



VENUS METALS
CORPORATION LIMITED

ABN 99 123 250 582

ANNUAL REPORT
2024

CORPORATE DIRECTORY

DIRECTORS

Peter Charles Hawkins
Non-Executive Chairman

Matthew Vernon Hogan
Managing Director

Barry Fehlberg
Non-Executive Director

Selvakumar Arunachalam
Executive Director

COMPANY SECRETARY
Patrick Tan

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REVIEW OF OPERATIONS

During 2023-2024, Venus Metals Corporation Ltd (VMC, Venus or the Company) carried out exploration activities on its diverse portfolio of projects (**Figure 1**) focusing mainly on Gold, Base Metals, Lithium and Rare Earth. The highlights of these exploration activities are summarised below:

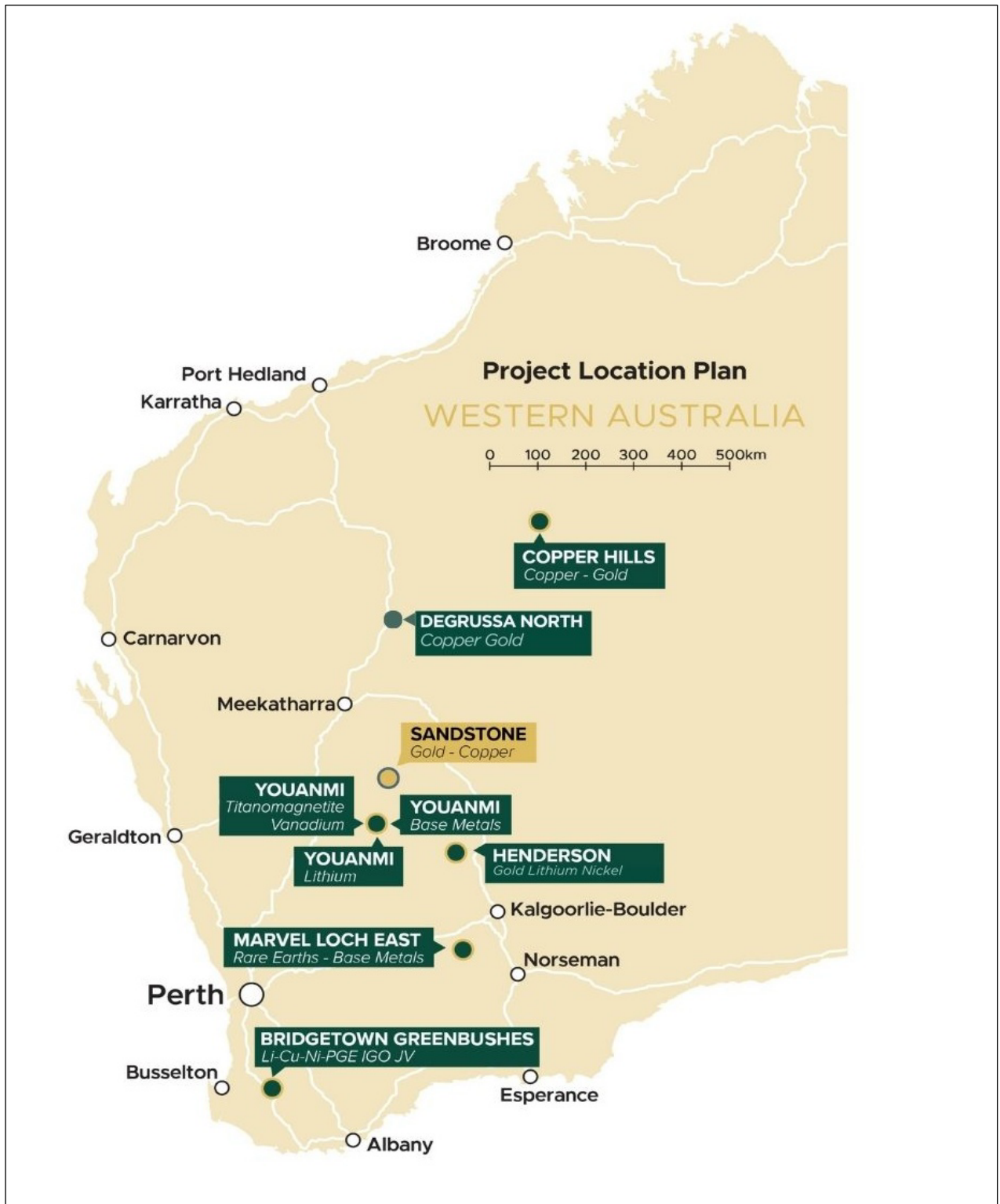


Figure 1. Location of Venus Metals Projects in Western Australia

1. COPPER HILLS PROJECT

The Copper Hills Project E45/6437 (221.4 km²) is in the southern section of the Palaeo- to Neo-Proterozoic Paterson Orogen in Western Australia. The Paterson Orogen hosts a number of atypical, 'world-class' mineral deposits/mines including the Kintyre Uranium deposit, the Nifty Copper Mine, the Telfer gold mine, the Winu Copper-Gold deposit and the Havieron Gold-Copper deposit (Figure 2). Review of historical data identified numerous potential prospect areas.

