ANNUAL REPORT 2023

Finder Energy Holdings Limited
ABN 70 656 811 719

CORPORATE DIRECTORY

DIRECTORS

Bronwyn Barnes
Independent Non-Executive Chairman

Damon Neaves
Managing Director and Chief Executive Officer

Shane Westlake
Technical Director

Fred Wehr
Independent Non-Executive Director

COMPANY SECRETARY

Anthony Benino

NAME

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LETTER FROM OUR CHAIRMAN

Dear Shareholders

On behalf of my fellow Directors, I am pleased to present Finder's 2023 Annual Report.

Finder listed on ASX in April 2022, a little over 17 months ago. Since that time, management's focus has been on the execution of our farmout strategy and we have progressed technical work to generate drill-ready targets and market those opportunities to potential industry partners.

Finder has achieved a string of early stage farmouts in late 2022 across Finder's UK portfolio, despite challenging industry-wide conditions and changing energy policies and regulation which have impacted investment in oil and gas energy supply chains.

As the world struggles with the challenges of reliable energy supply we are seeing a shift in the policy debate with an acknowledgement that fossil fuels have a continuing role in transitioning energy economies and will be a necessary part of the energy mix for decades to come - and beyond the 2050 net zero horizon.

In this rapidly evolving environment, an important part of management's focus has been to preserve cash, maintain a tight capital structure and manage permit tenure by securing extensions. In this way, we preserve the value of our portfolio to give us the time we need to monetise the value through farmouts and demonstrate that we can be part of the energy transition solution.

Finder is fortunate to have high quality and supportive partners and we place significant value on these relationships. We continue to work on new opportunities which will forge new and important partnerships that will shape our future and reflect our commitment to being part of the energy transition acknowledging the role that traditional fuels can play.

The fundamentals remain strong to drive investment and activity levels in the industry. Commodity prices have been relatively high for a sustained period and consensus forecasts remain positive. As a result, producers have paid down debt, returned capital and undergone significant cash build on their balance sheets. These factors all point to increased reinvestment to replace declining reserves and underly our positive outlook and continued belief in our farmout strategy.

We are hopeful that the year ahead will be a defining period for the Company. We thank shareholders for the patience they have shown to see us through the past year and we move forward with confidence that the technical work that has now been done will yield positive and rewarding outcomes. I would like to take this opportunity to also thank our staff and contractors, who have continued to work with dedication and professionalism as they look to maximise the value of our exploration portfolio and seek to identify new opportunities that can add value to the Company.

Yours faithfully,

Bronwyn Barnes
Independent Non-Executive Chairman

REVIEW OF OPERATIONS

Finder has a large portfolio of exploration acreage in two of the world's premier hydrocarbon regions, the United Kingdom (UK) North Sea and the North West Shelf of Western Australia (NWS) (Figures 1 and 7).

Finder's technical work has high graded much of that portfolio ready for drilling and Finder is running multiple farmout processes to secure partners to fund drilling activity.

An overview of each of the Company's projects and activities for the reporting period is provided below.

United Kingdom: North Sea

Finder currently has 5 licences in the UK North Sea (Figure 1), all of which are operated by Finder.

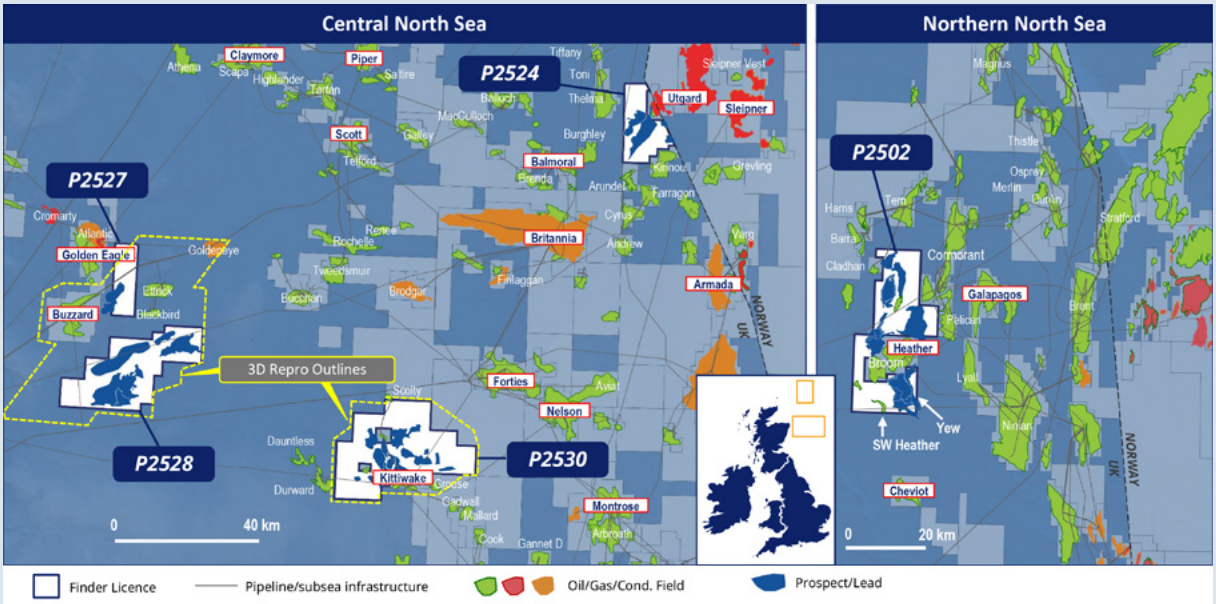


Figure 1 – Finder's UK North Sea portfolio comprising 5 licences

P2524: SOUTH VIKING GRABEN

Finder 40% and Operator

P2524 is located on the eastern margin of the UK-Norway international median line within the prolific South Viking Graben (see Figure 1). Finder holds a 40% interest in P2524 and is the Licence Administrator, with the remaining 60% held by Harbour Energy. The licence is surrounded by oil, gas and condensate fields and the area is infrastructure-rich with multiple host facility options for tie backs. P2524 is part of Finder's Infrastructure-Led Exploration (ILX) strategy given its proximity to infrastructure.

Over the course of the year Finder has carried out detailed technical studies which included geophysical interpretation of the latest 3D geostreamer seismic data. This work has high-graded three key prospects, Amberjack, Trevally and Barracuda (Table 1).

Table 1 – Prospective Resources for P2524

Name	Status	Barrels of Oil Equivalent (MMboe)								Geological Chance of Success (%)
		Gross (100%)				Net (Finder 40%)				
		P90	P50	PMean	P10	P90	P50	PMean	P10	
Barracuda	**Prospect**	20.0	55.9	66.7	130.8	8.0	22.4	26.7	52.3	31%
Amberjack [1]	**Prospect**	8.1	17.5	19.4	33.4	3.2	7.0	7.8	13.4	72%
	in P2524	3.8	8.2	9.1	14.4	1.5	3.3	3.6	5.7	
Trevally	**Prospect**	11.4	22.4	23.9	38.5	4.6	9.0	9.6	15.4	57%
Bass	**Lead**	16.7	39.4	47.5	93.0	6.7	15.8	19.0	37.2	13%

Refer to ASX announcement dated 21 November 2022 for further details on these resource estimates.

[1] Amberjack Prospect lies across the UK-Norway international median line, with an estimated 47% (P90, P50, Pmean cases) and 43% for the P10 case falling within P2524. The total resource potential is shown, as well as the "on-licence" resource estimates associated with P2524.

ASX Disclosure: *Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both a risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.*

The Amberjack and Trevally Prospects are low risk Middle Jurassic gas-condensate faulted 4-way dip closed traps located on the western edge of the Sleipner Terrace. Both structures also fall on the southerly spill chain from the Utgard Gas/Condensate Field located less than 5km to the north of Amberjack (Figure 2). Top seal is provided by the laterally extensive overlying Heather Formation and Kimmeridge Clay Formation shales. Beneath the seal is the Middle Jurassic Hugin Formation reservoir sands. Charge to the Amberjack Prospect is sourced from the gas condensate prone Sleipner Formation and gas prone deep Kimmeridge Clay Formation within the South Viking Graben basin to the northwest. Detailed geophysical analysis shows the prospects are interpreted to have positive AVO responses indicating potential hydrocarbons within a porous reservoir. Finder interprets both prospects to be very low risk with geological Chance of Success (COS) of 72% for Amberjack and 57% for Trevally.

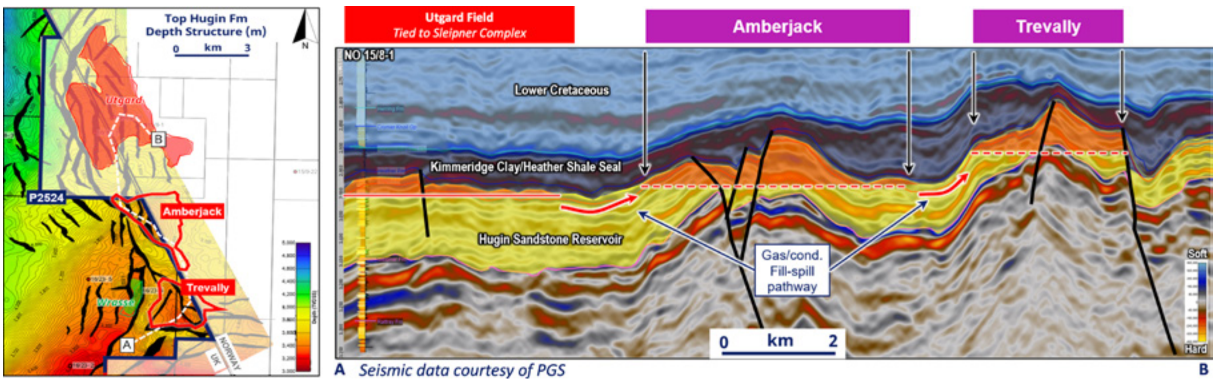


Figure 2 - Top Hugin reservoir depth map (left) and seismic section showing the Utgard Field and the Amberjack and Trevally Prospects (right, seismic data courtesy of PGS)

The Barracuda Prospect is a large oil prospect with an estimated 67 MMboe gross mean prospective resource and a 31% geological COS. The prospect comprises an Upper Jurassic oil-prone combination stratigraphic/fault-bound trap within the main depositional basin of the South Viking Graben. A series of stacked, deepwater mass-flow Brae Member sandstones are the primary reservoir target. Nearby oil discoveries are present in age-equivalent reservoirs down-dip of the prospect in wells 16/22-2 and 16/22-5, affirming the presence of source and charge.

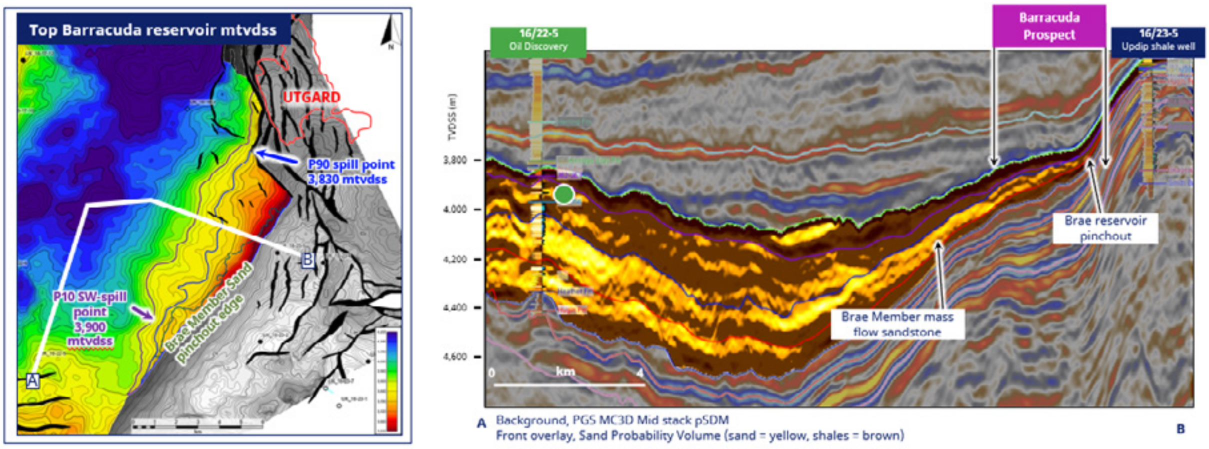


Figure 3 - Top Barracuda reservoir depth map (left) and seismic section showing Barracuda Prospect (right, seismic data courtesy of PGS)

Finder continues to pursue multiple workstreams to unlock the potential value of these opportunities within P2524, including:

- progressing joint venture evaluations of key prospects to reach a well decision;
- a farmout process to secure an industry partner to fund drilling activity; and
- development concepts and economics on the leading prospects and engagement with operators of proximate host infrastructure.

Phase A of the initial term of P2524 expires towards the end of the year and Finder anticipates the joint venture will determine its forward plans in the coming months, which may include entering into the subsequent phase (Phase C which contains a well commitment over a two year period), surrendering the licence or an extension of Phase A.

P2530: NORTH KITTIWAKE BASIN

Finder 60% and Operator

P2530 is located within the North Kittiwake Basin and is surrounded by the giant Forties and Nelson fields to the north, and the Kittiwake and Gannet fields to the south (Figure 1). Finder holds a 60% interest in P2530 and is the Licence Administrator. The remaining 40% is held by Dana Petroleum (E&P) Limited (Dana) who farmed into the Licence November last year. The area is infrastructure-rich with multiple host facility options for field tie-backs. The key play level in the licence is the Upper Jurassic Fulmar Formation sandstones which are a proven and highly prolific reservoir in many nearby oil fields.

Finder has carried out detailed technical studies on the Licence, with a key part being the 3D seismic reprocessing project, called the 'Big Bird 3D Repro Project'. Two vintage 3D surveys acquired during the 1990's were reprocessed from field tapes with a high-end modern processing flow, which included broadband, FWI and pre-Stack Depth Migration, resulting in a single, contiguous and modern dataset which covers 730 km^2 (Figure 1). The reprocessing project has delivered a dataset with a significantly improved clarity of the subsurface image and allowed the detailed interpretation of the target, Upper Jurassic, Fulmar Formation play objectives (Figure 4).

As a result of the detailed Big Bird 3D interpretation and technical studies, Finder has successfully identified upside potential in the historical Wagtail Discovery and an additional 6 prospects within the Licence. These Upper Jurassic Fulmar Formation sandstone prospects are located within the Jurassic syn-rift depocenters and associated with both salt cored highs and adjacent mini-basins (Figure 5). Wagtail, Marsh and Bancroft are formed from classic "interpod" traps similar in style to the nearby Kittiwake, Goosander and Grouse oil fields. The remaining four prospects, Tye, Turner, Agar and Stoinis are combination traps of Fulmar Formation reservoirs deposited within Jurassic mini-basins and pinching out onto the basin margin highs. Contingent and Prospective resources for P2530 were announced on 27 June 2023 (Tables 2 and 3).

