

Uranium X Pty Ltd

ACN 653 677 313

FINANCIAL REPORT

For the period ended 30 June 2022

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DIRECTORS' REPORT

The Directors' present their report on the financial report of Uranium X Pty Ltd ("Company") for the period ended 30 June 2022.

All amounts are presented in Australian Dollars (AU\$), unless noted otherwise.

Directors

The following persons were directors of the Company during the financial period and up to the date of this report.

	Appointed	Resigned
Agha Shahzad Pervez	14 May 2023	-
Michael Melamed	14 September 2021	1 August 2023

Directors' Interests in the Equity Instruments of the Company

The directors held the following relevant interest in equity instruments of the Company at the reporting date.

	Number of fully paid ordinary shares
<i>Directors</i>	
Michael Melamed	10

Dividends Paid or Recommended

No dividend was paid or declared during the period.

Principal Activities

The Company is focused on identification of geological opportunities and exploration for lithium, uranium, and other minerals.

Significant Changes in State of Affairs

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs in future financial periods.

Review of Operations & Financial Results

Due to its limited operating history, the Company had a loss of \$13,251 for the financial period ended 30 June 2022 and held cash and cash equivalents of \$100.

The principal activity of the Company during the period was to engage in mineral exploration activity primarily focused on energy (i.e., Lithium and Uranium) and critical minerals in Australia, including the identification of and review of potential complementary mineral projects. This culminated in the Company applying for and being granted exploration licence E53/2188, referred to as the Yeelirrie Project in Western Australia. The Yeelirrie Project comprises an area of approximately 220km² located approximately 50km southwest of Wiluna, Western Australia. The project adjoins Cameco's Yeelirrie Uranium Project, one of Australia's largest undeveloped uranium deposits.

Directors' Meetings

No meetings or sub-committee meetings were held during the financial period. All decisions have currently been resolved by circular resolutions.

Significant Events After Balance Date

Subsequent to the period end, the borrowings of \$14,529 were converted to ordinary shares.

Other than matters noted in this report, no other material matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs in future financial periods.

Likely Future Developments

The Company's strategy is to increase shareholder value further by targeting the exploration of energy minerals at the Company's Western Australian Project.

The Company intends to undertake appropriate exploration and evaluation activities sufficient to maintain tenure of its exploration licences, as well as determine the technical prospectivity of the projects, until such time that informed decisions can be made in order to commercially exploit or relinquish them.

Indemnifying Officers

During the financial period, the Company's has not paid a premium in respect of a contract insuring the Directors of the Company (as named above) and all executive officers of the Company and of any related body corporate against a liability incurred as such a Director or executive officer to the extent permitted by the Corporations Act 2001.

The Company has not otherwise, during or since the financial period, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the period.

Environmental Regulation

The Company's operations are subject to environmental regulation in relation to the discharge of hazardous waste and materials arising from any exploration activities. The Directors are of the opinion that sufficient procedures and reporting processes have been established to enable the Company to meet any environmental responsibilities in the period ended 30 June 2022.

Auditor Independence and Audit Services

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration (Page 4) is set out in the part of this Directors' Report for the period ended 30 June 2022.

No non-audit services were provided by the Company auditors, during the period ended 30 June 2022.

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



Agha Shahzad Pervez
Director
Perth
Dated: 7 December 2023

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Uranium X Pty Ltd for the period ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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



Perth, Western Australia
7 December 2023

N G Neill
Partner

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2022

	From incorporation to 30 June 2022 \$
Compliance and regulatory expenses	(786)
Exploration expenditure	(12,464)
Loss before income tax expense	(13,251)
Income tax expense	-
Loss for the period	(13,251)
Other comprehensive income	-
Total Comprehensive loss for the period	(13,251)

The statement of comprehensive income is to be read in conjunction with the notes forming part of the financial report.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	2022 \$
Current Assets		
Cash & cash equivalents	3	100
Trade and other receivable		-
Total Current Assets		100
Non-Current Assets		
Exploration and evaluation assets	4	1,278
Total Non-Current Assets		1,278
Total Assets		1,378
Current Liabilities		
Borrowings	5	14,529
Total Current Liabilities		14,529
Non-Current Liabilities		
Total Non-Current Liabilities		-
Total Liabilities		14,529
Net Assets/ (Liabilities)		(13,151)
Equity		
Issued capital	6	100
Accumulated losses	7	(13,251)
Total Equity/(Deficiency)		(13,151)

The statement of financial position is to be read in conjunction with the notes forming part of the financial report.