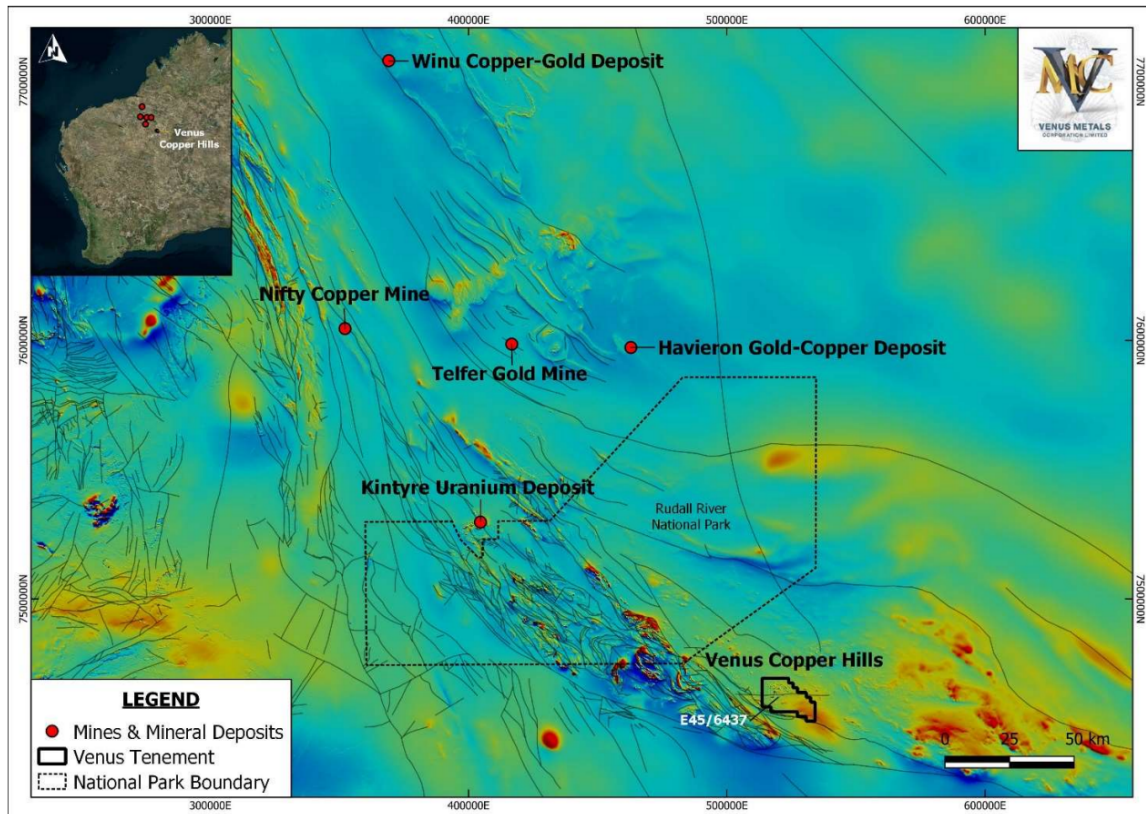


Figure 2. Location of Copper Hills Project tenement shown on GSWA regional aeromagnetic image.

Historical rock chip assay results of 2376 g/t Au, 3424 g/t Pt, 4904 g/t Pd, 1387g/t Ag and 20.9% Cu have been recorded from sampling of mineralised outcrops at the main PM Prospect and it is reported that secondary copper minerals occur over a semi-continuous strike length of more than two kilometres (refer Wamex report A42764). The assays of rock chip samples (from old pits and trenches over a 1km strike) average 14.1% Cu and 26.6 g/t Ag, with peak values of 48.9% Cu and 115 g/t Ag (refer Wamex report A105133 and ASX release 21 August 2024).

Geophysical Consultants Core Geophysics has carried out three-dimensional magnetic inversion modelling over magnetic features of interest within the southeast of the Copper Hills Project using open file 1986 Canning Aeromagnetic survey data (refer ASX release 27 May 2024). Recently the Company has completed a gravity survey covering magnetic and historical AEM target areas (Figure 3). The ground gravity surveys have defined three significant responses (Mag anomalies 2 & 3 and AEM anomaly 4) (Figure 4) and these targets are considered prospective for Cu-Au and base metals mineralisation.

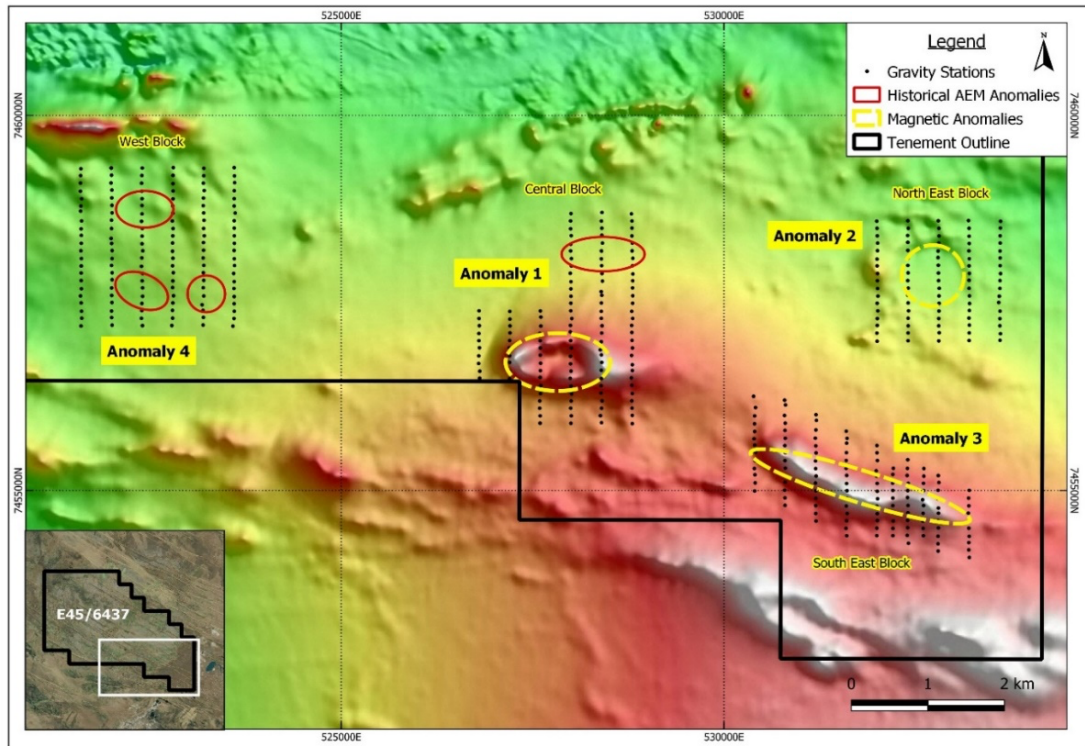


Figure 3. Copper Hills Project gravity survey locations including magnetic and historical AEM target anomalies over regional aeromagnetic imagery.