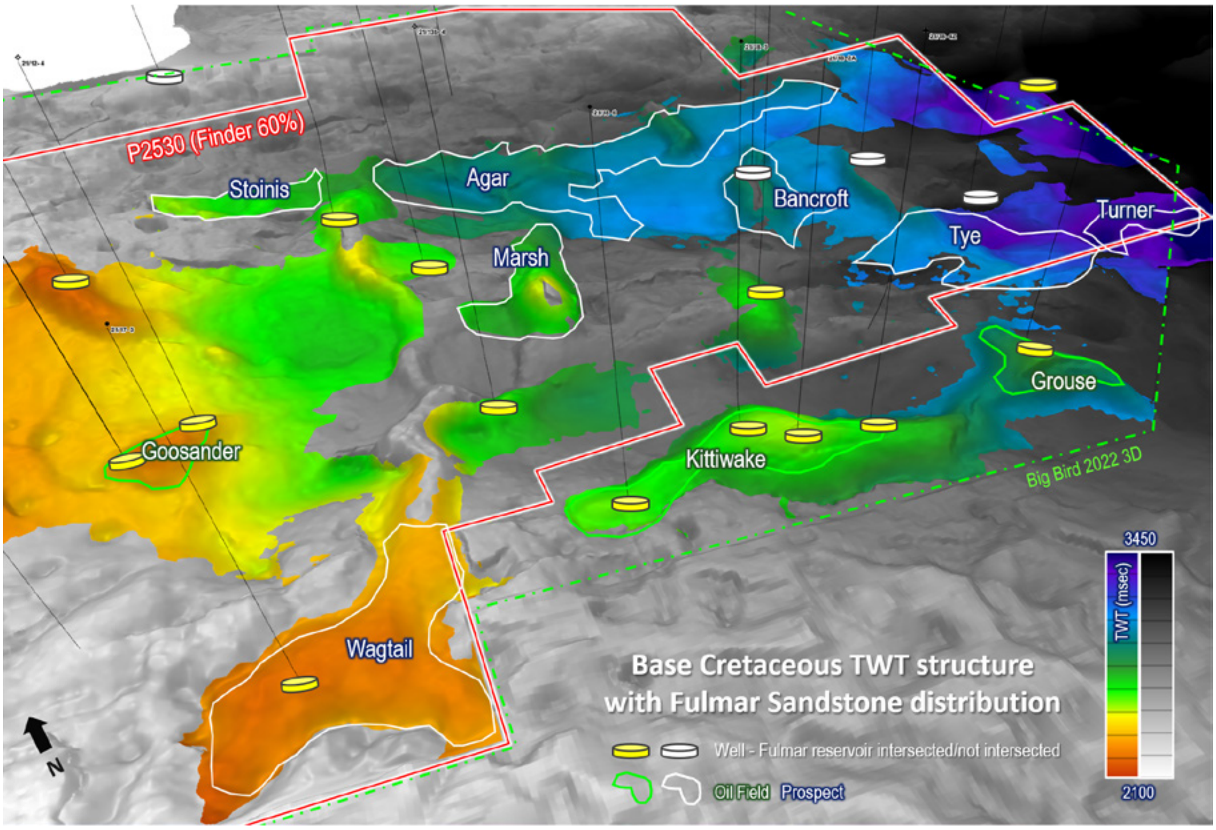


Figure 4 – 3D structure map showing Fulmar Formation sandstone distribution and key prospects

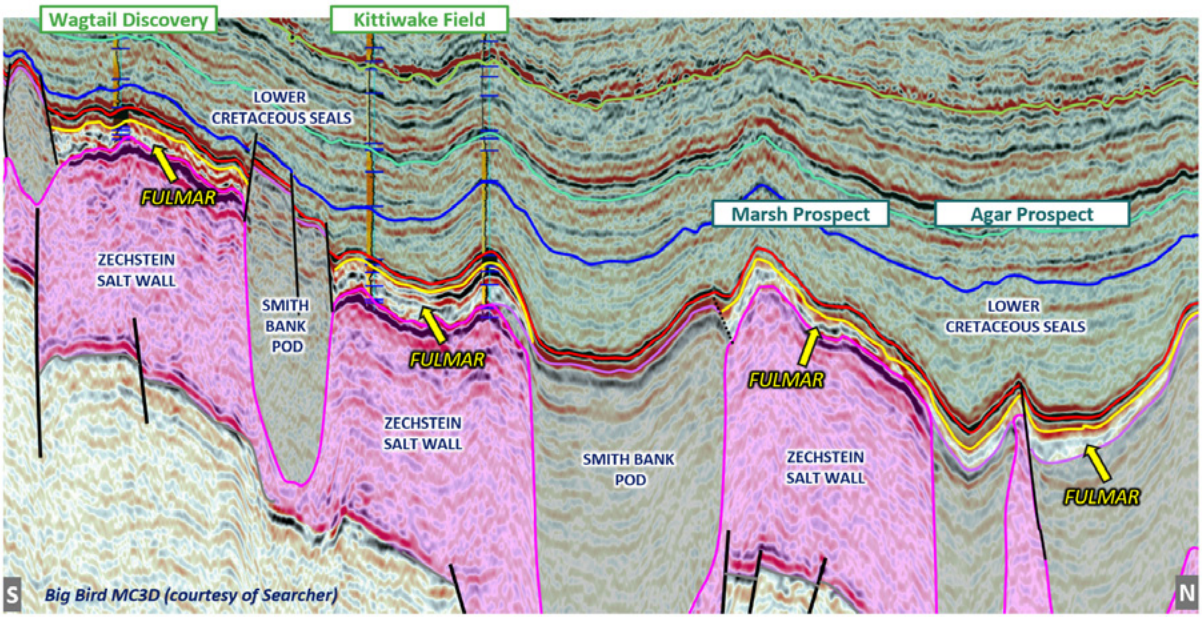


Figure 5 – Big Bird 3D seismic line through P2530

Key results include the detailed assessment of the historical Wagtail oil discovery and the identification of two low-risk prospects, Marsh and Bancroft, which are classic "interpod" traps similar in style to the nearby Goosander, Kittiwake and Grouse oil fields. An additional four combination trap prospects, Tye, Turner, Agar and Stoinis were also identified.

P2530 is part of Finder's Infrastructure-Led Exploration (ILX) strategy. The key low-risk appraisal and exploration prospects within P2530 are located within tie-back distance to existing production facilities opening up the potential for fast and cost-effective pathways to first production. The joint venture is progressing with evaluation of drilling candidates within P2530.

The licence enters Phase B of the initial term later this year with a drill or drop decision required by November 2025.

Table 2 - Contingent Resources for P2530[1]

Name	Status	Barrels of Oil Equivalent (MMboe)						Geological Chance of Success (%)
		Gross (100%)			Net (Finder 60%)			
		1C	2C	3C	1C	2C	3C	
Wagtail	**Contingent**	7	19	53	4	12	32	57%

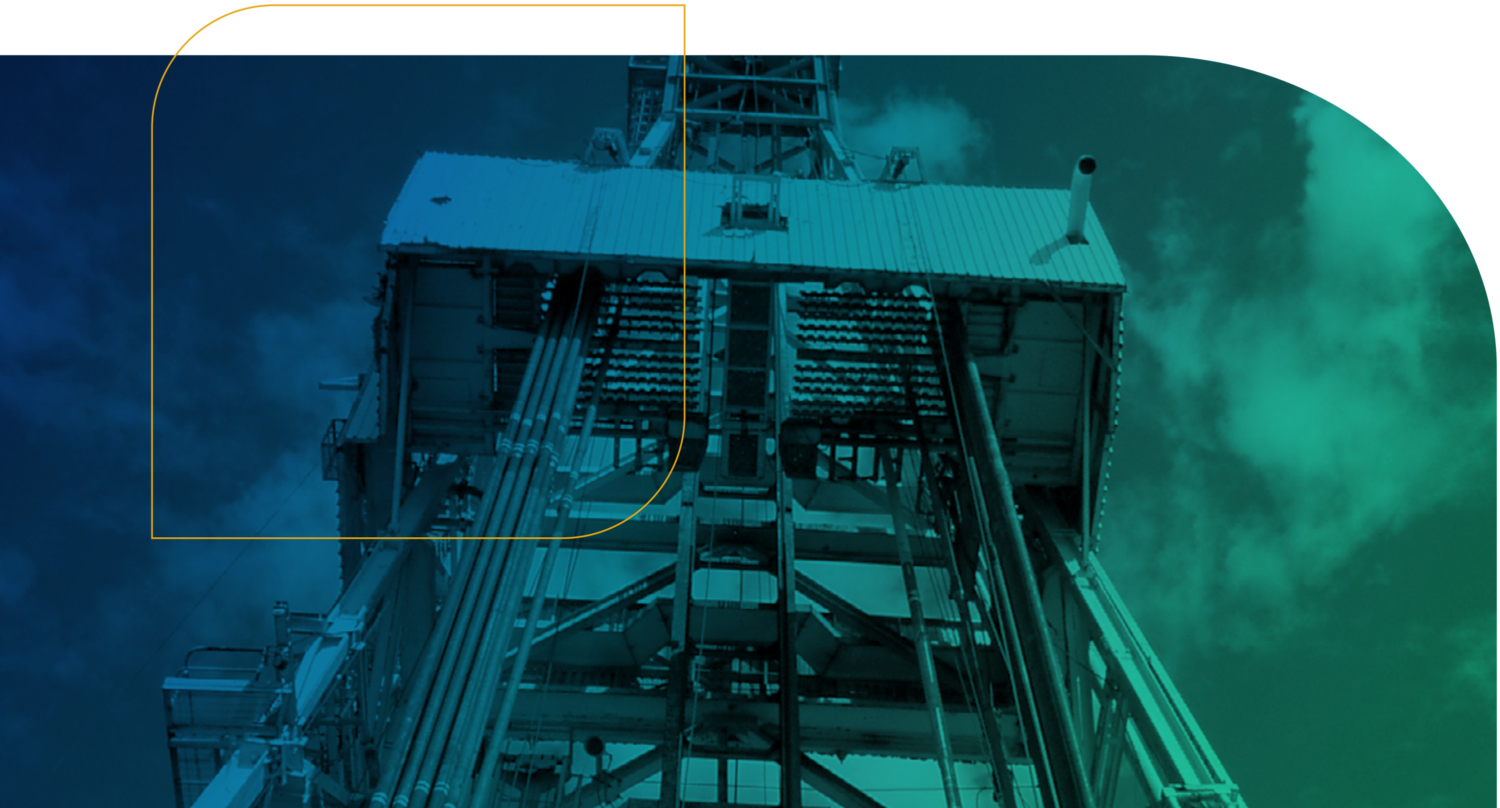
Table 3 - Prospective Resources for P2530[2]

Name	Status	Barrels of Oil Equivalent (MMboe)								Geological Chance of Success (%)
		Gross (100%)				Net (Finder 40%)				
		P90	P50	PMean	P10	P90	P50	PMean	P10	
Bancroft	**Prospect**	12	27	32	59	7	16	19	35	42%
Marsh	**Prospect**	6	17	23	51	3	10	14	31	40%
Turner	**Prospect**	4	22	42	110	3	13	25	66	20%
Tye	**Prospect**	12	28	34	65	7	17	20	39	20%
Agar	**Prospect**	4	29	83	230	2	17	50	138	15%
Stoinis	**Prospect**	7	16	20	37	4	10	12	22	9%

Refer to ASX announcement dated 27 June 2023 for further details on these resource estimates.

[1] Contingent Resources are estimated quantities of petroleum that are potentially recoverable but not yet considered mature enough for commercial development due to one more contingencies such as technological or business hurdles or where evaluation of the accumulation is insufficient to clearly assess commerciality. These estimates have a risk of development. Further appraisal and/or evaluation is required to mature the contingent resources and move it into the reserves category.

[2] Prospective Resources are the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) related to undiscovered accumulations. These estimates have both a risk of geologic discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.



P2527 & P2528: SOUTH HALIBUT BASIN

Finder 60% and Operator

Within P2527 and P2528 the Upper Jurassic sandstones form the key objectives for stratigraphic traps identified on the vintage 3D datasets. These are the same as the productive reservoirs of the giant Buzzard Oil Field (with reserves of over a billion barrels).

Finder has undertaken high end broadband pre-stack depth migration of 3D seismic data with full-waveform inversion reprocessing projects over P2527 and P2528, called the 'Big Buzz 3D Repro Project' (see northernmost area bounded by yellow dashed line in Figure 1). The project took four vintage 3D surveys through a high-end processing flow to produce a final merged contiguous dataset over both licenses and surrounding analogous oil fields. The results have exceeded Finder's expectations with significant improvement in imaging at the target objectives (Figure 6).

Interpretation and prospect generation on the new Big Buzz reprocessed data is ongoing. During the period the key framework geophysical interpretation has been completed and geological studies are progressing. Detailed geophysical interpretation is currently focusing on the identified prospectivity so that risking and volumetrics can be carried out.

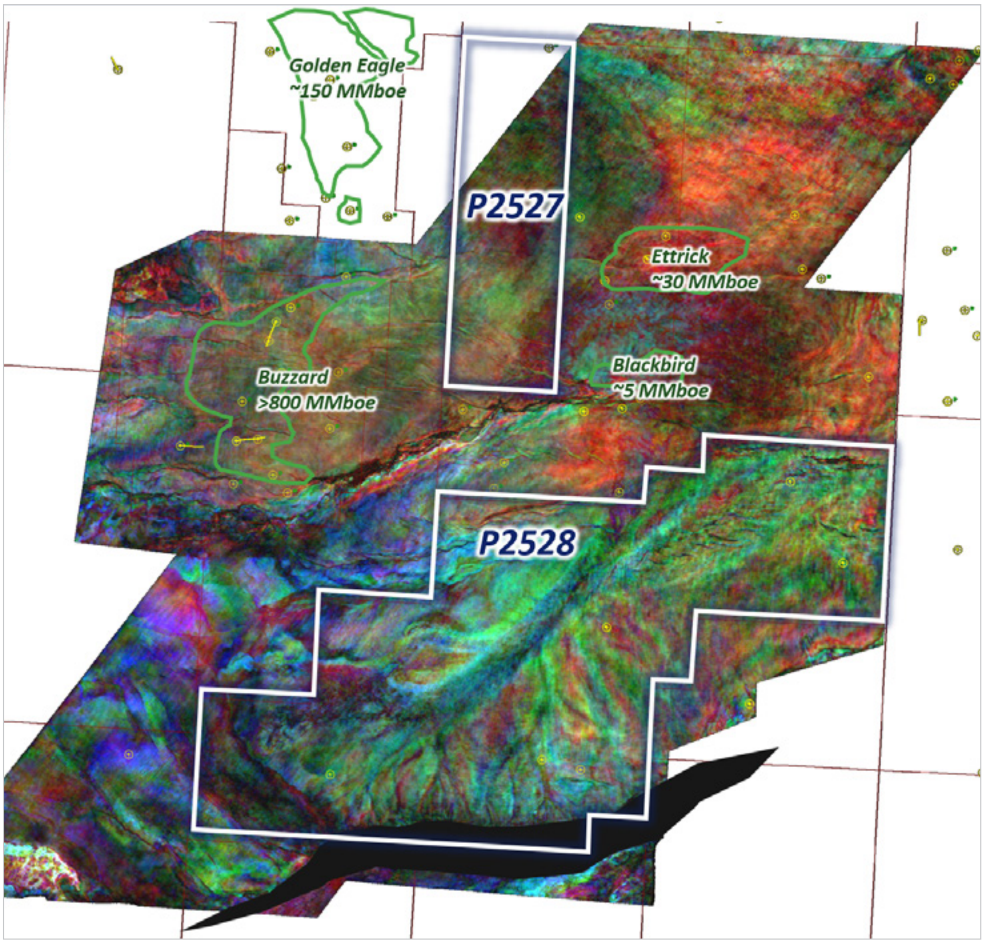


Figure 6 – Big Buzz 3D spectral image of the Upper Jurassic

P2502: EAST SHETLAND BASIN

Finder 50% and Operator

P2502 is located in the western part of the East Shetland Basin, where a number of underexplored Jurassic sub-basins between depleted oil fields had been identified.

During the period, Finder completed its technical evaluation of the licence with interpretation of the licenced 3D seismic data and integration with geological studies and joint venture consideration of prospectivity and forward plans is ongoing.

Phase A of the initial term of P2502 is due to expire towards the end of the year and the joint venture has notified the regulator of their intention to allow the license to determine without proceeding to the next phase.

Australia – North West Shelf

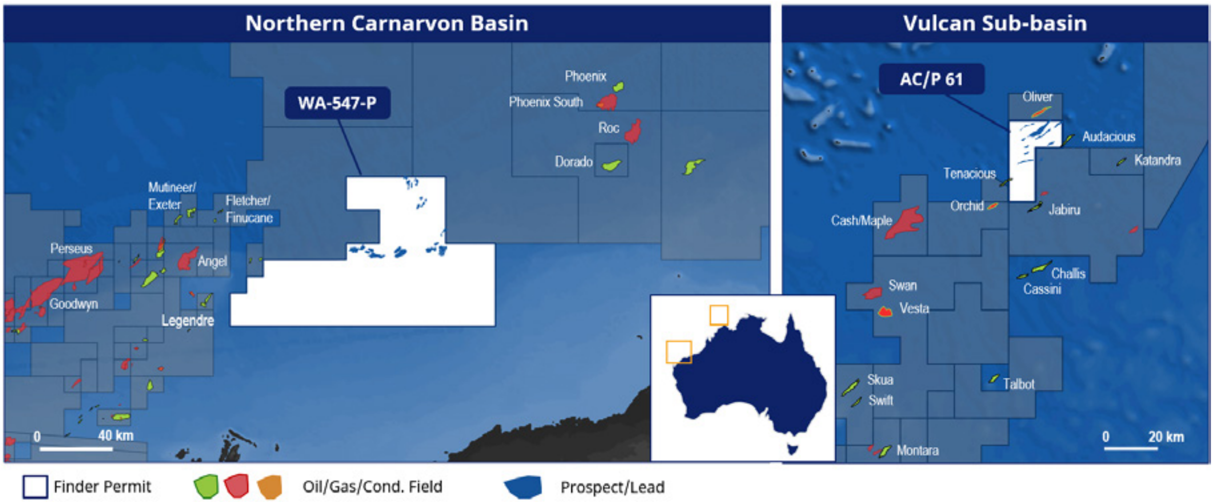


Figure 7 – Finder's North West Shelf portfolio

AC/P 61: GEM PROSPECT

Finder 100% and Operator

The AC/P 61 exploration permit is located within the prolific Vulcan Sub-basin and is surrounded by a number of oil discoveries (see Figure 7).

