projects. As at 30 June 2023, the Company has earned a 25% interest in the Cawse and Avalon Projects.

THE CAWSE PROJECT

- M24/0547
- M24/0548
- M24/0549
- M24/0550
- L24/0030
- L24/0076
- L24/0113
- L24/0140
- L24/0141
- L24/0142
- L24/0152
- L24/0153
- L24/0159
- L24/0167
- L24/0168
- L24/0185
- L24/0193
- L24/0194
- M24/0224
- M24/0389
- M24/0517
- M24/0518
- M24/0519
- M24/0520
- M24/0543
- M24/0544
- P24/5187

THE AVALON PROJECT

- L27/0055
- L27/0056
- M25/0075
- M25/0076
- M25/0077
- M25/0078
- M25/0079

HELD BY DMG

- P16/3355
- P16/3350
- P16/3351
- P16/3352
- P16/3353
- P16/3354
- P16/3347
- E16/586
- P16/3349

SLEEKLINES TENEMENTS

- P24/5187
- P24/5188
- P24/5189
- P24/5190
- P24/5191
- P24/5203
- P24/5204
- P24/5205
- P24/5206
- P24/5207
- P24/5451
- P24/5452
- P24/5453
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DRAGON
MOUNTAIN
GOLD