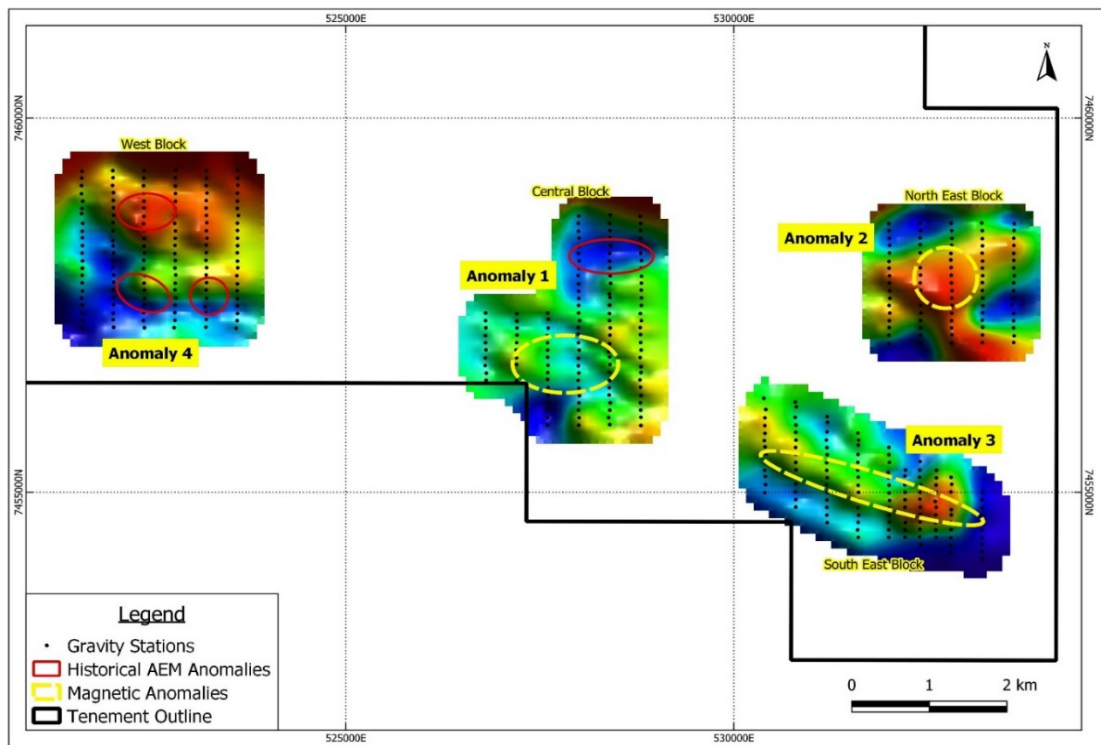


Figure 4. Gravity anomalous responses over the target areas of interest.

In addition, phase 1 surface sampling was completed with assays pending (refer ASX release 20 September 2024 for more details).

2. BRIDGETOWN GREENBUSHES Li and Ni-Cu-PGE EXPLORATION PROJECT (VMC-IGO Farm-In and JV)

The Bridgetown-Greenbushes Project comprises five granted tenements: E70/5315, E70/5316, E 70/5620, E70/5712, and E70/6009 (Figure 5) and one ELA 70/5675. IGO and VMC entered into a Farm-In and Joint Venture agreement in June 2022, in which IGO manages the Project and can progressively acquire up to a 70% interest in the Project by incurring A\$6,000,000 of exploration expenditure on the tenements (refer ASX release 27 June 2022).

IGO have conducted a reconnaissance Phase 1 soil and stream sediment sampling program and continue to work through engaging with key stakeholders to gain access to freehold properties for a planned Phase 2 sampling program (Figure 6) (ASX release 17 September 2024).

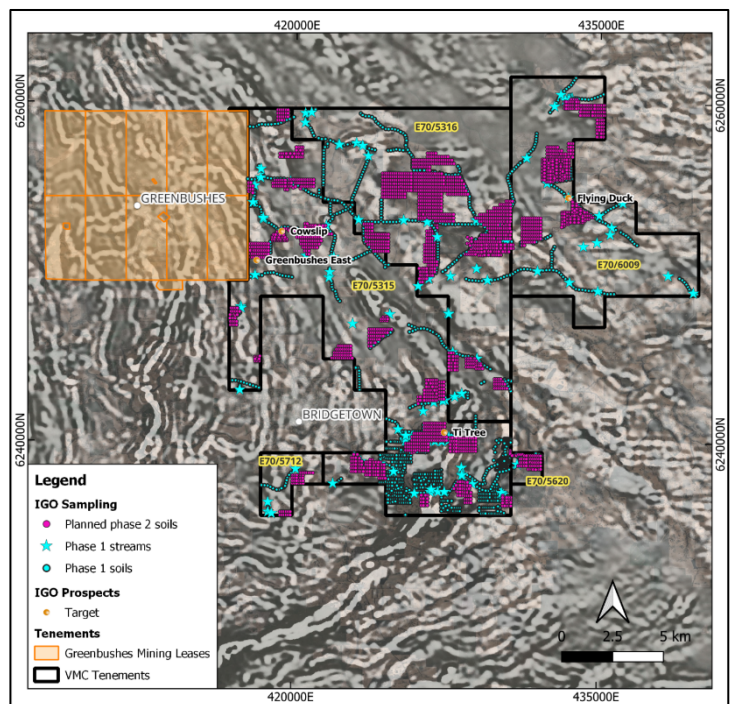
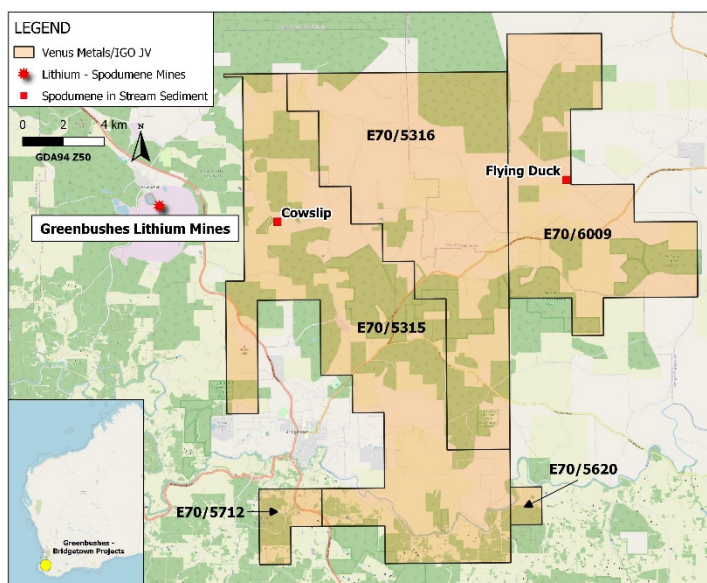


Figure 5. Location of Bridgetown-Greenbushes Project tenements.

Figure 6. Phase 1 and planned Phase 2 surface sampling programs over regional RTP 1VD aeromagnetic data.