The Gem Prospect was independently reviewed by ERCE to contain estimated gross Best Case Prospective Resources of 137 MMbbl with a COS of 32% (refer Prospectus). Gem is a robust trap mapped on 3D seismic data acquired in 2020 and is ideally located to receive hydrocarbons from the proven Cartier Trough source kitchen (Figure 8). Further to this, analysis of over 50 surrounding wells showed an exploration success rate of over 60% for all wells drilled on valid traps.

During the period Finder increased its ownership in AC/P 61 to 100% (refer to our announcement on 16 March 2023). The increase in Finder's interest in AC/P 61 gives Finder greater leverage to a future farmout and drilling of the Gem Prospect. Finder is running a farmout process to secure a partner to fund a well to test the Gem Prospect. The drill or drop decision for AC/P 61 was recently extended to June 2024.

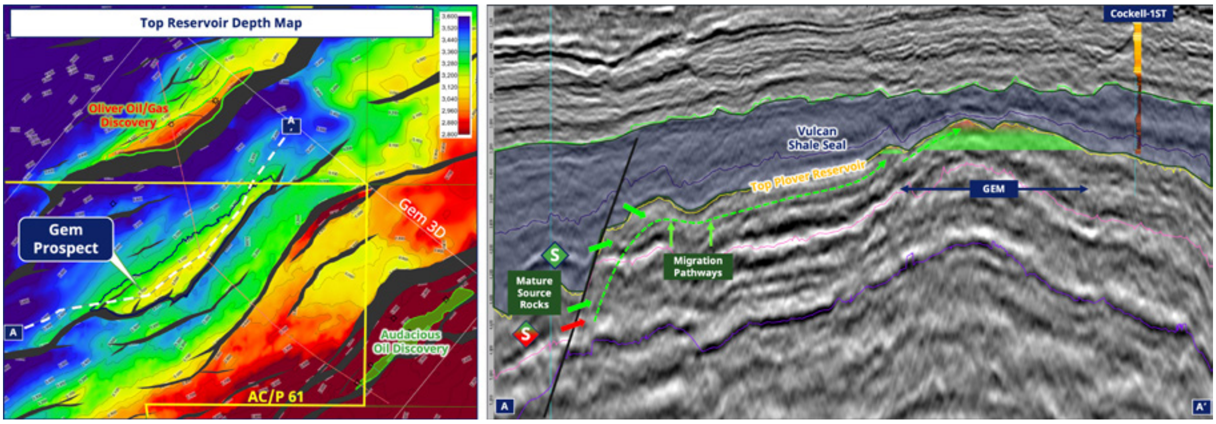


Figure 8 - Top Plover reservoir depth map and Gem 3D seismic line showing Gem Prospect

WA-547-P: DORADO PLAY

Finder 100% and Operator

Finder holds 100% equity in exploration permit WA-547-P comprising an area of 7,260 km^2 (Figure 7). The permit is located along the prolific Dorado play trend. Finder has identified three material prospects (Brees, Favre and Brady) and a number of satellite leads on existing 3D seismic data (Figure 9 & 10).

Modern 3D seismic data, along with exploration drilling has led to a very high exploration success rate of over 70% within the Bedout Sub-basin with five out of seven exploration wells discovering hydrocarbons.

During the period Finder continued to progress with the planning for the environmental approvals required for the Superbowl 3D seismic. This includes additional stakeholder consultation in line with recent guidance issued by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA). Additional time is required to complete stakeholder engagement in accordance with that guidance. As the EP approval process draws to a close, Finder will assess vessel availability and survey timing.

The Bedout Sub-basin is one of the most exciting and active exploration areas in Australia with the Dorado Development progressing towards FID, recent transactional activity bringing new entrants and announcements concerning future drilling activity. We anticipate several more wells will be drilled in the area as companies pursue this play. If we see a continuation of the high success rate in this play, this will have positive implications for Finder's acreage.

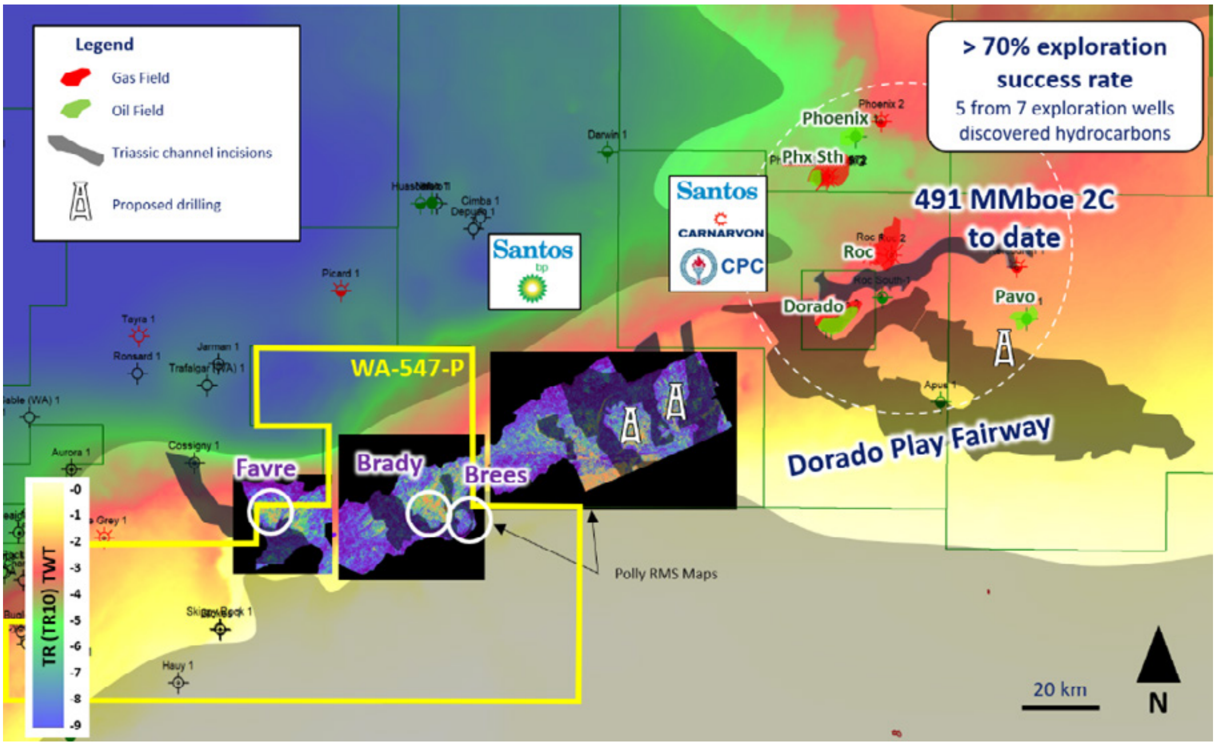


Figure 9 - Dorado play fairway map and 3D amplitude maps with brightening at the location of Triassic sand presence and WA-547-P prospectivity

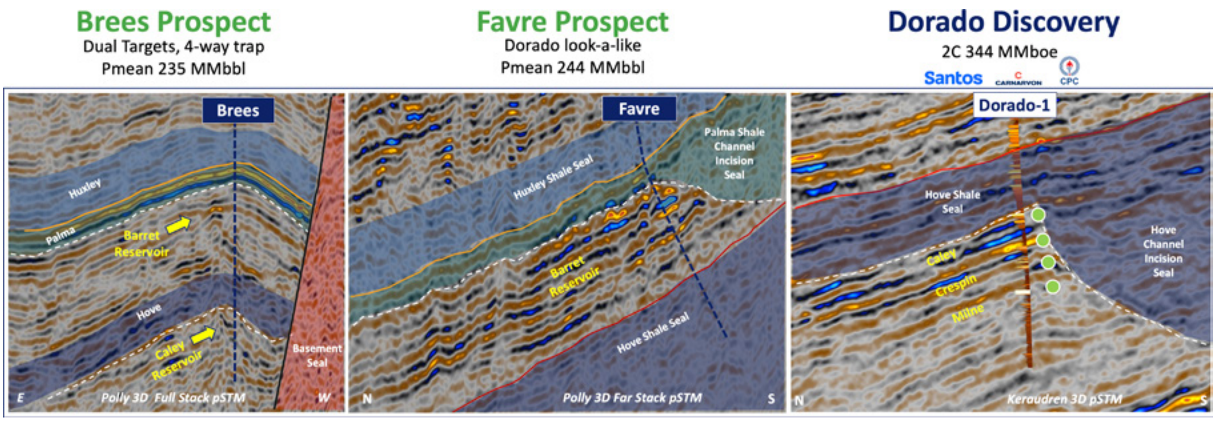


Figure 10 - Seismic line through WA-547-P Favre and Brees prospects and the Dorado Field

Permit	Equity	Prospect	Unrisked Prospective Oil Resources (MMstb)				Geological Chance of Success (%)
			P90 (Low)	P50 (Best)	Pmean	P10 (High)	
AC/P 61	**100%**	**Gem**	46.1	136.8	149.0	319.9	32%
WA-547-P	**100%**	**Favre**	69.3	213.2	244.3	556.2	20%
		Brady	25.1	86.1	100.0	234.0	13%
		Brees-Barret	54.2	147.8	158.1	326.7	30%
		Brees-Caley	16.1	60.7	77.0	193.6	15 %

Refer to ERCE Independent Technical Specialist's Report dated 11 February 2022 located in Prospectus of 25 February 2022 for further details on these resource estimates.

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation may be required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

New Ventures

The global energy transition is creating unprecedented opportunities in both oil and gas (due to a global energy shortage) as well as decarbonisation projects, such as Carbon Capture and Storage (CCS). Finder's experience, subsurface knowledge and extensive geodata libraries mean that we are well positioned to pursue opportunities in both these spaces.

During the period, Finder continued to evaluate new venture opportunities consistent with our strategy to utilise our subsurface capabilities and data libraries to access low entry cost opportunities with high value creation potential. Finder has also formed several key partnerships with other industry groups to pursue these opportunities, bring together capabilities and providing access to existing infrastructure.

DIRECTORS' REPORT

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Finder Energy Holdings Limited (referred to hereafter as the 'Company' or 'Parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2023 ('Finder' or 'Group').

DIRECTORS

The directors of the Company at any time or since the end of the financial period were:

Directors for Finder Energy Holdings Ltd	Appointment/Resignation
Damon Neaves	Appointed 25 January 2022
Shane Westlake	Appointed 25 January 2022
Bronwyn Barnes	Appointed 25 January 2022
Fred Wehr	Appointed 25 January 2022

PRINCIPAL ACTIVITIES

The principal activities of Finder during the course of the financial year were oil and gas exploration in the North West Shelf off the coast of Western Australia and in the North Sea in the United Kingdom.

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

CORPORATE STRUCTURE

Finder Energy Holdings Limited is a publicly listed company that is incorporated and domiciled in Australia. On 8 April 2022 the Company was admitted to the official list of the Australian Securities Exchange Limited (ASX) following the successful raise of $15,000,000. The head of the Group was Finder Operations Pty Ltd (Finder Operations) for the financial year ended 30 June 2021 and up until the Company acquired Finder Operations and its subsidiaries on 22 March 2022 in consideration for 82,499,990 shares, becoming the parent entity of the Group. This acquisition is considered to be a common control transaction as both entities were subsidiaries of Longreach Capital Investment Pty Ltd at the time of the acquisition. The report has, unless otherwise stated, been prepared on the basis the Company was incorporated and the common control transaction had occurred from the beginning of financial year 2021.

DIVIDENDS

There were no dividends paid or declared by the Company to shareholders during or since the end of the financial year.

REVIEW OF OPERATIONS

OVERVIEW

The Group's loss after income tax for the year ended 30 June 2023 amounted to $2,500,044 (2022:Loss $6,264,717). Closing cash was $9,506,448 with the Company remaining on track with the expenditure guidance given in the prospectus.

A review of operations in each of the Company's licences in the UK North Sea and the North West Shelf of Australia for the reporting period is contained on pages 4 to 13 of this Annual Report.

Refer to note 25 to the financial statements for further detail on Finder's permit portfolio, including changes occurring during the reporting period.

REVIEW OF PROSPECTS FOR FUTURE FINANCIAL YEARS

Finder's strategy is to create value in the exploration stage of the oil and gas asset lifecycle. To this end, Finder will continue to progress its activities in the UK North Sea and NWS.

CLIMATE CHANGE

There has been increasing concern by the public and regulators globally on climate change issues. As an oil and gas exploration company, Finder is exposed to both transition risks and physical risks associated with climate change.

Transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes and, if demand for oil and gas declines, Finder may find it challenging to commercialise any resources it discovers. Physical risks resulting from climate change can be acute or chronic. Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones or floods. Chronic physical risks refer to longer term shifts in climate patterns (for example, sustained higher temperatures) that may cause sea level rises or chronic heat waves. The transition and physical risk associated with climate change (including also regulatory responses to such issues and associated costs) may significantly affect Finder's operating and financial performance.

RISKS SPECIFIC TO THE COMPANY

(A) COMPANY'S BUSINESS STRATEGY IS SPECULATIVE

The Directors will, to the best of their knowledge, experience and ability (together with senior management) endeavour to anticipate, identify and manage the risks inherent in the activities of the Company. The aim of this is to eliminate, avoid and mitigate the impact of risks on the performance of the Company and its business operations. The Group's ability to manage risks may be affected by matters outside their control given the nature of oil and gas exploration and no assurance can be given that the Directors and management of the Company will be successful in these endeavours.

(B) PERMITS AND LICENCES

Finder is required to comply with a range of laws to retain its permits and licences and periodically renew them. Each permit and licence also has its own specific exploration and expenditure requirements that Finder must satisfy. Even if specific requirements are met, there is no certainty that an application for grant or renewal of a permit or licence will be approved, or approved on satisfactory terms or within expected timeframes.

The laws relating to permits and licences are complex. Non-compliance with them, or changes in the interpretation of such laws, could lead to the revocation of Finder's permits and licences and Finder cannot guarantee current permits and licences will be renewed or future permits will be granted.

(C) EXPLORATION RISK

Key to Finder's financial performance is to have success in exploring for and locating commercial hydrocarbons. Exploration is subject to technical risks and uncertainty of outcome. Finder may not find any or sufficient hydrocarbon reserves and resources to develop and commercialise.

It is possible drilling will result in dry holes or not result in the discovery of commercially feasible oil and gas. Wells may not be productive, or they may not provide sufficient revenues to return a profit after accounting for associated costs. The cost of drilling, completing, equipping and operating wells is typically uncertain until after completion of all operations needed under the drilling program. Moreover, any prospective investor should note Finder has a history of relinquishing acreage and rationalising its portfolio over time. Finder and its permit partners are required to meet permit expenditure and rehabilitation obligations prior to exiting the relevant permit but subject to applicable law and regulations. Finder may be responsible for the rehabilitation costs of its operations beyond desktop and seismic studies.

Finder's ability to conduct exploration activities depends, among other things, on the availability of certain equipment, including drilling rigs. If the Company is unable to source appropriate equipment economically or at all, this may have a material adverse effect on the Company's exploration activities.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, estimates and assumptions are subject to significant uncertainties so the actual costs may differ significantly. This may adversely affect the Company's viability.

(D) INFECTIOUS DISEASES

Outbreaks of pandemics or diseases, including, for example, the outbreak of COVID-19, may have a material adverse effect on Finder's business. Global economic uncertainty may continue to have a significant impact on capital markets and share price.

(E) COUNTERPARTY EXPOSURE AND JOINT VENTURES

The Company's business model is dependent on identifying and introducing joint venture partners to fund high impact activities and recover past costs. Whilst Finder hedges counterparty risk by dealing with well funded, established and credentialed operating counterparties, the financial performance of the Company is subject to those counterparties or joint venture partners continuing to perform their respective obligations under various contracts. If one of the Company's counterparties or joint venture partners fails to adequately perform contractual obligations, this may result in loss of earnings, termination of particular contracts, disputes and/or litigation, which may adversely affect the Company's financial performance and business operations.

(F) FUNDING RISK

Exploration and development of hydrocarbon reserves and resources require significant capital and operational expenditure.

The Company does not have producing assets and generates cash flow on farmouts and asset sales. Future cash flow depends on successful farmouts, exploration, development and production activities. Finder seeks to mitigate this funding risk through the structuring of its farmout arrangements.

Finder may require funding for future commitments. There can be no assurance that the Company will be able to obtain funding as and when required on commercially acceptable terms, or at all. If access to funding is not available, Finder may not be able to take advantage of opportunities. Failure to obtain funding on a timely basis and on reasonably acceptable terms may also cause Finder to relinquish or forfeit rights in relation to the Company's assets or delay or cancel projects, adversely impacting its operational and financial performance.