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2022

	Note	From incorporation to 30 June 2022 \$
Cash Flows from Operating Activities		
Payments to suppliers		-
Net cash (used in) operating activities		-
Cash Flows from investing activities		
Payments for exploration and evaluation		-
Net cash (used in) investing activities		-
Cash Flows from Financing Activities		
Proceeds from issue of shares	6	100
Net cash provided by financing activities		100
Net increase in cash and cash equivalents		100
Cash and cash equivalents at the beginning of the financial period	3	-
Cash and cash equivalents at the end of the financial period		100

The statement of cash flows is to be read in conjunction with the notes forming part of the financial report.

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2022**

	Note	Issued Capital	Accumulated losses	Total
		\$	\$	\$
Balance at 14 September 2021		-	-	-
Loss for the period		-	(13,251)	(13,251)
Other comprehensive income		-	-	-
Total comprehensive loss for the period		-	(13,251)	(13,251)
Issue of shares at incorporation	6	100	-	100
Balance at 30 June 2022		100	(13,251)	(13,151)

The statement of changes in equity is to be read in conjunction with the notes forming part of the financial report.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Summary of Significant Accounting Policies

The financial report covers the entity of Uranium X Pty Ltd (“Uranium X” or the “Company”). Uranium X is a private company, incorporated and domiciled in Australia. The company is a for-profit entity for the purpose of preparing financial statements. These financial statements relate to Uranium X for the period from 14 September 2021 (date of incorporation) to 30 June 2022. The financial statements are approved by the Board of Directors on the date of Director’s declaration. The Directors have the power to amend and reissue the financial statements.

Basis of Preparation

These financial statements are general purpose financial statements for distribution to the members and for the purpose of fulfilling the requirements of the Corporations Act 2001. They have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures made by the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

New, revised or amended standards and interpretations adopted by the Company

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There was no significant impact in the adoption of these standards.

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 Company for the annual reporting period ended 30 June 2022. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Going Concern Basis of Preparation

The financial statements have been prepared on the basis of going concern which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. Whilst acknowledging the inherent uncertainties of progressing to profitable mining operations and managing working capital requirements, the Directors consider this to be appropriate.

For the period ended 30 June 2022 the Company recorded a loss of \$13,251 and had a NIL cash outflow from operating and exploration activities. The expenditures incurred during the period were funded by the borrowings of \$14,529. Subsequent to the period end, the borrowings were converted to ordinary shares.

The Directors are mindful of the Company’s working capital requirements and cognisant of its developed capital management program that will provide funding to maximize the potential of its current asset and provide a strong base for increasing shareholder value. Based on Director’s willingness to support and the cash flow forecasts the directors consider the basis of going concern to be appropriate. The ability of Uranium X to continue as a going concern is dependent upon exploration of its mineral tenements and progression of its exploration activities into a successful production stage.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

Should the entity not continue to operate as a going concern this gives rise to a material uncertainty and therefore it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The reporting currency is Australian Dollars.

The accounting policies that have been adopted in the preparation of the statements are as follows:

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(b) Income Tax

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

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of

(c) Exploration and evaluation

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

- i. the rights to tenure of the area of interest are current; and*
- ii. at least one of the following conditions is also met:*
- iii. the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or*
- iv. exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest is continuing.*

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

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

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

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(e) **Borrowing Costs**

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

All other borrowing costs are expensed in the period in which they are incurred.