Mineralogical results from a roadside stream sediment sampling program across the entire project tenement package have generated two areas of interest, Cowslip (approximately five kilometres to the east of Greenbushes Mine) and Flying Duck. The mineralogy of each stream sediment sample was determined using automated TESCAN Integrated Mineral Analyser (TIMA) analysis. Spodumene grains were identified in two samples (SWT001519, SWT001547). Results from these two samples were also verified via Laser Induced Breakdown Spectroscopy (LIBS), confirming the chemical composition of spodumene in both samples as well as columbite-tantalite and cassiterite in one of the samples (ASX release 17 September 2024).

An extensive reconnaissance Phase 1 soil sampling programme (1588 samples) has been completed. Assay results show several anomalous areas defined by elevated Nb-Sn-Ta±W. Two areas, Ti Tree and Greenbushes East, have been selected for priority follow-up work (ASX release 17 September 2024).

3. SANDSTONE GOLD-COPPER PROJECT

The Sandstone Gold-Copper Project is located within tenement E57/984 (125 km² ; 90% VMC). The historical Bellchambers mining area, first reported by Gibson in 1908, is located about 23 km southwest of the town of Sandstone and is 70km by road northeast from the Youanmi Gold Field. Exploration of the Bellchambers deposits by Venus defined a JORC 2012 resource of 30,500 ounces Au @ 1.31 g/t Au (refer ASX release 4 April 2023). A total of 220 soil samples were collected from two areas that were selected based on anomalous copper or bismuth concentrations in sampled rock chips. Of special interest is an approximately 1 km² survey area (Area B; Figure 7) covering a historic mine shaft near outcropping quartz-malachite veins at Black Range West where rock chip samples returned up to 6.34% copper in association with bismuth (up to 2034ppm Bi), silver (up to 40.2 ppm Ag) and gold (up to 0.25ppm Au). A second soil survey was conducted over the granite-greenstone contact about 4km south from Area B and 1.5 km north from the Bellchambers Gold Deposit, in an area with occurrences of bismuth-rich quartz veins (up to 1367ppm Bi; sample 24031020) (ASX release 29 April 2024). Further fieldwork, including sampling and mapping, is planned to better understand the extent and significance of the geochemical anomalies.

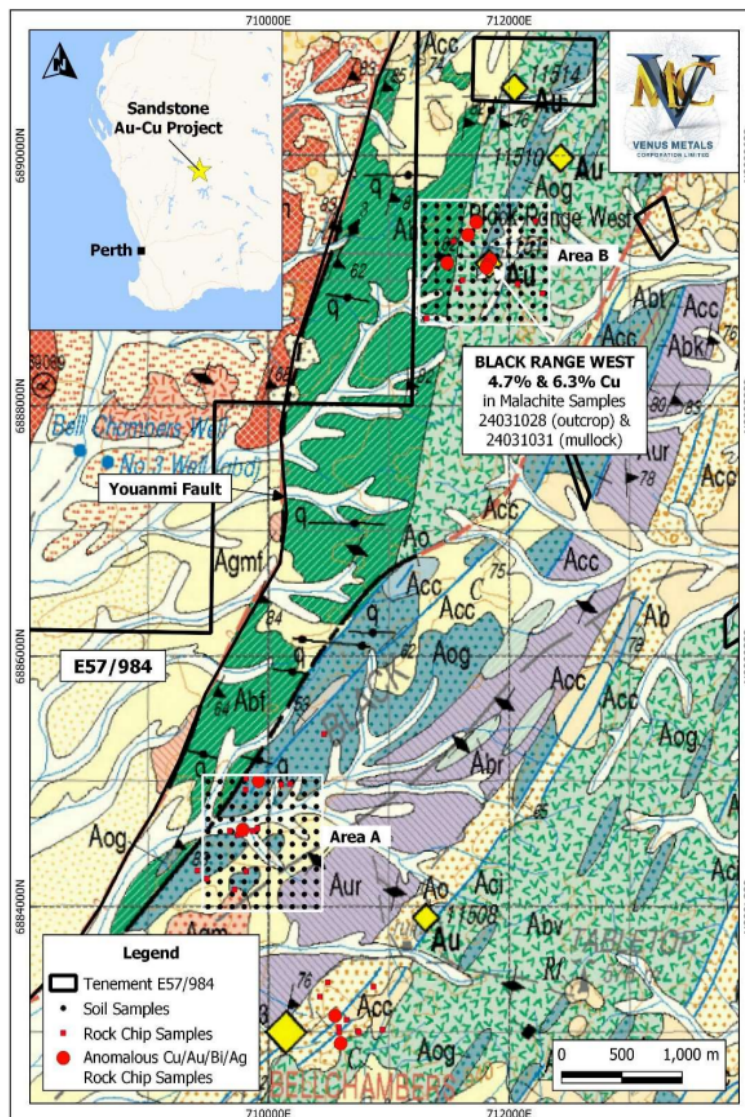


Figure 7. Sample locations over published 1:100,000 scale geology (Chen, 2003)

4. DEGRUSSA NORTH (CURARA WELL) BASE-METALS-GOLD PROJECT

DeGrussa North (Curara Well) tenement E52/3069 is located approximately 10 km NE of Sandfire Resources high-grade DeGrussa Copper Mine. Orientation high powered B-field moving loop TEM has been completed using a Jessy Deep SQUID sensor. The survey was conducted over anomalous magnetic and VTEM responses which was subject to limited drill testing (WAMEX A114841). Three subtle, mid to late time anomalies have been interpreted from the data. These have been modelled as deep, moderately conductive, shallow dipping plates which correlate to the strongly magnetic ultramafic units (Figures 8 and 9).

The most promising model CW03 is located along strike to the south from CWRC005 (refer ASX release 23 January 2017). This was modelled as a deep, moderately conductive (1280mSm), flat lying plate which lies below previous drilling and are oblique to the measured dip of the ultramafic. The shallow dips may reflect some transgressive feature at depth or limitations in the modelling. The tenor of the MLTEM responses may be indicative of sulphides or other conductors off hole (ASX release 31 July 2024). Further drilling and downhole EM surveys are planned.