Finder has in the past taken the position to relinquish or reduce its relevant interests in permits in return for a royalty interest on discoveries for these reasons. Also, debt financing may involve restrictions on assets and operational activities and equity financing may be dilutive to shareholders.

(G) RESERVES AND RESOURCES

Estimating hydrocarbon reserves and resources is subject to significant uncertainties associated with technical data and the interpretation of that data, future commodity prices and development and operating costs. There can be no guarantee that Finder will successfully produce the volume of hydrocarbons that it estimates as reserves or that hydrocarbon resources will be successfully converted to reserves. Estimates may alter significantly or become more uncertain when new information becomes available due to, for example, additional drilling or production tests over the life of field. As estimates change, development and production plans may also vary. Downward revision of reserves and resources estimates may adversely affect Finder's operational or financial performance.

Further, there is no guarantee that recovered resources or reserves will be commercially viable for development.

(H) REGULATORY RISK

Finder's operations are subject to Australian and UK regulatory requirements. Finder and its joint venture partners must comply with relevant laws and regulations as they apply to the environment, tenure, land access, landholders and native title holders. Non-compliance with these laws and regulations and any special licence conditions could result in suspension of operations, loss of permits or financial penalties. Non-compliance may impact Finder's ability to commercialise or retain its assets, which may in turn impact the Company's operational and financial performance.

Changes to applicable legal and regulatory requirements (including, for example, new requirements relating to climate change, environmental protection and energy policy) may restrict or affect Finder's right or ability to conduct its exploration and development activities.

(I) ECONOMIC RISKS

The operating and financial performance of the Company is influenced by a variety of general domestic and global economic conditions that are outside the control of the Company. There is a risk that prolonged deterioration in general economic conditions may impact the demand for petroleum and negatively impact the Company's financial position, cash flows, ability to fund work programs, its growth prospects and share price.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

There are no material developments impacting the Company since the end of the financial year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

ENVIRONMENTAL REGULATION

The operations of the Group are subject to environmental regulation under relevant Australian and Western Australian, and UK's legislation in relation to its exploration activities.

National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) is the primary regulator for offshore petroleum operational activities in Australian Commonwealth waters and the North Sea Transition Authority (NSTA) regulates the exploration and development of the UK's offshore and onshore oil and gas resources.

The Group complies with relevant environmental regulations with no breaches having occurred in relation to environmental issues up to the date of this report.

INFORMATION ON DIRECTORS

NAME: BRONWYN BARNES (APPOINTED ON 25 JANUARY 2022)

TITLE: INDEPENDENT NON-EXECUTIVE CHAIRMAN

QUALIFICATIONS: B.A., GRAD DIP BUS, GAICD

EXPERIENCE AND EXPERTISE:

Bronwyn has had an extensive career in the resources sector, having worked with companies ranging from Western Mining Corporation and BHP to emerging juniors in directorship, executive leadership and operational roles, in Australia and internationally. Bronwyn is currently Executive Chairman of Indiana Resources (ASX: IDA), a Non-Executive Chairman of Scorpion Minerals Pty Ltd (ASX: SCN) and a Non-Executive Chairman of Aerison Holdings Pty Ltd (ASX: AE1).

Bronwyn is also a member of the South Australian Minerals and Energy Advisory Council (MEAC) and a Member of the Board of Management of the Foundation for St Mary's Anglican Girls School.

NAME: DAMON NEAVES (APPOINTED ON 25 JANUARY 2022)

TITLE: MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

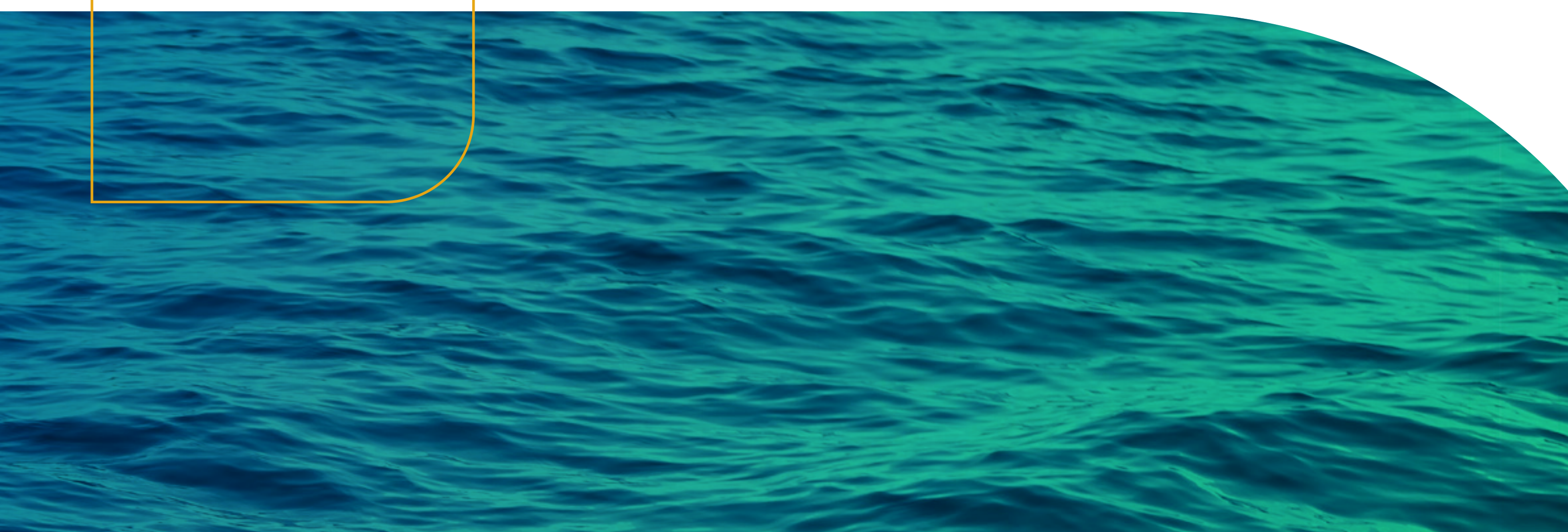
QUALIFICATIONS: LLB (AUSTRALIA), BCOMM (AUSTRALIA), ASIA (AUSTRALIA)

EXPERIENCE AND EXPERTISE:

Damon has over 18 years' experience in leadership roles as an oil and gas executive responsible for overall company performance and growth in both private and ASX- listed companies.

Damon has extensive experience in international oil and gas projects in Asia Pacific, Africa and Europe, including Australia, New Zealand, Thailand, Indonesia, Brunei, the Philippines, Ghana, Morocco, Gabon, Madagascar and United Kingdom. Damon's experience spans the full cycle of the oil and gas business from new ventures, exploration, development and production.

Damon brings an active approach to business development with significant transactional experience in the energy sector in mergers, acquisitions, new ventures and farmouts as well as project management experience in commercialising oil and gas in the NWS. Damon has previously held board positions with ASX-listed Tap Oil Limited (Chair) and Pura Vida Energy NL (Managing Director).



NAME: SHANE WESTLAKE (APPOINTED ON 25 JANUARY 2022)
TITLE: TECHNICAL DIRECTOR
QUALIFICATIONS: M SCI GEOSCIENCE (UK)
EXPERIENCE AND EXPERTISE:

Shane is a petroleum geophysicist with 20 years' experience in executive management roles in the energy sector. Joining Finder Exploration Pty Ltd in 2007, Shane has led the management team in building Finder's high-quality acreage position and has overseen significant value-accretive transactions, including farmouts with leading industry peers.

He is an experienced and seasoned oil and gas explorer across multiple disciplines, including new ventures, prospect maturation and drilling, with extensive experience working in Australia and around the globe on projects in the Americas, Europe, Africa and Asia Pacific.

Shane is the author and co-author of a number of technical papers, an expert in his field of work and a proven prospect generator with a track record of finding oil and gas and executing commercial deals.

NAME: FRED WEHR (APPOINTED ON 25 JANUARY 2022)
TITLE: INDEPENDENT NON-EXECUTIVE DIRECTOR
QUALIFICATIONS: PHD IN GEOSCIENCE (USA), BSC IN GEOLOGY (USA)
EXPERIENCE AND EXPERTISE:

Fred has had a 39-year, worldwide career in the upstream oil and gas sector, from a research role at Exxon to operational and management positions in Apache and Quadrant Energy. He managed successful exploration programs in Egypt and Australia for Apache and later Quadrant energy. Fred led the team that made the Dorado discovery in 2018, one of the largest oil finds on the NWS.

Fred currently is the sole director of Wehr Advisory Pty Ltd, providing technical and commercial advice in the upstream oil and gas sector to selected clients. He is a member of the Petroleum Exploration Society of Australia (PESA), the American Association of Petroleum Geologists (AAPG), and a graduate of the Australian Institute of Company Directors (GAICD).

Fred has a PhD in geoscience from Virginia Tech in the United States and holds both Australian and United States citizenship.

COMPANY SECRETARY

ANTHONY BENINO (B. BUS, CA, AGIA, ACIS)

Anthony has over 33 years' experience as an accounting, finance and risk management professional.

Anthony commenced his career as a Chartered Accountant and worked with PwC in their Perth and London offices providing professional advisory services across a range of industries including financial services, mining, insurance and telecommunications.

He has held roles as Chief Financial Officer and Company Secretary at a number of ASX listed companies.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors (the Board) and of each Board committee held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Full board	
	Attended	Held*
Bronwyn Barnes	6	6
Damon Neaves	6	6
Shane Westlake	6	6
Fred Wehr	6	6

**Held represents the number of meetings held and eligible to attend during the time the director held office.*

REMUNERATION REPORT (AUDITED)

The remuneration report details the key management personnel (KMP) remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of statutory remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to KMP

PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

The Board is responsible for determining and reviewing compensation arrangements for the KMP. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a yearly basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality board and executive team. The expected outcome of this remuneration structure is to retain and motivate KMP.

The Company will not have a separate remuneration and nomination committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, reviewing remuneration packages for directors and KMP, reviewing Board composition, administering incentive plans and ensuring adequate succession plans are in place.

In accordance with best practice corporate governance, the structure of non-executive director, executive director and executives' remuneration is separate.

NON-EXECUTIVE DIRECTORS REMUNERATION

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of her own remuneration. Non-executive directors were also granted Alignment Options in relation to their appointments to the Board.

EXECUTIVE REMUNERATION

The Company aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and other fringe benefits, are reviewed annually by the Board based on individual and business performance, the overall performance of the Company and comparable market remunerations.

The short-term incentives (STI) program is designed to align management performance with shareholder interests. The Company will determine, in its absolute discretion, whether the executives are entitled, having regard to their performance, to a short-term incentive payment under the Company's STI program.

The long-term incentives (LTI) include long service leave and share-based payments. Performance rights are awarded to executives over a period of three years based on long-term incentive measures. The Board will review the long-term equity-linked performance incentives specifically for executives on a yearly basis.

CONSEQUENCES ON SHAREHOLDER WEALTH

In considering the Group's performance and benefits for shareholder wealth, the Board will have regard to the following indices in respect of the current financial year and the previous financial years.

	2023	2022	2021
Profit (Loss) attributable to owners of the Company	(2,466,042)	(6,258,858)	(2,003,113)
Dividends paid	Nil	Nil	Nil
Operating income growth	N/A	N/A	N/A
Change in share price	($0.01)	($0.12)*	Nil
Return on capital employed	Nil	Nil	Nil

** Movement reflects change in share price from listing on 8 April 2022*

DETAILS OF STATUTORY REMUNERATION

AMOUNTS OF REMUNERATION

Details of the remuneration of KMP of the consolidated entity are set out in the following tables.

The KMP of the Company consisted of the following directors of Finder Energy Holdings Limited:

- Bronwyn Barnes - Independent Non-Executive Chairman
- Damon Neaves - Managing Director and Chief Executive Officer
- Shane Westlake - Technical Director
- Fred Wehr - Independent Non-Executive Director

And the following personnel who are not Directors of the Company:

- Anthony Benino, Chief Financial Officer and Company Secretary;
- Aaron Bond, Exploration Manager.

There have been no changes to KMP since the end of the reporting period.

BASIS OF PRESENTATION OF REMUNERATION REPORT

Finder Energy Holdings Limited is a publicly listed company that is incorporated and domiciled in Australia. On 8 April 2022, the Company was admitted to the official list of the ASX following the successful raise of $15,000,000. The head of the Group was Finder Operations Pty Ltd (Finder Operations) for the financial year ended 30 June 2021 and up until the Company acquired Finder Operations and its subsidiaries from Longreach Capital Investment Pty Ltd on 22 March 2022 for consideration of 82,499,990 shares in the Company, becoming the parent entity of the Group. This acquisition is considered to be a common control transaction as both entities were subsidiaries of Longreach Capital Investment Pty Ltd at the time of the acquisition. The report has, unless otherwise stated, been prepared on the basis that the Company was incorporated and the common control transaction had occurred from the beginning of the financial year 2021.

As a result, the comparatives on the remuneration report has been prepared for the full 2022 year ending 30 June 2022, rather than from the date of listing, reflecting the Group being a continuation of the pre-existing Finder Operations group.

The KMP of the Group for the 2023 and 2022 financial years were as follows:

KMP	Basis for presentation
Bronwyn Barnes	Company director appointed 25 January 2022. Remuneration presented from point of appointment.
Fred Wehr	Company director appointed 25 January 2022. Remuneration presented from point of appointment.
Damon Neaves	Remuneration presented for entire 2023 and 2022 reflecting executive role for Finder Operations Pty Ltd prior to the common control transaction .
Shane Westlake	Remuneration presented for entire 2023 and 2022 reflecting executive role for Finder Operations Pty Ltd prior to the common control transaction. This role has been presented on a consistent 0.5 FTE basis.
Anthony Benino	Remuneration presented for entire 2023 and 2022 reflecting executive role for Finder Operations Pty Ltd prior to common control transaction. This role has been presented on a consistent 0.5 FTE basis.
Aaron Bond	Remuneration presented for 2023 and 2022 reflecting executive role for Finder Operations Pty Ltd prior to common control transaction.

					Long service leave entitlements	Annual leave entitlements	Post-Employment benefits	Share-based payments		Total remuneration	Performance related
		Base salary and fees	Cash Bonus[1]	Non Monetary Benefits			Superannuation	Options[3]	Performance rights[3]		
		$	$	$	$	$	$	$	$	$	%
Non-Executive Directors:											
Bronwyn Barnes	2023	65,000	-	-	-	-	6,825	-	-	71,825	0%
	2022	16,250	-	-	-	-	1,625	100,800	-	118,675	0%
Fred Wehr	2023	40,000	-	-	-	-	4,200	-	-	44,200	0%
	2022	10,000	-	-	-	-	1,000	44,100	-	55,100	0%
Executive Directors:[2]											
Damon Neaves[2]	2023	371,275	75,567	3,796	-	702	25,293	-	479,167	955,800	58%
	2022	302,108	24,000	3,639	-	6,154	5,892	-	91,250	433,043	27%
Shane Westlake[2]	2023	205,833	44,514	3,796	(4,250)	2,710	26,286	-	319,444	598,334	61%
	2022	341,824	-	3,639	5,834	5,737	25,625	-	60,833	443,492	14%
Other Key Management Personnel:[2]											
Anthony Benino[2]	2023	164,667	28,489	3,796	-	8,492	20,281	-	159,722	385,448	49%
	2022	222,144	-	3,639	-	1,846	4,000	-	30,417	262,046	12%
Aaron Bond[2]	2023	344,604	56,978	3,796	8,831	2,421	25,292	-	319,444	761,366	49%
	2022	277,650	-	3,639	5,334	22,564	26,325	-	60,833	396,345	15%

1 Cash bonus is in recognition of individual performance in line with the stipulated STI terms set in the contract. The maximum bonus values are established in employee contracts and amounts payable are determined after the final month of the financial year by the Board. The cash bonuses paid for 2023 were determined by the board based on a percentage of cash received from farmout transactions completed during the year in recognition of the importance placed by the board on management generating positive cash outcomes from commercial transactions.

2 The remuneration report has been presented to include current period and comparative period data consistent with the basis of preparation of the financial report.

3 1/6 of the performance rights have vested based on corporate metrics triggered on completion of farmout transactions occurring during the period.

SERVICE AGREEMENTS

Remuneration and other terms of employment for KMP are formalised in service agreements. Details of these agreements are as follows:

(i) Damon Neaves, Managing Director and Chief Executive Officer is engaged as a full time employee. Termination by the Company is with 6 months' notice or payment in lieu thereof. A short-term incentive is payable on termination of employment in circumstances which are an exception to the rule that Mr Neaves must be employed (and not working out his notice period) when the Board determines the short term incentive payment for the relevant calendar year. Termination by Mr Neaves is with 3 months' notice.