(h) **Contributed Equity**

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

(i) **Critical Accounting Estimates and Judgements**

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical knowledge and experience, best available information and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The critical accounting estimates and judgements applicable to this financial report are as follows:

Exploration and evaluation expenditure

The Company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recovered or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at reporting date at nil value.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

Note 2: Income Tax Expense

Reconciliation of income tax expense to prima facie tax payable

a) The prima facie tax benefit on loss from ordinary activities before income tax is reconciled to income tax as follows:

	2022
	\$
<i>Factors affecting income tax expense for the period</i>	
Profit/ (loss) before tax	(13,251)
Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2022: 30%)	<u>3,975</u>
Less tax effect of tax losses not brought to account	<u>(3,975)</u>
Income tax expense	<u>-</u>

	2022
	\$
b) Deferred tax assets:	
Tax losses	<u>3,975</u>
Net deferred tax assets not recognized	<u>3,975</u>

As at 30 June 2022, the Company had \$3,975 in unrecognized tax losses. These tax losses arise from Australian tax jurisdictions and can be carried forward indefinitely from the period of loss based upon current tax legislation and provided conditions for deductibility are met.

Note 3: Cash and Cash Equivalent

	2022
	\$
Cash and Cash Equivalent	<u>100</u>

Note 4: Exploration and evaluation assets

	2022
	\$
Opening balance	-
Exploration expenditure capitalized	<u>1,278</u>
Closing balance	<u>1,278</u>

Exploration expenditure of \$1,278 was capitalised during the period ended June 30, 2022. The value of the exploration expenditure is dependent upon:

- The continuance of the rights to tenure of the areas of interest
- The results of future exploration; and
- The recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

Note 5: Borrowings

The Company borrowed funds to fund working capital. The loan is denominated in Australian dollars, unsecured and interest free.

	2022
	\$
Carrying amount at the beginning of the period	-
Advances	14,259
	<u>14,259</u>

Note 6: Issued Capital

	2022
	\$
a) Ordinary Shares	\$
At the beginning of the reporting period	-
Issue of shares – Incorporation	100
Issue of shares – conversion of borrowings	-
At reporting date	<u>100</u>
	No. of shares
At the beginning of the reporting period	-
Issue of shares – Incorporation	100
Issue of shares – conversion of borrowings	-
At reporting date	<u>100</u>

Ordinary shares have no par value and participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. Every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Note 7: Accumulated Losses

	2022
	\$
Accumulated losses at the beginning of the financial period	-
Loss for the period	(13,251)
Accumulated losses at the end of the financial period	<u>(13,251)</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

Note 8: Subsequent Events

Subsequent to the period end, the borrowings of \$14,529 were converted to ordinary shares.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs in future financial periods.

Note 9: Related party

The directors of the Company constitute the key management personnel of the Company. During 2022, the directors provided the funding of \$14,529 for working capital requirements. Subsequent to the period end, the borrowings were converted to ordinary shares. No remuneration is paid or payable to the key management personnel during the financial period.

The Director continues to provide funds to meet the day-to-day expenditure of the Company.

Note 10: Remuneration of Auditors

During the financial period the following fees were paid or payable for services provided by HLB Mann Judd, the auditor of the Company.

	2022 \$
Audit of the financial statements	1,500
	<u>1,500</u>

The Company appointed HLB Mann Judd as auditors post period end, hence as at 30 June 2022, no amounts were due or payable.

DIRECTOR'S DECLARATION

In the Director's opinion:

1. The financial statements and notes set out on pages 9 to 14 are in accordance with the Corporations Act 2001, including:
 - a) complying with Australian Accounting Standards – Simplified Disclosures, Corporations Regulations 2001 and Australian Accounting Interpretations;
 - b) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the period ended on that date; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the director.



Agha Shahzad Pervez
Director
Dated: 7 December 2023

INDEPENDENT AUDITOR'S REPORT

To the Member of Uranium X Pty Ltd

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Uranium X Pty Ltd ("the Company") which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

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

- (a) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the period then ended; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

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

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the period ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

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

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

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

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Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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 objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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

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



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
7 December 2023



N G Neill
Partner