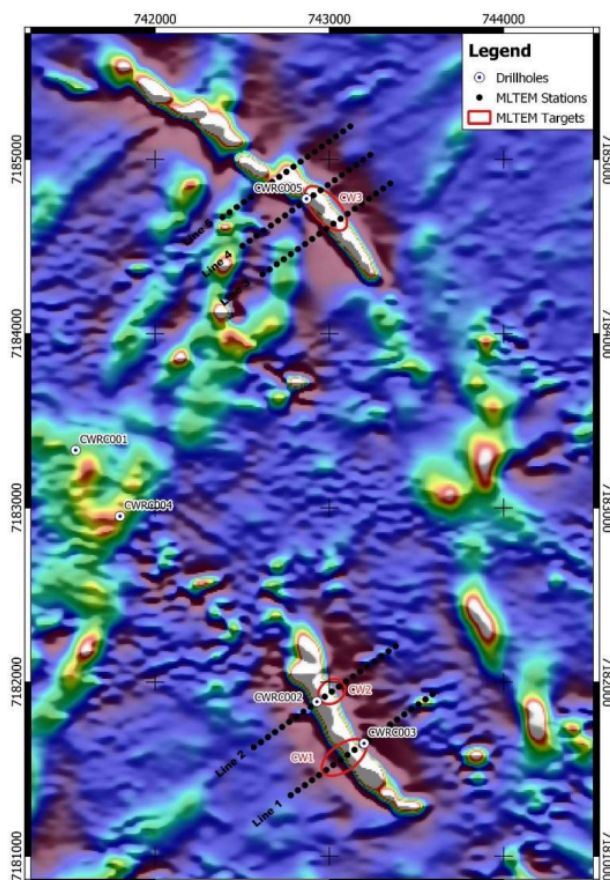


Figure 8. Location of MLTEM anomaly over TMI 1VD image with EM stations and RC/DD drill hole collars.

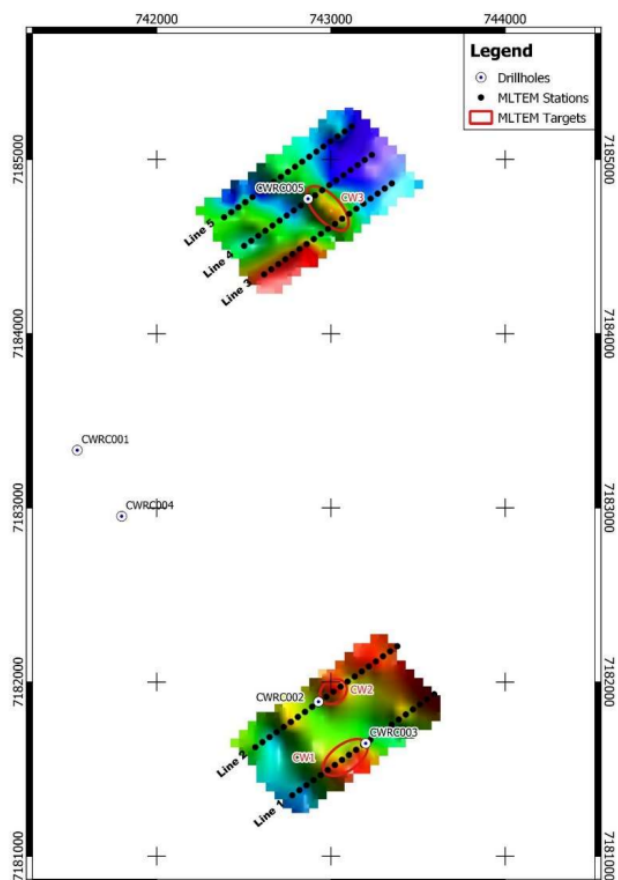


Figure 9. Location of MLTEM Slingram Z Channel 30 image with anomaly outlines.

5. MARVEL LOCH EAST BASE METALS AND RARE EARTH PROJECT

The Marvel Loch East Project is located about 60 km east of Marvel Loch and 140 km southwest of Kalgoorlie, Western Australia (Figure 10). The project consists of two granted exploration licences (E15/1796, E15/1946) for a total area of 105 blocks (307 km²).

Geologically, the project is within the Southern Cross Domain of the Archaean Yilgarn Craton and covers extensive areas of poorly outcropping granitic rocks that locally contain rafts of greenstone rocks and are intruded by laterally extensive mafic dykes. Exploration by Venus shows that the project area is prospective for Rare Earth Element (REE) mineralisation (refer VMC ASX releases 14 March 2023, 30 September 2022) and is also considered to have potential for base metal mineralisation, particularly in association with late dykes.

The Company has completed a high-resolution aeromagnetic survey over sections of the project tenements in early 2023 (refer VMC ASX releases 27 January & 14 March 2023). Comparison of the aeromagnetic survey results with available wide-spaced (2km) government gravity data outlined several gravity anomalies semi-coincident to magnetic features. Reconnaissance phase 1 gravity survey defined a lenticular gravity anomaly of 0.4 - 0.5mgal approximately 600m x 100m in size coincident with the magnetic dyke anomaly and open along strike (31 January 2024).

Two reconnaissance phase 2 gravity surveys (North and South) were conducted and the northern survey within tenement E15/1946 (Figure 10) successfully confirmed and further **defined a circular gravity anomaly up to 1.5mgal approximately 1km in size appearing coincident with magnetic mafic dykes (N1)**. In addition, two other gravity anomalies up to 1km in extent were defined (N2 and N3). 3D inversion modelling was completed on the gravity survey and suggest the anomalies start at shallow (within 50m) depth below recent cover (Figures 11 & 12).

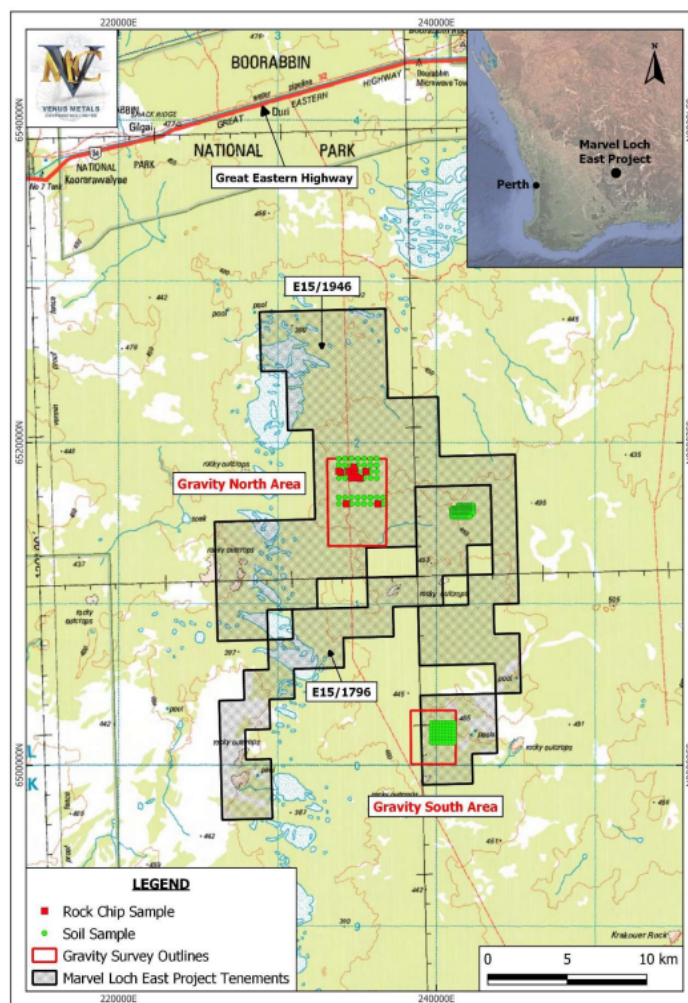


Figure 10. Marvel Loch East Project gravity survey and surface sample location map