(ii) Shane Westlake, Technical Director, is engaged as 50% of a full time equivalent employee. Termination by the Company is with 6 months' notice or payment in lieu thereof. A short-term incentive is payable on termination of employment in circumstances which are an exception to the rule that Mr Westlake must be employed (and not working out his notice period) when the Board determines the short term incentive payment for the relevant calendar year. Termination by Mr Westlake is with 3 months' notice.

(iii) Anthony Benino, Chief Financial Officer and Company Secretary is engaged as 50% of a full-time equivalent employee. Termination by the Company is with 3 months' notice or payment in lieu thereof. Termination by Mr Benino is with 3 months' notice.

(iv) Aaron Bond, Exploration Manager, is engaged as a full time employee. Termination by the Company is with 3 months' notice or payment in lieu thereof. Termination by Mr Bond is with 3 months' notice.

(v) Non-Executive Directors:
On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Group in the form of a letter of appointment. The letter summarizes the Board's polices and terms, including compensation, relevant to the director. The engagements will continue until validly terminated in accordance with their terms, including where the director is not re-elected by shareholders at a meeting where they are required to seek re-election.

The directors' and KMP receive the following annual remuneration as at 30 June 2023:

Director/ KMP	Remuneration (excluding superannuation)
Bronwyn Barnes	$65,000
Fred Wehr	$40,000
Damon Neaves	$356,496
Shane Westlake	$210,000
Aaron Bond	$336,000
Anthony Benino	$168,000

SHORT TERM INCENTIVES

Executive directors, KMP and selected other employees of the Company are eligible to participate in Finder's Short-Term Incentive Plan (STIP).

Participants in the STIP have a target cash payment which is set as a percentage of their fixed remuneration (being a maximum of 50% for executive directors, 40% for senior management, and either 10%, 20% or 30% for other employees, depending on their role and level of seniority within the Company).

Actual short term incentive payments in any given year may be at, above or below target depending on the achievement of financial and non-financial criteria as set by the Board, in accordance with the terms of the STIP, which may be varied from time-to-time by the Board. The weighting of the financial and non-financial components of the incentive varies depending on the person's level of seniority, with the incentive more heavily weighted to the financial component as seniority increases.

Short term incentives paid during the reporting period were determined by the board based on a percentage of cash received from farmout transactions completed during the year in recognition of the importance placed by the board on management generating positive cash outcomes from commercial transactions.

The total STI pool paid to staff (including KMP's) during the reporting period was determined by the Board with reference to a proportion of the cash generated from farmout transactions completed during the period. This approach recognises the importance on achieving cash outcomes for the Company and shareholders. The allocation of STI across the group was based upon salary levels and allowable maximum STI reflecting the individual person's level of seniority.

Executive	Maximum STI %	STI % achieved
Damon Neaves	50%	21%
Shane Westlake	50%	21%
Aaron Bond	40%	17%
Anthony Benino	40%	17%

LONG TERM INCENTIVES

Executives participate in the Group's long term incentive plan, which entitles them to receive performance rights which will vest if certain milestones are achieved. Refer to the Performance Rights section of the remuneration report below for further details.

KMP have no entitlement to termination payments in circumstances warranting summary dismissal including, for example, serious misconduct or serious or persistent breach of duties or the terms of the agreement.

SHARE-BASED COMPENSATION

Options

Details of options over ordinary shares in the Company that were granted as compensation to directors or KMP during the reporting periods and options that vested or were cancelled are as follows:

	Balance at the start of period	Granted during the period	Exercised during the period	Other changes for the period	Balance available for vesting in future periods
Non-Executive Directors:					
Bronwyn Barnes	800,000	-	-	-	800,000
Fred Wehr	350,000	-	-	-	350,000
Executive Directors:					
Damon Neaves	-	-	-	-	-
Shane Westlake	-	-	-	-	-
Other Key Management Personnel:					
Anthony Benino	-	-	-	-	-
Aaron Bond	-	-	-	-	-
	1,150,000	**-**	**-**	**-**	**1,150,000**

Performance rights

Details of performance rights over ordinary shares in the Company that were granted as compensation to directors or KMP during the reporting period and performance rights that vested or were cancelled are as follows:

	Balance held at 1 July 2022	Granted as compensation	Exercised	Lapsed / Forfeited	Held at 30 June 2023	Vested and exercisable
Non-Executive Directors:						
Bronwyn Barnes	-	-	-	-	-	-
Fred Wehr	-	-	-	-	-	-
Executive Directors:						
Damon Neaves	6,000,000	-	-	-	6,000,000	1,000,000
Shane Westlake	4,000,000	-	-	-	4,000,000	666,667
Other Key Management Personnel:						
Anthony Benino	2,000,000	-	-	-	2,000,000	333,333
Aaron Bond	4,000,000	-	-	-	4,000,000	666,667

During the financial year ended 30 June 2023, 2,750,000 Performance Rights held by management and staff have vested in accordance with their terms. Please see the below section for more details. Each performance right is exercisable into one fully paid ordinary share upon satisfaction of the relevant vesting conditions until the expiry date. The value of performance rights is allocated to remuneration over the vesting period. No performance rights were forfeited in the current period. Performance rights are assumed to vest in 2025.

Vesting conditions:

Performance Rights will vest if and when either of the following conditions are achieved:

(a) Share Price Target:
50% of the total number of the holder's Performance Rights which vest upon the share price target being achieved is dependent upon the share price growth percentage based on the Company's 30-day volume weighted average price (VWAP) at the end of each calendar quarter against the Offer price of $0.20 per share for a 36-month period (Testing Period) since admission to ASX on 8th April 2022 in accordance with the following vesting schedule:

Share Price Growth from Offer Price	Vesting Percentage of the share price growth performance rights
35% or more	One third
55% or more	One third
75% or more	One third

(b) Value Creation Target:
50% of the total number of Performance Rights held by the holder will vest upon the achievement and announcement by the Company to the ASX of one of any of the following key strategic objectives, in each case, as verified by a suitably qualified independent expert (each a milestone, and up to a maximum of achieving three milestones) during the Testing Period:

(i) each material discovery;

(ii) each material farmout agreement entered into by the Company; and

(iii) any other material transaction (including value-accretive acquisitions) or combination of material transactions entered by the Company.

Any such discovery, farmout or transaction will constitute a Value Creation Event.

A discovery, farmout or transaction will be considered material and a milestone achieved if it:

(iv) creates value net to the Company of at least $4.0 million through recovery of back costs, cash payments, estimated net partner expenditure (other than drilling expenditure); or

(v) has a Net Present Value (NPV) (with a 10% discount rate) net to the Company of at least $9.45 million and has an Internal Rate of Return (IRR) of at least 20%,

Except that in circumstances where the value created by a single discovery, farmout or transaction results in a doubling of the Value Creation Targets (as determined by (iv) or (v) above), two milestones will be considered achieved such that two sixths of the holder's Performance Rights will vest.

(c) Vesting on change of control

(i) an offer being made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional; or

(ii) the Court sanctioning under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or

(iii) any other merger, consolidation or amalgamation involving the Company occurs which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation (each event in (i)-(iii), a Change in Control Event),

the Board may in its sole and absolute discretion, and subject to the Listing Rules and applicable laws determine how unvested Performance Rights held by a holder will be treated.

All performance rights have a service period consistent with the vesting period.

During the financial year ended 30 June 2023, 2,750,000 Performance Rights held by management and staff have vested in accordance with their terms. This follows a determination by the Board and a suitably qualified independent expert that the vesting conditions of the Value Creation Targets have been satisfied. It relates to value derived by the Company from transactions completed during the period since the Company listed in April 2022, which includes farmouts and other commercial transactions as described in the Company's announcements to the ASX. At the time of this report, the holders of these Performance Rights have not exercised their rights to convert these Performance Rights to shares.

The Board may clawback vested shares, options and performance rights if the Board becomes aware of a material misstatement in the Company's financial statements or some other event has occurred which, as a result, means the vesting conditions were not or should not have been determined to have been satisfied.

ADDITIONAL DISCLOSURES RELATING TO KEY MANAGEMENT PERSONNEL

Shareholding

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

	Balance at the start of period	Received as part of remuneration	Additions	Disposals / other	Balance at the end of the period
Non-Executive Directors:					
Bronwyn Barnes	-	-	-	-	-
Fred Wehr	-	-	-	-	-
Executive Directors:					
Damon Neaves	250,000	-	-	-	250,000
Shane Westlake	250,000	-	-	-	250,000
Other Key Management Personnel:					
Anthony Benino	125,000	-	-	-	125,000
Aaron Bond	125,000	-	-	-	125,000
	750,000	**-**	**-**	**-**	**750,000**

There has been no change to the number of shares in the Company held by each director and other members of KMP of the Company, including their personally related parties from 30 June 2023 to date of the audit report.

Other transactions with KMP

A number of KMP or their related parties, hold positions in other entities that result in them having control, or joint control, over the financial or operating policies of those entities. A number of these entities transacted with the Group during the year. The terms and conditions of the transactions with KMP and their related parties were no more favourable than those available, or which might reasonably be available, in similar transactions to non-KMP related entities on an arm's length basis unless otherwise stated.

– End of remuneration report –

INDEMNITY AND INSURANCE OF OFFICERS

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

INDEMNITY AND INSURANCE OF AUDITOR

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

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

PROCEEDINGS ON BEHALF OF THE COMPANY

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

NON-AUDIT SERVICES

There were no non-audit services provided during the financial year by the auditor.

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF KPMG

There are no officers of the Company who are former partners of KPMG.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

AUDITOR

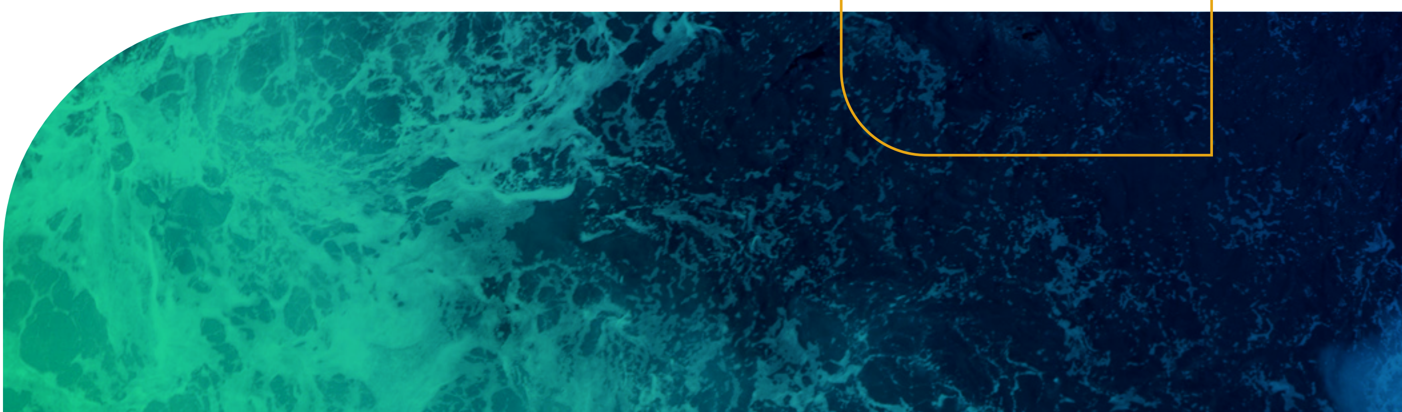
KPMG continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the directors

Damon Neaves
Director

29 September 2023
Perth



AUDITOR'S INDEPENDENCE DECLARATION

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Finder Energy Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Finder Energy Holdings Limited for the financial year ended 30 June 2023 there have been:

i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. No contraventions of any applicable code of professional conduct in relation to the audit.

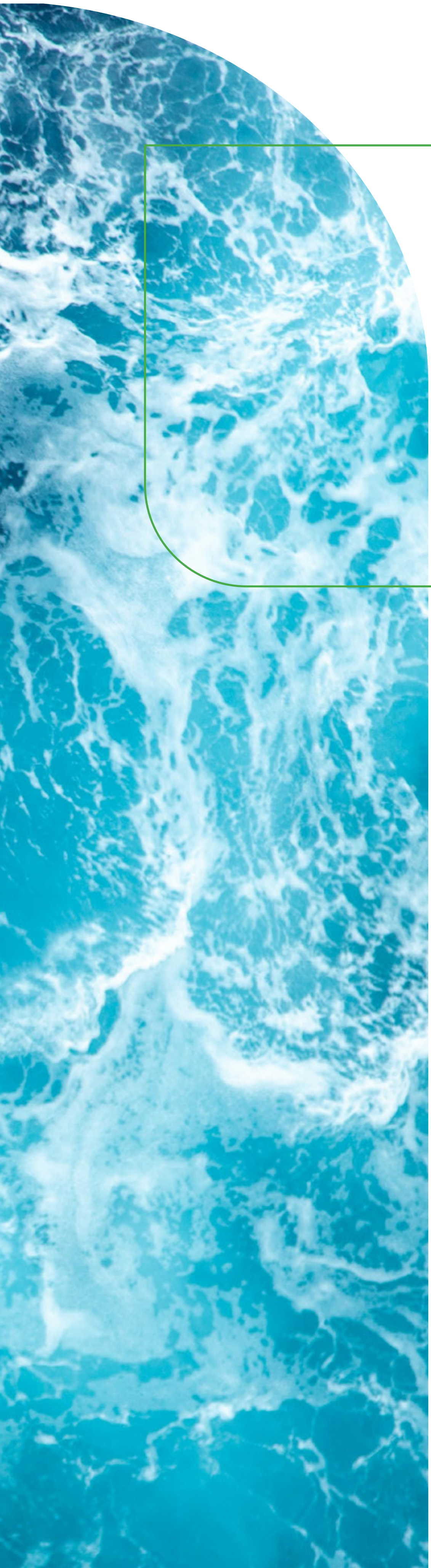
KPMG.

KPMG

G Diedrich

Glenn Diedrich
Partner
Perth
29 September 2023

FINANCIAL REPORT



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated 2023 $	Consolidated 2022 $
Other Income	5	2,662,874	1,202,592
Evaluation and exploration expenditure		(3,653,740)	(4,238,381)
Corporate expenses	6	(474,522)	(747,306)
Share-based payment expense	27	(1,362,821)	(395,838)
Operating Loss		**(2,828,209)**	**(4,178,933)**
Finance income	8	328,165	207
Finance costs	8	-	(139,950)
Net finance (loss)/income		**328,165**	**(139,743)**
Loss before tax		**(2,500,044)**	**(4,318,676)**
Income tax benefit/(expense)	9	16,812	(1,946,041)
Loss for the year		**(2,483,232)**	**(6,264,717)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign operations – foreign currency translation differences, net of tax		17,190	5,859
Other comprehensive income for the year, net of tax		17,190	5,859
Total comprehensive loss for the year		**(2,466,042)**	**(6,258,858)**
Total comprehensive loss attributable to			
Owners of the Company		(2,466,042)	(6,258,858)
Loss per share			
Basic loss per share	10	(0.02)	(0.06)
Diluted loss per share	10	(0.02)	(0.06)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated 2023 $	2022 $
Assets			
Current assets			
Cash and cash equivalents	11	9,431,448	10,699,419
Cash term deposits	12	75,000	-
Other receivables	13	581,502	500,731
Total current assets		**10,087,950**	**11,200,150**
Total assets		**10,087,950**	**11,200,150**
Liabilities			
Current liabilities			
Trade and other payables	14	329,736	429,613
Employee benefits	15	221,823	181,361
Loans and borrowings	16	50,436	-
Provisions	17	9,247,926	-
Total current liabilities		**9,849,921**	**610,974**
Non-current liabilities			
Provisions	17	-	9,247,926
Total non-current liabilities		**-**	**9,247,926**
Total liabilities		**9,849,921**	**9,858,900**
Net assets		**238,029**	**1,341,250**
Equity			
Share capital	18	29,474,893	29,474,893
Reserves	19	(22,923,233)	(24,303,244)
Retained earnings / (accumulated losses)		(6,313,631)	(3,830,399)
Total Equity		**238,029**	**1,341,250**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

	Share capital	Retained earnings/ (accumulated losses)	Share-based Payment Reserve	Foreign exchange reserve	Other reserve	Total equity
	$	$	$	$	$	$
Balance as at 1 July 2022	**29,474,893**	**(3,830,399)**	**1,090,413**	**10,170**	**(25,403,827)**	**1,341,250**
Total comprehensive loss						
Loss for the year	-	(2,483,232)	-	-		(2,483,232)
Other comprehensive income	-	-	-	17,190	-	17,190
Total comprehensive loss for the year	**-**	**(2,483,232)**	**-**	**17,190**	**-**	**(2,466,042)**
Share-based payment	**-**	**-**	**1,362,821**	**-**	**-**	**1,362,821**
Balance as at 30 June 2023	**29,474,893**	**(6,313,631)**	**2,453,234**	**27,360**	**(25,403,827)**	**238,029**