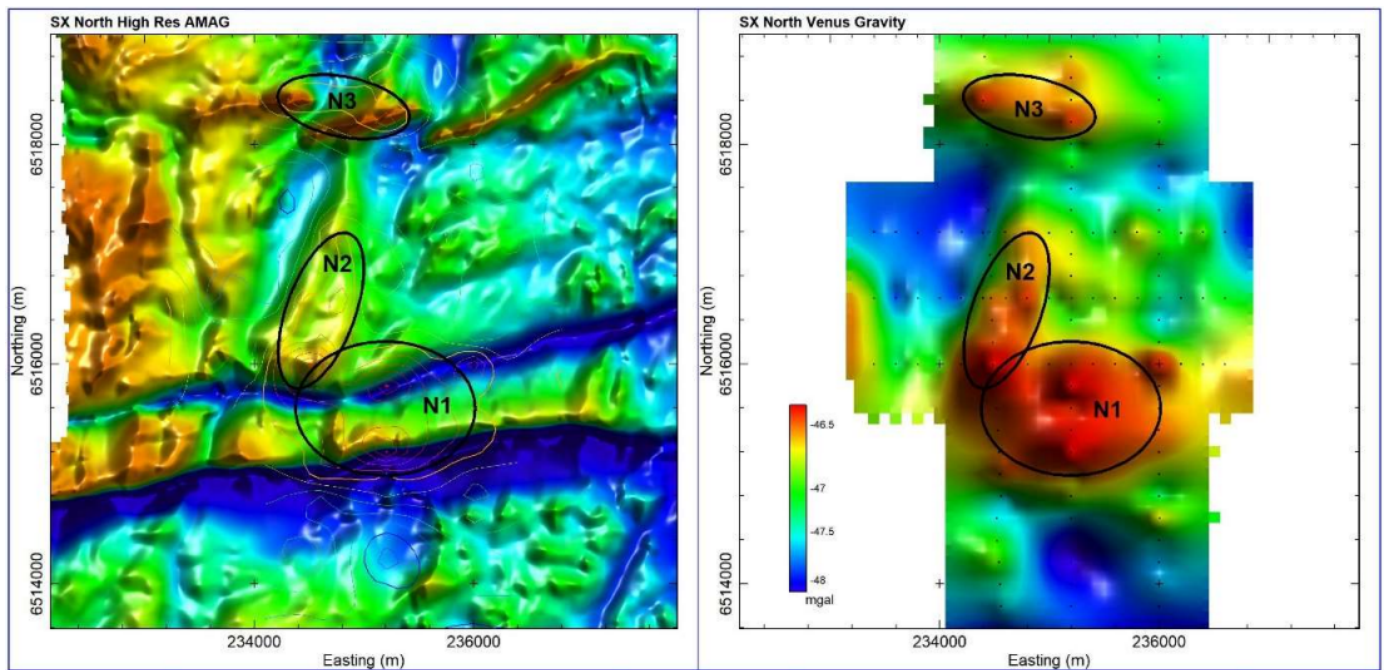


Figure 11. North Survey bouguer gravity contours over TMI (left) and gravity (right).

The close association of gravity anomaly N1 with an east-west magnetic dyke is considered a possible analogue to the Jimberlana Dyke which is prospective for base metal mineralisation. Anomaly N2 is associated with a north-east trending magnetic unit that may represent rafts of mafic and ultramafic rocks potentially prospective for gold mineralisation (refer ASX release 29 August 2024). Further geochemical sampling programme is planned to test that area for any possible Jimberlana-style base metal mineralisation.

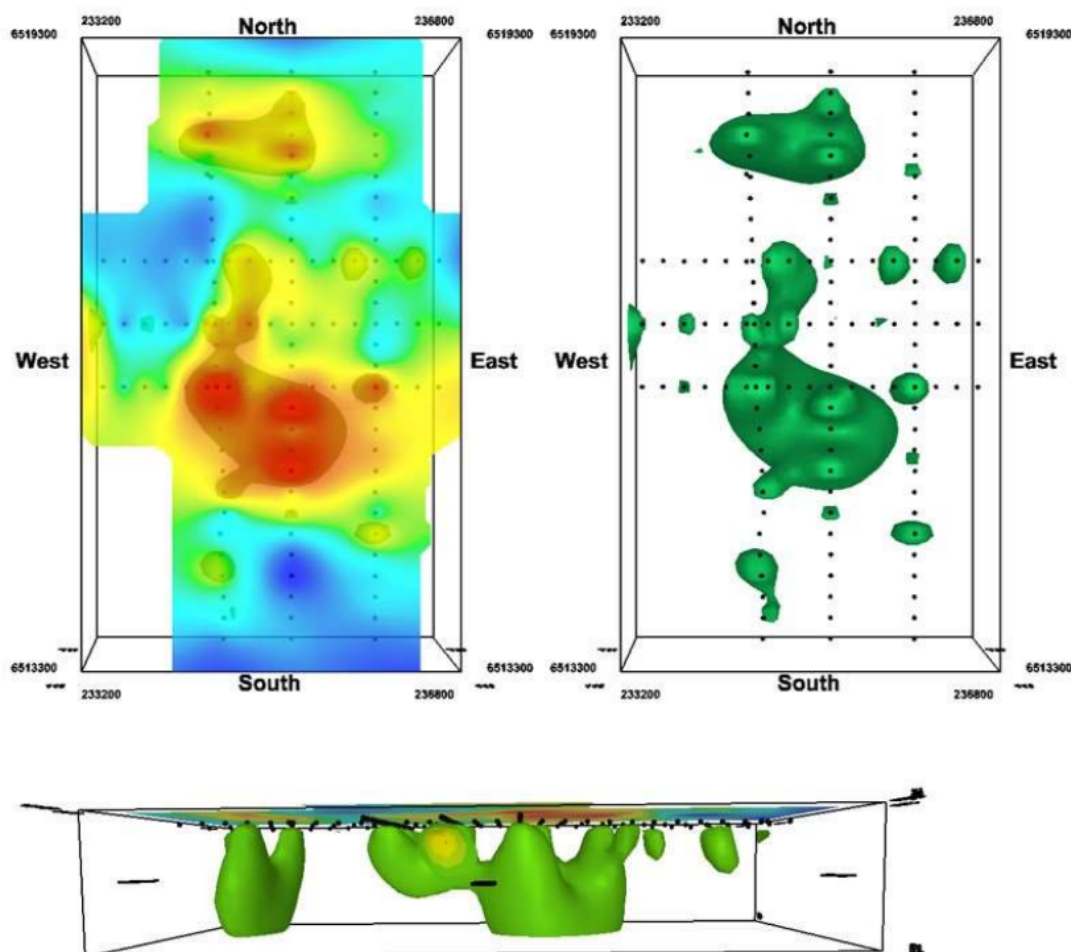


Figure 12. North Survey, gravity3D inversion results with views looking down (top) and looking east (bottom).

The southern gravity survey within tenement E15/1796 did not confirm the regional gravity anomaly, which is considered to be a gridding artefact generated by the wide spaced data. Several responses $<0.4\text{mgal}$ were evident which appear to correlate to shallow magnetite concentration in aureoles around a granitic intrusion. Recent soil samples collected from the northern gravity survey area are not considered anomalous in base metals, but it should be noted that the sampling did not cover the newly defined N1 gravity anomaly. Widely spaced (200m x 200m) soil sampling over gravity anomaly S1 shows anomalous REE values (up to 529ppm TREO) (ASX release 29 August 2024).

6. YOUANMI DEEP SOUTH LITHIUM PROJECT

The Deep South mineralisation represents a significant new lithium find situated in a poorly outcropping and under-explored area directly east from the crustal-scale Youanmi Fault Zone in a newly defined southern extension of the Youanmi Greenstone Belt, about 44 km south of the Youanmi Gold Mine (Figure 13). Lithium mineralisation was discovered by Venus following a regional Ultrafine (UF) soil sampling programme that outlined an extensive, 1.4km x 0.4km, northeasterly trending lithium geochemical anomaly (ASX release 6 July 2023).

Phase 1 drilling at the Deep South Prospect comprised 26 RC holes for a total of 2250m (refer ASX release 25 March 2024). The drilling programme tested the depth continuation of outcropping lithium pegmatites at Deep South. Drilling showed a flatly northerly dipping lithium mineralised zone defined by muscovite pegmatite and characterised by enrichment in tantalum (up to 1439ppm Ta₂O₅) and tin (up to 231ppm Sn). This zone is generally 5m - 10m thick and may be composed of more than one pegmatite body. Significant intersections of high-grade lithium pegmatite at East Zone (Figure 14), starting from surface or shallow depth;

24m @ 1.71% Li₂O, including 14m @ 2.54% Li₂O (0-14m) (VMC220); 15m @ 1.34% Li₂O, including 8m @ 2.19% Li₂O (0-8m) (VMC209) and 7m @ 1.54% Li₂O, including 3m @ 2.89% Li₂O (1-4m) (VMC224).

High-grade lithium pegmatite intersected at North Zone (Figure 14) include; 2m @ 4.09% Li₂O (0m-2m) (VMC212) and 3m @ 1.89% Li₂O, including 1m @ 4.06% Li₂O (16-17m) (VMC213).

The drilling results confirm East Zone as a significant NNW-SSE trending lithium exploration target that is open along strike with an overall gently northerly plunge for the high-grade lithium mineralisation. The limited drilling of North Zone also suggests a gentle northerly dip for the lithium mineralisation with potential correlation to the high-grade East Zone (ASX release 25 March 2024).

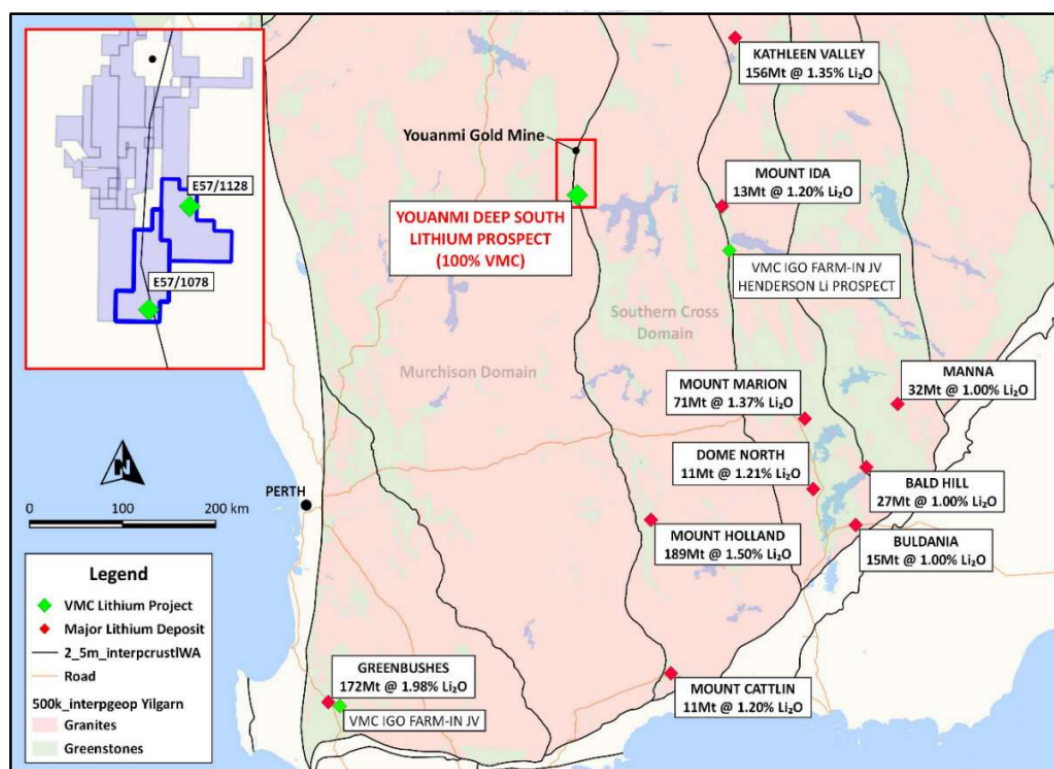


Figure 13. Youanmi Deep South Lithium Prospect. Location map with major Lithium deposits and tectonic boundaries of the Yilgarn Craton. Inset shows Youanmi tenements.