	Share capital	Retained earnings/ (accumulated losses)	Share-based Payment Reserve	Foreign exchange reserve	Other reserve	Total equity
	$	$	$	$	$	$
Balance as at 1 July 2021	**16,500,000**	**2,434,318**	**-**	**4,311**	**(16,250,000)**	**2,688,629**
Total comprehensive loss						
Loss for the year	-	(6,264,717)	-	-		(6,264,717)
Other comprehensive income	-	-	-	5,859	-	5,859
Total comprehensive loss for the year	**-**	**(6,264,717)**	**-**	**5,859**	**-**	**(6,258,858)**
Transactions with shareholders (refer note 7)	**-**				**(9,153,827)**	**(9,153,827)**
Issue of fully paid ordinary shares – IPO	**15,000,000**	**-**	**-**	**-**	**-**	**15,000,000**
Transaction costs arising on share issue	**(1,330,532)**	**-**	**-**	**-**	**-**	**(1,330,532)**
Share-based payment	**(694,575)**	**-**	**1,090,413**	**-**	**-**	**395,838**
Balance as at 30 June 2022	**29,474,893**	**(3,830,399)**	**1,090,413**	**10,170**	**(25,403,827)**	**1,341,250**

The above consolidated statement of changes in equity should be read in conjunction with accompanying notes

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Note	Consolidated 2023 $	Consolidated 2022 $
Cash flows from operating activities			
Receipts from exploration and evaluation services		364,000	1,090,986
Joint operation reimbursements		1,394,012	912,488
Payments for suppliers and employees		(5,565,951)	(4,322,532)
Net cash from / (used in) operating activities	**21**	**(3,807,939)**	**(2,319,058)**
Cash flows from investing activities			
Interest received		199,240	207
Term deposit		(75,000)	-
Consideration received to acquire WA-542-P Permit**		-	9,247,926
Proceeds from disposal of tenements		2,348,480	-
Proceeds from disposal of investments		-	727,172
Net cash from / (used in) investing activities		**2,472,720**	**9,975,305**
Cash flows from financing activities			
Proceeds from issue of ordinary shares		-	15,000,000
Transaction costs related to issues of ordinary shares		-	(1,330,532)
Proceeds from loans and borrowings		67,248	-
Transfer of WA-542-P Permit funds to Longreach**		-	(9,247,926)
Repayment of loans and borrowings to related parties		-	(3,500,938)
Net cash from / (used in) financing activities		**67,248**	**920,604**
Net increase in cash and cash equivalents		(1,267,971)	8,576,851
Cash and cash equivalents at the beginning of the financial year		10,699,419	2,122,568
Cash and cash equivalents at the end of the financial year	11	**9,431,448**	**10,699,419**

* These transactions were in relation to the pre-IPO restructure.

The above consolidated statement of cash floes should be read in conjunction with accompanying notes

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2023

Note 1. Reporting entity

Finder Energy Holdings Limited (the Company") is a Company domiciled in Australia.

The Company's registered office at the date of this report is Suite 1, Level 4, South Shore Centre, 85 South Perth Esplanade, South Perth, WA 6151. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the 'Group').

The Group is a for-profit entity and is primarily involved in oil and gas exploration in the North West Shelf in Western Australia and North Sea in the United Kingdom.

Note 2. Basis of preparation

Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board (AASB). The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

Parent entity information

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

Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

Use of judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic and geopolitical events

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic and geopolitical events has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic and geopolitical events.

Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to satisfy its liabilities as and when they become due. The Group has recognised a net loss after tax of $2,483,232 for the year ended 30 June 2023 and, as at that date, current assets exceed current liabilities by $238,029 and total assets exceed total liabilities by $238,029. The Group incurred net cash outflows from operations of ($3,807,939).

The Company continues to have expected expenditure across its permits and licences and for corporate purposes, which are expected to be funded in part by its agreements under existing joint operation agreements and existing cash reserves.

The Group monitors its cash flow requirements to ensure it has sufficient funds to meet its expected expenditure. Supported by the cash assets at 30 June 2023 of $9,506,448, the Group forecasts that it will have sufficient funds to meet its commitments and continue to pay its debts as and when they fall due over for at least the 12 months from the date of these financial statements.

Based on these factors, the Directors have a reasonable expectation that the Group has and will have adequate funding and accordingly the financial statements have been prepared on a going concern basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2023

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 27 for further information.

Common Control Transaction

Effective 25 January 2022, Finder Energy Holdings Limited was formed with the intention to list on the ASX. On 22 March 2022, as part of the internal restructure undertaken by the Finder Energy Holdings Group pursuant to the listing of the Group, Finder Operations Pty Ltd and its controlled entities were acquired by Finder Energy Holdings Limited to form the Group. At the time of the restructure Finder Energy Holdings Limited and Finder Operations Pty Ltd were subsidiaries of Longreach Capital Investment Pty Ltd. The acquisition was funded through the issue of 82,499,990 at $0.20 per share (total consideration of $16,499,998) shares in Finder Energy Holdings Limited to Longreach Capital Investment Pty Ltd.

Details of the businesses acquired and disposed are included below.

The Group has accounted for the acquisition of Finder Operations Pty Ltd and its subsidiaries as a common control transaction at book value. As a consequence, no acquisition accounting in the form of a purchase price allocation was undertaken and therefore the assets and liabilities have not been remeasured to fair value nor has any goodwill arisen. All the assets and liabilities acquired by the Company as a result of the internal restructure were recognised at values consistent with the carrying value of those assets and liabilities in the Finder Operations Pty Ltd group accounts immediately prior to the internal restructure.

The statutory financial information for the Group has been presented for the financial year ended 30 June 2022 and for that comparative financial year (i.e. 30 June 2021) on the basis the Company was incorporated and the common control transaction has occurred from the beginning of the 30 June 2021 financial year. As a result, there was an increase in share capital and other reserves as at 1 July 2020 of $16,500,000 reflecting the consideration paid to acquire the Finder Operations group (as noted above) less Finder Operations existing share capital of $250,000.

The total carrying value of the assets and liabilities that were acquired by the Finder Energy Holdings group as part of the internal restructure were as follows:

Carrying value of net asset table:

Total assets:	$18
Total liabilities:	$9,247,926

Assessment of control of entities

During the period the Group disposed of its interest in Beagle No. 1 Pty Ltd to Longreach Capital Investment Pty Ltd however retained a call option over 100% of the shares in the entity. However, the Company has assessed that it has the ability to control Beagle No. 1 Pty Ltd through the exercise of this call option and as such Beagle No. 1 Pty Ltd is presented in these financial statements on a consolidated basis. Refer to note 25 for further information on the Group's interest in Beagle No. 1 Pty Ltd.

Recognition of deferred tax assets

The recognition of deferred tax assets depends on the expected generation of future taxable income. As the Group does not have a recent history of generating sufficient taxable income to release the full benefits of deferred tax assets, it has not recognised deferred tax assets at 30 June 2023. Refer to note 9 for further information. Finder Energy Holdings Limited and its subsidiaries formed a tax consolidated group effective on 4 April 2022. Prior to this the Group formed part of the tax consolidated group of the former owners Longreach Capital Investment Pty Ltd. Upon the common control transaction, the Group exited the former tax consolidated group and settled all tax obligations as part of the pre IPO restructure.

Note 3. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2023

Principles of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Other joint interest in projects

A joint arrangement is an arrangement of which two or more parties have joint control. Joint arrangements are either joint operations or joint ventures, depending on the contractual rights and obligations of the parties to the arrangement.

- Joint operation - when the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement, it accounts for each of its assets, liabilities, and transactions, including its share of those held or incurred jointly, in relation to the joint operation.
- Joint venture - when the Group has rights only to the net assets of the arrangements, it accounts for its interest using the equity method, as for associates.

Other interest in projects

Where there is no joint control due to the disposition of voting power among the parties to a joint arrangement, the interests in such projects are not considered an interest in a joint arrangement. For such interests, as the Company has rights as tenants in common to the assets, and obligations for the liabilities on an individual or several basis, the Company's interest in each asset and liability is accounted for in accordance with those AASB's applicable for those types of assets, liabilities and transactions.

Non controlling interest (NCI)

NCI is not recognized when a parent has a call option over shares in an existing subsidiary and the call option gives the parent present access to returns associated with the underlying ownership interest.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Finder Energy Holdings Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in the profit or loss when the foreign operation or net investment is disposed of.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

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

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Finder Energy Holdings Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime from 4 April 2022. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

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

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity. Beagle No. 1 Pty Ltd was sold to Longreach Capital Investment Pty Ltd as part of pre IPO restructure and as a result of this transaction remained in the Longreach Capital Investment Pty Ltd consolidated tax group. For financial reporting purposes Beagle No. 1 Pty Ltd continues to be consolidated (refer to note 25 for further transaction information) and as such any tax expense / benefit incurred by Beagle No. 1 Pty Ltd is presented in the financial statements, however the settlement of tax obligations remains with Longreach Capital Investment Pty Ltd, including the $2,311,981 associated with the acquisition of WA-542-P during the period. This amount was settled as part of the pre-IPO restructure (refer to note 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.

Deferred tax assets and liabilities are always classified as non-current.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2023

Exploration and evaluation expenditure

Exploration and evaluation expenditure in respect of each area of interest is expensed in the period it is incurred in accordance with AASB 6 Exploration for and Evaluation of Mineral Resources.

An area of interest refers to an individual geological area where the presence of oil or a natural gas field is considered favourable or has been proved to exist, and in most cases will comprise an individual prospective oil or gas field.

Exploration and evaluation expenditure is recognised in relation to an area of interest when the rights to tenure of the area of interest are current and either:

- such expenditure is expected to be recovered through successful development and commercial exploitation of the area of interest or, alternatively, by its sale; or
- the exploration activities in the area of interest have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Where an ownership interest in an exploration and evaluation asset is exchanged for another, the transaction is recognised by reference to the carrying value of the original interest. Any cash consideration paid, including transaction costs, is accounted for as an acquisition of exploration and evaluation assets. Any cash consideration received, net of transaction costs, is treated as a recoupment of costs previously capitalised with any excess accounted for as a gain on disposal of non-current assets.

Other income

Recoveries from Fugro

Recoveries from Fugro relate to the recovery of exploration and evaluation expenditure recharged to Fugro Exploration Pty Ltd and is recognised in the profit or loss when received or when the right to receive payment is established. Such recoveries are recognised as the gross receipts for costs incurred under the previous Cooperation agreement. Under the Implementation and Variation Deed, a monthly fee is recorded as other income in the month to which the fee relates. See also Note 29 Contingent assets and liabilities.

Farmout proceeds

Farmout proceeds relate to the sale or transfer of a portion of the working interest in oil and gas permits to another party. It is recognised in the profit or loss when the farm-out is transferred, and the performance obligations have been met. Farm out proceeds are measured at the fair value of the consideration received or receivable, which is determined based on the agreed-upon terms in the farm-out agreement.

Finance income and finance costs

The Group's finance income and finance costs include:

- interest income; and
- the foreign currency gain or loss on financial assets and financial liabilities.

Interest income is recognised using the effective interest method.

Impairment

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and 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 related cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in the profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amount of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, 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 or amortisation, if no impairment loss had been recognised.

Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date. Also, any fair values of financial instruments measured at amortised cost are disclosed.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Where applicable, a fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group 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.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2023

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

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

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period; and
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is issued as substitution for the cancelled award, the cancelled and new award is treated as if they were a modification.

Issued capital

Ordinary shares are classified as equity.

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

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Finder Energy Holdings Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

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

Goods and Services Tax ('GST') and other similar taxes

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

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

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

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

New currently effective requirements

The Group has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 July 2022.

- AASB 2020-3 Amendments to Australian Accounting Standards –Annual Improvements 2018-2020 and Other Amendments;
- AASB 2022-3 Amendments to Australian Accounting Standards–Illustrative Examples for Not-for-Profit Entities accompanying AASB 15; and
- AASB 2023-2 Amendments to Australian Accounting Standards –International Tax Reform –Pillar Two Model Rules.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2023.

The following new standards, amendments to standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements.

- AASB 2023-1 Amendments to Australian Accounting Standards –Supplier Finance Arrangements;
- AASB 2020-1 Amendments to Australian Accounting Standards –Classification of Liabilities as Current or Non-current;
- AASB 2020-6 Amendments to Australian Accounting Standards –Classification of Liabilities as Current or Non-current –Deferral of Effective Date;
- AASB 2022-6 Amendments to Australian Accounting Standards –Non-current Liabilities with Covenants;
- AASB 2023-3 Amendments to Australian Accounting Standards –Disclosure of Non-current Liabilities with Covenants: Tier 2;
- AASB 2022-5 Amendments to Australian Accounting standards –Lease Liability in a Sale and Leaseback;

- AASB 2014-10 Amendments to Australian Accounting Standards –Sale or Contribution of Assets between an Investor and its Associate or Joint Venture;
- AASB 2015-10 Amendments to Australian Accounting Standards –Effective Date of Amendments to AASB 10 and AASB 128;
- AASB 2017-5 Amendments to Australian Accounting Standards –Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections; and
- AASB 2021-7(a-c) Amendments to Australian Accounting Standards –Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections.

Note 4. Operating segments

Basis for segmentation

An operating segment is a component of a 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 reviewed regularly by the Group's management team to make decisions about resources to be allocated to the segment and to assess its performance. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and head office expenses. The Group has identified its operating segments based upon the internal management reports that are reviewed and used by the executive management team in assessing performance and that are used to allocate the Group's resources.

The Group has a strategic division for exploration, which is its reportable segment. The operations of the exploration segment are oil and gas exploration on the NWS of Australia and North Sea in UK.

The corporate balances below represent a reconciliation of reportable segments revenues, profit or loss, assets and liabilities to the consolidated figures.

	Reportable Segments		
2023	**Exploration $**	**Corporate* $**	**Total $**
Other income	2,662,874	-	2,662,874
Exploration and evaluation expenditure	(3,653,740)	-	(3,653,740)
Corporate expenses	-	(474,522)	(474,522)
Share-based payment expense	-	(1,362,821)	(1,362,821)
Operating profit/(loss)	**(990,866)**	**(1,837,343)**	**(2,828,209)**
Finance income	-	328,165	328,165
Finance costs	-	-	-
Reportable segment profit/(loss) before tax	**(990,866)**	**(1,509,178)**	**(2,500,044)**
Income tax benefit (expense)	**-**	**16,812**	**-**
Reportable segment profit/(loss) after tax	**(990,866)**	**(1,492,366)**	**(2,483,232)**
Segment assets	**161,236**	**9,926,714**	**10,087,950**
Segment liabilities	**9,369,322**	**480,599**	**9,849,921**

* Corporate represents a reconciliation of reportable segments to IFRS measures.

2022	Reportable Segments Exploration $	Corporate* $	Total $
Other income	1,202,592		1,202,592
Exploration and evaluation expenditure	(4,238,381)		(4,238,381)
Corporate expenses		(747,306)	(747,306)
Share-based payment expense		(395,838)	(395,838)
Operating profit/(loss)	**(3,035,789)**	**(1,143,144)**	**(4,178,933)**
Interest income		207	207
Other finance costs		(139,950)	(139,950)
Reportable segment profit/(loss) before tax	**(3,035,789)**	**(1,282,887)**	**(4,318,676)**
Income tax benefit (expense)		**(1,946,041)**	**(1,946,041)**
Reportable segment profit/(loss) after tax	**(3,035,789)**	**(3,228,928)**	**(6,264,717)**
Segment assets	**346,406**	**10,853,744**	**11,200,150**
Segment liabilities	**9,216,746**	**642,153**	**9,858,900**

* Corporate represents a reconciliation of reportable segments to IFRS measures.

Geographic information

The Group operates in the NWS of Australia and North Sea in the UK and has no customers. All assets held by the Group are also located within Australia ($8,306,031) and United Kingdom ($2,894,119).

Major customer

The Group has no external customers.

Note 5. Other Income

	Consolidated 2023 $	2022 $
Recoveries from Fugro	306,250	1,033,236
Farmout proceeds	2,348,481	-
Other income	8,143	169,356
	2,662,874	**1,202,592**

Note 6. Corporate expenses

	Consolidated 2023 $	2022 $
Corporate fees	474,522	747,306
	474,522	**747,306**

Corporate fees relate to the expenses associated being an ASX listed company. Prior year's balance also includes the IPO costs.

Note 7. Transaction with shareholders

	Consolidated 2023 $	2022 $
Deemed distribution to shareholders	-	9,153,827
	-	**9,153,827**

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Prior to the pre-IPO restructure certain assets and liabilities within the Group were transferred to its shareholder, Longreach Capital Investment Pty Ltd, through the intercompany loan account. The balance of the loan receivable owing from Longreach Capital Investment Pty Ltd and associated entities was forgiven resulting in a deemed distribution of $9,153,827 being recorded in other reserves.

Note 8. Finance income/(loss)

	Consolidated	
	2023	**2022**
	$	**$**
Interest income	199,240	207
Foreign currency gains	128,925	
Finance income	**328,165**	**207**
Foreign currency losses	-	(139,950)
Finance costs	**-**	**(139,950)**
Net finance costs	**328,165**	**(139,743)**

Note 9. Income taxes

	Consolidated	
	2023	**2022**
	$	**$**
(a) Amounts recognised in profit or loss		
Current tax benefit		
Current year (benefit) / expense*	(16,813)	1,946,041
Deferred tax expense		
Origination and reversal of temporary differences		-
Total tax (benefit)/expense	**(16,813)**	**1,946,041**
(b) Reconciliation of effective tax rate		
Loss before income tax expense	(2,500,044)	(4,318,676)
Tax at the Australian rate 25% (2022: 25%)	(625,011)	(1,079,669)
Tax effect of the amounts which are not deductible/(taxable) in calculating tax income:		
Net Forgiveness of Longreach Loans	-	1,627
Prior year under/over	27,627	
Proceeds received on acquisition of WA-542-P (assessable) (Refer note 17)	-	2,311,981
UK income not taxable	(524,533)	-
Other non-deductible expenses	340,705	456,717
UK non-deductible expenses	1,008	-
Difference in UK and Australia tax rates	154,384	-
Temporary differences not recognized	(601,796)	255,385
UK DTA not recognized	1,210,803	-
Total tax (benefit)/expense	**(16,813)**	**1,946,041**

*The tax expense for the year ended 30 June 2022 includes an expense of $2,311,981 which relates to consideration received for the acquisition of WA-542-P held by Beagle No.1 Pty Ltd, a company owned by Longreach Capital Investment Pty Ltd. This transaction was completed pre-IPO and the corresponding tax expense was funded by Longreach Capital Investment Pty Ltd as part of the pre-IPO restructure and not from IPO proceeds.

(c) Movement in deferred tax balances

	Assets 2023 $	Liabilities 2023 $	Net 2023 $
Provision for WA-542-P	2,311,981	-	2,311,981
Section 40-880 costs	296,116	-	296,116
Employee provision	54,160	-	54,160
Accruals	10,000	-	10,000
Tax losses- Australia	326,207	-	326,207
Tax losses- Foreign	1,226,050	-	1,226,050
Unrealised foreign exchange differences	57	42,105	(42,048)
Prepayments	-	39,683	(39,683)
Tax assets before set-off	**4,224,571**	**81,788**	**4,142,783**
Set-off of tax	(81,788)	(81,788)	-
Less: DTA not recognized	**4,412,783**	**-**	**4,412,783**
Net tax assets	**-**	**-**	**-**

	Assets 2022 $	Liabilities 2022 $	Net 2022 $
Provision for WA-542-P	2,311,982	-	2,311,982
Section 40-880 costs	544,167	-	544,167
Employee provision	45,266	-	45,266
Accruals	66,443	-	66,443
Tax losses	604,075	-	604,075
Prepayments	-	38,157	(38,157)
Tax assets before set-off	**3,571,932**	**(38,157)**	**3,533,775**
Set-off of tax	(38,157)	(38,157)	-
Less: DTA not recognized	**(3,533,775)**	**-**	**(3,533,775)**
Net tax assets	**-**	**-**	**-**

The Group has not recognised net DTAs of $4,412,783 as taxable profits are not sufficiently probable to recognise tax assets in excess of tax liabilities.

Note 10. Loss per share

Basic loss per share

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

(i) Loss used in calculating loss per share

	Consolidated 2023 $	2022 $
Loss attributable to ordinary equity holders of the Company used in calculating		
- Basic loss	(2,483,232)	(6,264,717)
- Diluted loss	(2,483,232)	(6,264,717)

(ii) Weighted average number of shares

	2023 No. of ordinary shares	2022 No. of ordinary shares
Weighted-average number of ordinary shares used in the calculation of basic earnings per share	157,500,000	99,328,767

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Diluted loss per share

The calculation of diluted loss per share has been based on the loss attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

Note 11. Cash and cash equivalents

	Consolidated	
	2023	**2022**
	$	**$**
Cash on hand	18	18
Cash at bank	9,431,430	10,699,401
	9,431,448	**10,699,419**

Note 12. Cash term deposits

	Consolidated	
	2023	**2022**
	$	**$**
Cash term deposits	75,000	-
	75,000	**-**

Cash term deposits includes $75,000 served as the collateral for the corporate credit cards.

Note 13. Other receivables

	Consolidated	
	2023	**2022**
	$	**$**
Prepayment	420,266	270,211
Other receivables	161,236	230,520
	581,502	**500,731**

Information about the Group's exposure to market risks is included in Note 20.

Note 14. Trade and other payables

	Consolidated	
	2023	**2022**
	$	**$**
Trade payables	221,323	38,726
Other payables	108,413	390,887
	329,736	**429,613**

Information about the Group’s exposure to liquidity risks is included in Note 20.

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Note 15. Employee benefits

	Consolidated	
	2023 $	**2022 $**
Annual leave provision	79,350	46,337
Long service leave provision	142,473	135,024
	221,823	**181,361**

	2023 $	**2022 $**
Employee benefits expense[1]	2,825,460	2,082,467
	2,825,460	**2,082,467**

1 The gross employee benefits expense has been included in the evaluation and exploration expenditure balance due to the nature of the Company.

Note 16. Loans and borrowings

	Consolidated	
	2023 $	**2022 $**
Related Party loans		
Longreach Capital Investment Pty Ltd	50,436	-
	50,436	**-**

Related party loan balance relates to Beagle No.1 Pty Ltd. The Group has a call option to acquire 100% of the issued capital of Beagle No. 1 Pty Ltd. As such the Group continues to record the entity as a subsidiary for accounting purposes. Refer to note 25 for further information on the call option.

Note 17. Provisions

	Consolidated	
	2023 $	**2022 $**
Balance at 1 July 2022	9,247,926	-
Provision made during the period	-	9,247,926
	9,247,926	**9,247,926**
Current	**9,247,926**	**-**
Non-current	**-**	**9,247,926**
	9,247,926	**9,247,926**

On 1 June 2021 Beagle No. 1 Pty Ltd executed a Sale and Purchase agreement with Equinor Australia B.V (Equinor) to acquire its 100% interest in WA-542-P. On completion of the transfer, Equinor paid Beagle No. 1 Pty Ltd base consideration of US$6.8 million (AUD$9.2 million). All of the issued capital of Beagle No. 1 Pty Ltd together with the consideration received from Equinor was transferred to Longreach Investment Capital Pty Ltd (Longreach) as part of the pre-IPO restructure. The work program remaining on WA-542-P rests with Beagle No. 1 Pty Ltd which is wholly owned by Longreach. The provision is recorded in the Group financial statements due to the consolidation of Beagle No. 1 Pty Ltd consistent with the call option the Group holds over Beagle No. 1 Pty Ltd (refer to note 25).

As Finder does not currently intend to exercise the option, Finder has no expected exposure to the cost of the work program commitment or costs under the terms of the option. Accordingly, the provision is recognised only due to the consolidation of Beagle No. 1 Pty Ltd and does not represent any financial exposure to Finder unless it exercises the available call option.

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Note 18. Share capital

(a) Share capital

	Consolidated	
	2023 $	**2022 $**
On issue at the start of the period	29,474,893	16,500,000
Issue of fully paid ordinary shares	-	15,000,000
Less:		
Transaction costs arising on share issue	-	(1,330,532)
Lead Manager Options	-	(694,575)
On issue at the end of the period	**29,474,893**	**29,474,893**

Lead manager options vest on issue upon the Company's initial public offering and is considered as a cost direct attributable to the cost of the raising. Information about the details of option is included in Note 27.

	2023 No. of ordinary shares	**2022 No. of ordinary shares**
On issue at the start of the period	157,500,000	82,500,000
Initial public offering	-	75,000,000
On issue at the end of the period	**157,500,000**	**157,500,000**

The share capital on issue at the beginning of the prior period refers to the share capital in Finder Operations Pty Ltd. During 2022, Finder Energy Holdings Limited was incorporated with 10 shares issued to Longreach. On 22 March 2022, the Company then acquired Finder Operations and its subsidiaries in consideration for 82,499,990 shares in Finder Energy Holdings Limited at $0.20 per share (total consideration $16,500,000). 82,500,000 shares are held in escrow which are due to be released 24 months from the date of the Company’s shares being first quoted on the ASX. On 4 April 2022, the Group issued 75,000,000 ordinary shares at $0.20 per share (before costs).

The Group does not have par value in respect of its issued shares. All shares issued are fully paid. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote at meetings of the Company. In the event of winding up of the Company, ordinary shareholders rank after credits and are fully entitled to any proceeds on liquidation.

(b) Dividends

No dividends were declared and paid by the Company for the period.

Note 19. Reserves

	Consolidated	
	2023 $	**2022 $**
Foreign currency Translation Reserve	27,360	10,170
Other reserve[1]	(25,403,827)	(25,403,827)
Share-based Payment Reserve	2,453,234	1,090,413
	(22,923,233)	**(24,303,244)**

[1] Other reserve is composed of:

- $9,153,827- Deemed distribution to shareholders during the financial year ended 30 June 2022- Refer to Note 7 for details.
- $16,250,000- Deemed distribution of 82,500,000 shares at $0.2 per share to Longreach capital investment Pty Ltd as part of the internal restructure undertaken on 22 March 2022 immediately before IPO.

Note 20. Financial instruments – Fair values and risk management

Accounting classifications and fair values

The following tables shows the carrying amounts of financial assets and financial liabilities. For financial assets and financial liabilities, the carrying amounts are a reasonable approximation of fair values.

30 June 2023	**Note**	**Fair value through profit or loss**	**Financial assets at amortised cost**	**Other liabilities**	**Total**
		$	$	$	$
Financial assets not measured at fair value					
Cash and cash equivalents	11		9,431,448		9,431,448
Cash term deposits	12		75,000		75,000
Trade and other receivables	13		581,502		581,502
			10,087,950		**10,087,950**
Financial liabilities not measured at fair value					
Trade and other payables	14			329,736	329,736
Related party loans	16			50,436	50,436
				380,172	**380,172**

30 June 2022	**Note**	**Fair value through profit or loss**	**Financial assets at amortised cost**	**Other liabilities**	**Total**
		$	$	$	$
Financial assets not measured at fair value					
Cash and cash equivalents	11		10,699,419		10,699,419
Trade and other receivables	13		500,731		500,731
			11,200,150		**11,200,150**
Financial liabilities not measured at fair value					
Trade and other payables	14			429,613	429,613
				429,613	**429,613**

Financial risk management

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

- liquidity risk; and
- market risk.

(i) Risk management framework

The Company's directors have overall responsibility for establishing and overseeing the Group's risk management framework.

The directors take a risk based approach in providing management with a framework within which to both operate in and report upon from time to time.

Detailed financial reporting including a periodical assessment of cash reserves and forecasts are a key to preserve the capital of the Company.

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The directors execute key material contracts and permit application and compliance requirements. Refer to the going concern section in the basis of preparation for further details.

(ii) Liquidity risk

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

The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities. The Group also monitors the level of expected inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

30 June 2023	**Contractual cashflows**				
	Within 1 Year	**1 to 5 Years**	**Over 5 Years**	**Total**	**Carrying value**
	$	**$**	**$**	**$**	**$**
Financial liabilities					
Trade and other payables	329,736			329,736	329,736
Related party loans	50,436			50,436	50,436
Total contractual outflows	**380,172**			**380,172**	**380,172**

30 June 2022	**Contractual cashflows**				
	Within 1 Year	**1 to 5 Years**	**Over 5 Years**	**Total**	**Carrying value**
	$	**$**	**$**	**$**	**$**
Financial liabilities					
Trade and other payables	429,613			429,613	429,613
Total contractual outflows	429,613			429,613	429,613

(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 from the value of its holdings of financial instruments. The objectives of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognized 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. As at 30 June 2023 there was no material interest rate risk.

Cash flow sensitivity for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) the Group's profit or loss by $94,314/($94,314). This has been determined by reference to a 1% increase/(decrease) in the balance of cash and cash equivalents as at 30 June 2023.

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Note 21. Reconciliation of cash flows from operating activities

	Consolidated	
	2023 $	2022 $
Loss for the year	**(2,483,232)**	**(6,264,717)**
Adjustments for:		
Income tax (benefit)/expense	(16,812)	1,887,691
Interest income	(199,240)	(207)
Gain on disposal of tenements	(2,348,481)	-
Gain on disposal of investment	-	(149,760)
Share-based payment expense	1,362,821	395,838
Exploration and evaluation expenditure services	-	1,025,663
Non-cash corporate expenses	-	873,039
Non-cash labour income	-	(85,515)
Other non-cash item	17,191	(94,588)
	(3,667,753)	**(2,412,556)**
Changes in assets and liabilities:		
Change in trade and other receivables	(80,771)	101,797
Change in trade and other payables	(99,877)	(189,659)
Change in employee entitlements	40,462	181,360
Net cash from/(used in) operating activities	**(3,807,939)**	**(2,319,058)**

Note 22. Auditors Remuneration

	Consolidated	
	2023 $	2022 $
Audit services		
Auditors of the Company - KPMG		
Audit and review of financial reports	63,000	110,000
	63,000	**110,000**
Other services		
Auditors of the Company - KPMG		
Non-audit services - IPO	-	67,275
Non-audit services - Other	-	10,000
	-	**77,275**
	63,000	**187,275**

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Note 23. Parent entity disclosure

The parent entity is Finder Energy Holdings Limited.

	Consolidated	
	2023 **$**	**2022*** **$**
Result of parent entity		
Loss for the year	(2,582,943)	(1,830,930)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(2,582,943)**	**(1,830,930)**
Financial position of parent entity at year end		
Current assets	6,814,535	8,762,988
Total assets	10,087,950	11,200,150
Current liabilities	1,816,970	1,926,394
Total liabilities	1,816,970	1,926,394
Total equity of parent entity comprising of:		
Share capital	29,474,893	29,474,893
Reserves	(16,790,040)	(18,370,207)
Retained earnings	(4,413,873)	(1,830,930)
Total equity	**8,270,980**	**9,273,756**

* The Company was incorporated on 25 January 2022 and the results for 2022 reflected the period from incorporation to 30 June 2022.

Note 24. List of subsidiaries

Subsidiary	**Country**	**2023 Ownership Interest**	**2022 Ownership Interest**
Finder No 1 Pty Ltd	Australia	100%	100%
Finder No 3 Pty Ltd	Australia	100%	100%
Finder No 4 Pty Ltd	Australia	100%	100%
Finder No 7 Pty Ltd	Australia	100%	100%
Finder No 9 Pty Ltd	Australia	100%	100%
Finder No 10 Pty Ltd	Australia	100%	100%
Finder No 11 Pty Ltd	Australia	100%	100%
Finder No 13 Pty Ltd	Australia	100%	100%
Finder No 14 Pty Ltd	Australia	100%	100%
Finder No 16 Pty Ltd	Australia	100%	100%
Beagle No. 1 Pty Ltd**	Australia	-%**	-%**
Finder Operations Pty Ltd	Australia	100%	100%
Finder Energy UK Limited	UK	100%	100%
Inde Carbon Limited	UK	50%	-%

** The Group has a call option to acquire 100% of the issued capital of Beagle No. 1 Pty Ltd. As such the Group is deemed to control Beagle No.1 Pty Ltd and therefore, continues to record the entity as a subsidiary for accounting purposes. Refer to note 25 for further information on the call option.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
30 JUNE 2023

Note 25. Interest in exploration licenses

The Group had interests in the following exploration licenses as at 30 June 2023, whose principal activities were oil and gas exploration and development.

Exploration permits and licences	Country	2023 Ownership Interest	2022 Ownership Interest
WA-520-P	Australia	0%[1]	100%
AC/P 61	Australia	100%[2]	50%
WA-412-P	Australia	0%[3]	15%
WA-547-P	Australia	100%	100%
WA-542-P	Australia	-%[4]	-%[4]
P2502[6]	UK	50%	50%
P2527[6]	UK	60%[5]	100%
P2528[6]	UK	60%[5]	100%
P2530[6]	UK	60%[5]	100%
P2524[6]	UK	40%	40%

1 Australian permit WA-520-P was surrendered as planned on 3 January 2023.

2 NOPTA approved the transfer of 50% interest from Fugro Exploration Pty Ltd to Finder on 5 July 2023 (ref ASX Announcement 16 March 2023).

3 Australian permit WA-412-P was surrendered as planned on 13 February 2023.

4 On 22 March 2022, the Group sold Beagle No. 1 Pty Ltd to a related party Longreach Capital Investment Pty Ltd for nil consideration. The Group retained a call option over Beagle No. 1 Pty Ltd to acquire all the issued capital of Beagle No. 1 Pty Ltd for nil consideration. This option is available to the Group until 9 October 2026, as the same may be extended from time to time pursuant to the terms of the Offshore Petroleum and Greenhouse Gas Storage Act 2006 (Cth). As a result of this transaction the Group is deemed to retain control of Beagle No. 1 Pty Ltd which continues to hold a 100% interest in WA-542-P. At 30 June 2023, the Group has recorded nil total assets, liabilities of $9,315,176 and loss after tax of $67,250 associated with its investment in Beagle No. 1 Pty Ltd. If exercised, the Group would be responsible for $80,325 of geotechnical and geophysical studies prior to the permit end date.

5 The OGA approved the transfer of 40% equity to Dana Petroleum (E&P) Limited on 16 November 2022 (ref ASX Announcement 22 November 2022).

6 These licences are held with other parties under joint contract and accounted as joint operations based on controlled ownership percentage.

Note 26. Exploration commitments

In order to maintain current rights of tenure to exploration permits, the Group has certain obligations to perform minimum exploration work and expend minimum amounts of money. These commitments may be varied as a result of negotiations, relinquishments, farmouts, sales or carrying out work in excess of the permit obligations. The following exploration expenditure requirements have not been provided for in the financial report and are payable.

	Consolidated	
	2023 $	2022 $
Exploration expenditure commitments		
Less than one year*	1,753,867	6,920,600
Between one and five years*	27,400,936	23,237,324
	29,154,803	**30,157,924**

* Excludes the commitments related to WA-542-P. Refer to note 17 for the provision related to WA-542-P.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30 JUNE 2023

Note 27. Share-based payments

(i) Expense during the year

The share-based payment expense recognised for employee and non-employee services received during the year is set out below. There were no cancellations to awards in 2023 or 2022.

	Consolidated 2023 $	Consolidated 2022 $
Alignment options	-	144,900
Performance rights	1,362,821	250,938
	1,362,821	**395,838**

(ii) Movement during the year

The number and weighted average exercise price (WAEP) of, and movements in options and performance rights set out below:

	2023 Number	2023 WAEP	2022 Number	2022 WAEP
Options				
Outstanding at 1 July 2022	6,662,500	0.126	-	-
Granted during the year	-	-	6,662,500	0.126
Outstanding at 30 June 2023	**6,662,500**		**6,662,500**	**0.126**
Exercisable as at 30 June 2023	6,662,500		6,662,500	
Performance rights				
Outstanding at 1 July 2022	16,500,000	0.183	-	-
Granted during the year	3,625,000	0.0747	16,500,000	0.183
Outstanding at 30 June 2023	**20,125,000**		**16,500,000**	
Exercisable as at 30 June 2023	2,750,000		-	

(iii) Measurement of Grant Date Fair values

The fair value of share-based payment arrangements was calculated by independent accredited valuation specialists. The following tables list the inputs to the valuation model for the options and performance rights issued during 2023.

Performance Rights			
Item	**Tranche 1**	**Tranche 2**	**Tranche 3**
Number of Rights	1,208,333	1,208,334	1,208,334
Underlying security spot price ($)	0.09	0.09	0.09
Exercise price ($)	Nil	Nil	Nil
Performance period (years)	3	3	3
Life of the Rights (years)	5	5	5
Volatility	100%	100%	100%
Risk-free rate*	3.38% or 3.455%	3.38% or 3.455%	3.38% or 3.455%
Dividend yield	Nil	Nil	Nil
Valuation per Right ($)	0.077	0.075	0.072
	93,042	**90,625**	**87,000**
Vesting conditions	35% or more share price appreciation	55% or more share price appreciation	75% or more share price appreciation

*Varies based on the results of each iteration of the monte carlo simulation

The following tables list the inputs to the valuation model for the options and performance rights issued during 2022.

Options		
Item	**Lead Manager Options***	**Alignment Options****
Number of Options	5,512,500	1,150,000
Underlying security spot price ($)	0.20	0.20
Exercise price ($)	0.30	0.30
Grant date	8 April 2022	8 April 2022
Life of the Options (years)	4	4
Volatility	100%	100%
Risk-free rate	1.80%	1.80%
Dividend yield	Nil	Nil
Valuation per Option ($)	0.13	0.13
	694,575	**144,900**

* Lead Manager Options were issued to the Company's joint Lead managers Euroz Hartleys Limited and JP Equity Holdings Pty Ltd for IPO related services and recognized as a reduction in share capital. Lead Manager Options vested immediately upon granting.

** Alignment Options were issued to the two non-executive directors of the Company. Options immediately vest upon granting.

Performance Rights				
Item	**Tranche 1**	**Tranche 2**	**Tranche 3**	**Tranche 4**
Number of Rights	2,750,000	2,750,000	2,750,000	8,250,000
Underlying security spot price ($)	0.20	0.20	0.20	0.20
Exercise price ($)	Nil	Nil	Nil	Nil
Performance period (years)	3	3	3	3
Life of the Rights (years)	3	3	3	3
Volatility	100%	100%	100%	100%
Risk-free rate	1.47%	1.47%	1.47%	1.47%
Dividend yield	Nil	Nil	Nil	Nil
Valuation per Right ($)	0.17	0.16	0.16	0.20
	470,250	**451,000**	**440,000**	**1,650,000**
Vesting conditions	35% or more share price appreciation	55% or more share price appreciation	75% or more share price appreciation	Value creation event of $4m or $9.75m NPV

Note 28. Related Parties

(a) Ultimate controlling party

Longreach holds 84,100,000 shares in Finder Energy Holdings Limited, 82,500,000 of which are escrowed and to be released from escrow 8 April 2024. This total holding converts to a 53.40% controlling interest of the Group.

(b) Key management personnel compensation

KMP compensation comprised the following:

	2023 $	2022 $
Short-term employee benefits	1,412,111	1,208,533
Long-term employee benefits	18,905	47,469
Post-employment benefits	108,178	64,467
Share-based payments	1,277,778	388,233
	2,816,972	**1,708,702**

Compensation of the Group's KMP includes salaries and non-cash benefits.

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each of member of the Group's KMP for the year ended 30 June 2023.

(c) Related party transactions

	Note	Transaction values for the year (net) 2023 $	Balance outstanding as at 30 June 2023 $	Transaction values for the year (net) 2022 $	Balance outstanding as at 30 June 2022 $
Loans (payable)/receivable					
The ultimate controlling party					
Longreach Capital Investment Pty Ltd	a	(370,074)	(28,620)	(4,314,884)	(61,000)
Entities under common control					-
Discover Geoscience Pty Ltd	b	-	-	1,161,319	-
Longreach Bedout Pty Ltd	b	-	-	(2,025)	-
Longreach No 1 Pty Ltd (formerly Finder No 6)	b	-	-	(599,647)	-
Longreach Capital Investment (Canada) Limited (formerly Finder Canada)	b	-	-	(3,598)	-
Theia Energy Pty Ltd	b	-	-	(208,722)	-
Theia Energy No 4 Pty Ltd (formerly Finder Onshore No 1 Pty Ltd)	b	-	-	38,677	-
Longreach No 3 Pty Ltd (formerly Finder No 12)	b	-	-	7,500	-
Theia Energy No 1 Pty Ltd (formerly Finder Shale)	b	-	-	392,969	-
Searcher Seismic Pty Ltd	b	-	-	2,598,661	-
Longreach Mineral Exploration Pty Ltd	b	-	-	(57)	-
		(370,074)	**(28,620)**	**(929,807)**	**(61,000)**

a. Before the Group was listed on the ASX it was common practice for Longreach Capital Investment Pty Ltd (Longreach) to pay employees salaries and suppliers on behalf of the Group. Additionally, working capital was transferred between Longreach and the Group as required on an ongoing basis. Following the IPO, the transactions between Longreach and the Group were mainly limited to those pursuant to the Longreach Separation Agreement and Transitional Services agreement. Under the transitional service agreement Longreach provides office space, accounts processing support and information technology services to the Group.

b. Before the Group was listed on ASX, the Group paid invoices on behalf of Discover Geoscience Pty Ltd, Longreach Capital Investment (Canada) Limited, Longreach No 1 Pty ltd, Longreach Bedout Pty Ltd, Theia Energy Pty Ltd, Theia Energy No 1 Pty Ltd, Theia Energy No 4 Pty Ltd, Longreach No 3 Pty Ltd, Searcher Seismic Pty Ltd and Longreach Mineral Exploration Pty Ltd.

All transactions with related parties are priced on an arm's length basis and are to be settled in cash when called. None of the balances are secured. No expense has been recognized in the current year for bad or doubtful debts in respect of amounts owed by related parties.

Note 29. Contingent assets and liabilities

Following the pre-IPO restructure, Finder granted Longreach a 3% royalty interest in the net sale proceeds from petroleum produced from the areas the subject to permits WA-412 P, AC/P 61 and WA-547-P. Given the permits are currently in the exploration phase, the value of any contingent royalty liabilities cannot be reliably estimated and have not occurred.

Additionally,

- If Beagle No. 1 Pty Ltd farmout any equity in the Permit, then it is required to make an additional payment to Equinor of US$3.5m; and
- if Beagle No. 1 Pty Ltd complete an exploration well drilling program, then it is required to make an additional payment to Equinor of US$3.5m.

If these payments are required and the Company does not exercise its option to acquire Beagle No. 1 Pty Ltd, they will not be funded out of the Group's cash reserves but rather by Beagle No. 1 Pty Ltd and its owners, Longreach Capital Investment Pty Ltd.

The Group has assessed that as at 30 June 2023 there is not sufficient evidence regarding the achievement of these activities to recognise any contingent consideration liabilities.

The Group is unaware of any other contingent asset or liability that may have a material impact on the Company's financial position other than disclosed in this financial report.

Note 30. Subsequent events

In August 2023 Beagle No.1 Pty Ltd as holder of WA-542-P submitted a suspension and extension application to NOPTA regarding WA-542-P seeking an extension for a period of two years.

Other than the above, and unless disclosed elsewhere in the annual report, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

DIRECTORS' DECLARATIONS

30 JUNE 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

____

Damon Neaves
Director

29 September 2023
Perth

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FINDER ENERGY HOLDINGS LIMITED

Independent Auditor's Report

To the shareholders of Finder Energy Holdings Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Finder Energy Holdings Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the ***Group***'s financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- Complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated Statement of financial position as at 30 June 2023;
- Consolidated Statement of profit or loss and other comprehensive income, Consolidated Statement of changes in equity, and Consolidated Statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- The Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

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

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- WA-542-P Provision (Beagle No.1 Pty Ltd consolidation)

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FINDER ENERGY HOLDINGS LIMITED

KPMG

WA-542-P Provision (Beagle No.1 Pty Ltd consolidation) ($9.248 million)	
Refer to Note 17 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
On 1 June 2021, the Group executed a Sale and Purchase agreement with Equinor Australia B.V (Equinor) to acquire 100% interest in WA-542-P (exploration permit) held by Beagle No.1 Pty Ltd (Beagle) formally Finder No.17 Pty Ltd. Approval of the transfer of title was obtained from National Offshore Petroleum Titles Administrator (NOPTA) on 23 July 2021. The Group received consideration of $9.248 million with further consideration payable to Equinor contingent on future events. Subsequently on 11 April 2022, the Group entered into a transaction to sell Beagle to a related party (Longreach) with a call option to re-purchase the entity. As a result of the call option providing Finder with the ability to exercise control over Beagle the entity is consolidated in the Finder group financial statements. Whilst the WA-542-P permit is due to expire on 13 October 2023, in August 2023 management have submitted an application to NOPTA to extend the permit for a period of two years. The provision recorded was a key audit matter due to the size and effort required in assessing key accounting judgements made by the Group which influence measurement and presentation in the financial statements. We particularly focused on: - The group's judgement relating to the control assessment and consolidation of Beagle No.1 Pty Ltd - The measurement of the provision recorded in relation to WA-542-P exploration permit and contingent consideration - Classification of the provision at 30 June 2023 as a current liability. The above required significant audit effort and senior team involvement	Our procedures included: • We considered the Group's accounting policies related to the transactions against the criteria in the accounting standards and associated requirements, including asset acquisition versus business combination requirements • We assessed the Group's Note 17 disclosures in respect of the provision, and terms of call option in the financial report, using our understanding obtained from our testing and against the requirements of the accounting standards. • We inquired and met with the Group's senior management to understand the status of acquired work program commitment costs and obligations and rights of the exploration licence. • We assessed the Group's determination of control and the related accounting implications in accordance with the accounting standards. This included reading the related party sale agreement, board meeting minutes and work plans to understand the ability of the call option to be exercised. • We compared the nature and quantum of acquired work program commitment costs in the agreement with Equinor, to the Group's allocation of consideration to liabilities. • For the Group's assessment of contingent consideration to Equinor (exploration well condition) compared to existence of a present obligation we evaluated future work programs and forecasts and meeting minutes for signals of the conditions triggering contingent consideration were probable, using the criteria in the accounting standard. • We challenged the classification of the provision as current, through evaluation of obligations and rights of the Group under the exploration permit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FINDER ENERGY HOLDINGS LIMITED

Other Information

Other Information is financial and non-financial information in Finder Energy Holdings Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*;
- Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- Assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- To obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- To issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FINDER ENERGY HOLDINGS LIMITED

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Finder Energy Holdings Limited for the year ended 30 June 2023, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' 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 responsibilities

We have audited the Remuneration Report included in pages 20 to 27 of the Directors' report for the year ended 30 June 2023.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG.

KPMG

Glenn Diedrich
Partner
Perth
29 September 2023

SHAREHOLDER SUMMARY

30 JUNE 2023

Additional information required by the ASX and not disclosed elsewhere in this Annual Report is set out below. This information is current as of 26 September 2023.

Shareholder Summary

The following details of the shareholders of Finder Energy Holdings Limited have been summarised from the share register as of 26 September 2023 as follows:

- 75,000,000 fully paid ordinary shares are held by 618 individual shareholders
- 82,500,000 escrowed shares held by 1 individual shareholder, due to be released 24 months from quotation
- 6,662,500 share options are held by 10 individual option holders
- 20,125,000 performance rights are held by 10 individual right holders

The number of shareholders, by size of holding, in each class are as follows

	Fully paid ordinary shares	Escrowed shares	Options	Performance Rights
1-1,000	24			
1,001- 5,000	65			
5,001-10,000	98			
10,001-100,000	282			
100,001 and over	149	1	10	10
Total	618	1	10	10

ASX ADDITIONAL INFORMATION

30 JUNE 2023

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

Holder Name	Holdings	% IC
LONGREACH CAPITAL INVESTMENT PTY LTD	84,100,000	53.4%
ONSPEED PTY LTD	7,260,000	4.61%
GEMTIME HOLDINGS PTY LTD	4,600,000	2.92%
MS LAY HOON LEE	2,427,675	1.54%
LALO GG HOLDINGS PTY LTD	2,140,777	1.36%
NETWEALTH INVESTMENTS LIMITED	1,588,218	1.01%
GOLDEARTH INVESTMENTS PTY LTD	1,400,000	0.89%
TOPSFIELD PTY LTD	1,250,000	0.79%
CRANPORT PTY LTD	1,180,986	0.75%
MR HAN SWEE TAN	1,072,325	0.68%
MR SEAN JUSTIN KYLE HUGHES	942,920	0.60%
MILLROSE GOLD MINES LTD	900,000	0.57%
MR ANDREW EDWIN YOUNG	879,520	0.56%
1215 CAPITAL PTY LTD	812,407	0.52%
HARSHELL INVESTMENTS PTY LTD	753,639	0.48%
MR ANDREW JOHN WHITTAKER	750,000	0.48%
A22 PTY LIMITED	701,964	0.45%
NOZAWA INVESTMENTS PTY LTD	650,000	0.41%
BNP PARIBAS NOMINEES PTY LTD	645,809	0.41%
KAJPRICH PTY LTD	627,171	0.40%
Total	**114,683,411**	**72.81%**

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Listing Rule 1.3.2(B)

The Company confirms that it has used the cash and assets in a form readily converted to cash consistent with the use of funds as outlined in the Replacement Prospectus.

Corporate Governance Statement

The Company and its Board are committed to achieving and demonstrating high standards of corporate governance. The Company has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The Corporate Governance Statement reflects the corporate governance practices in place throughout the 2023 financial period. The Company's Corporate Governance Statement undergoes periodic review by the Board. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can be viewed at https://finderenergy.com/about/corporate-governance/.

Finder energy

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