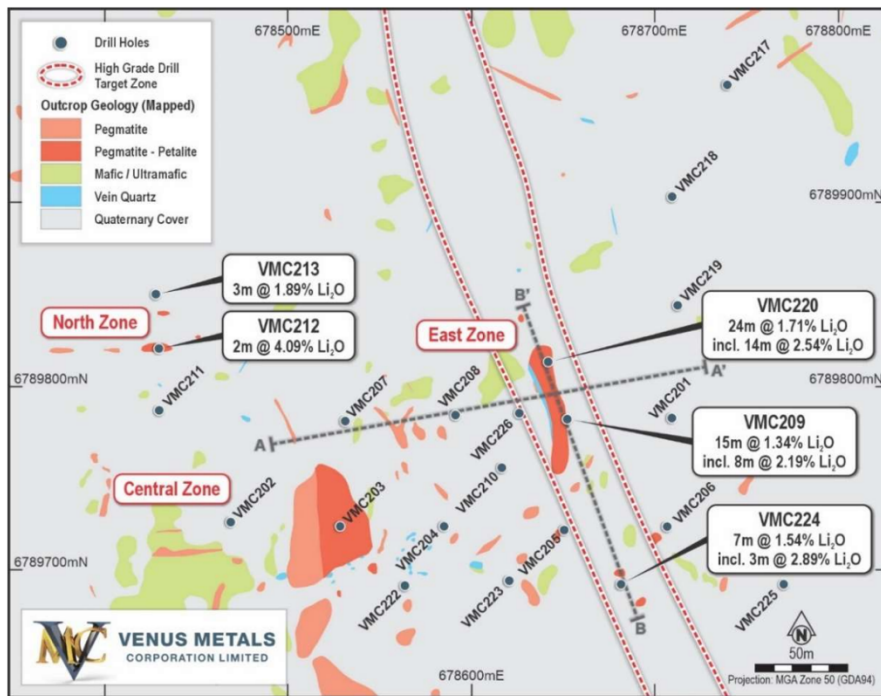


Figure 14. Youanmi Deep South Lithium Prospect outcrop geology and drillhole location

7. PENNY EAST LITHIUM PROSPECT

Penny East tenement E57/1128 is located 20km northeast from the Company's Deep South Lithium Project and 10km east from the Penny West Gold Mine (Ramelius Resources Ltd ASX: RMS). This tenement was selected for its prospectivity for gold and base metal mineralisation (refer ASX release 31 May 2022) but recent exploration activities highlight its lithium potential. As part of the Company's regional exploration of the Youanmi tenements, a soil geochemistry sampling programme was conducted over selected areas on tenement E57/1128. A distinct lithium soil anomaly (≥ 110 ppm Li_2O , up to 182ppm Li_2O) (800m x 600m) was identified from 200m and 50m spaced ultrafine (UF) soil sampling programme over an area previously mapped as granite but with little or no bedrock outcrop (Figure 15). The exploration results appear to support geological models for a regional fault control on the intrusion of lithium-rich pegmatites/granites. Lithium soil anomalies and/or lithium mineralisation have now been reported from several localities east of the Youanmi Fault Zone over a strike length of over 30km (ASX release 29 April 2024).

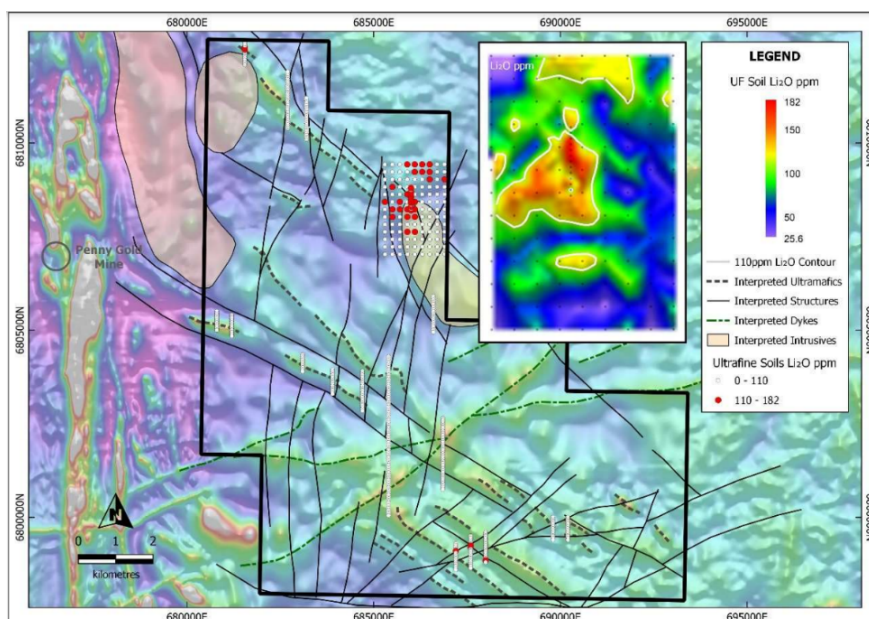


Figure 15. Location of ultrafine soil samples over structural interpretation of aeromagnetic data. Inset shows gridded Li_2O assay data for the Penny East Prospect.

8. YOUANMI PINCHER NORTH BASE METALS PROJECT

A ground-based gravity survey was conducted over the Pincher North Base Metals Project E57/986 after previous orientation surveying and review of historical gravity surveys defined anomalies considered prospective for VMS base metal mineralisation similar to the Pincher North Dome zinc-copper mineralisation.

The survey defined new gravity anomalies coincident with aeromagnetic responses with the previous gravity trend resolving into a more subtle response. Two significant anomalies are evident coincident with magnetic responses. These are ovoid in shape approximately 300m x 150m in size (Figure 16) (PWN_Grav1 and PWN_Grav2) and providing a residual gravity response up to +0.6mgal. These are interpreted to represent a gabbroic source under cover which may have potential for Ni-Cu PGE mineralisation. The previous gravity trend reduces to a more discrete lower amplitude gravity response of around +0.2mgal (PWN_Grav3) (Figure 16). Subsequent modelling of the Pincher Well North gravity indicates the depth to the top of the gravity sources commence approximately 150m below surface. The anomalies may represent gabbro's prospective for Ni-Cu PGE mineralisation (ASX release 31 January 2024).

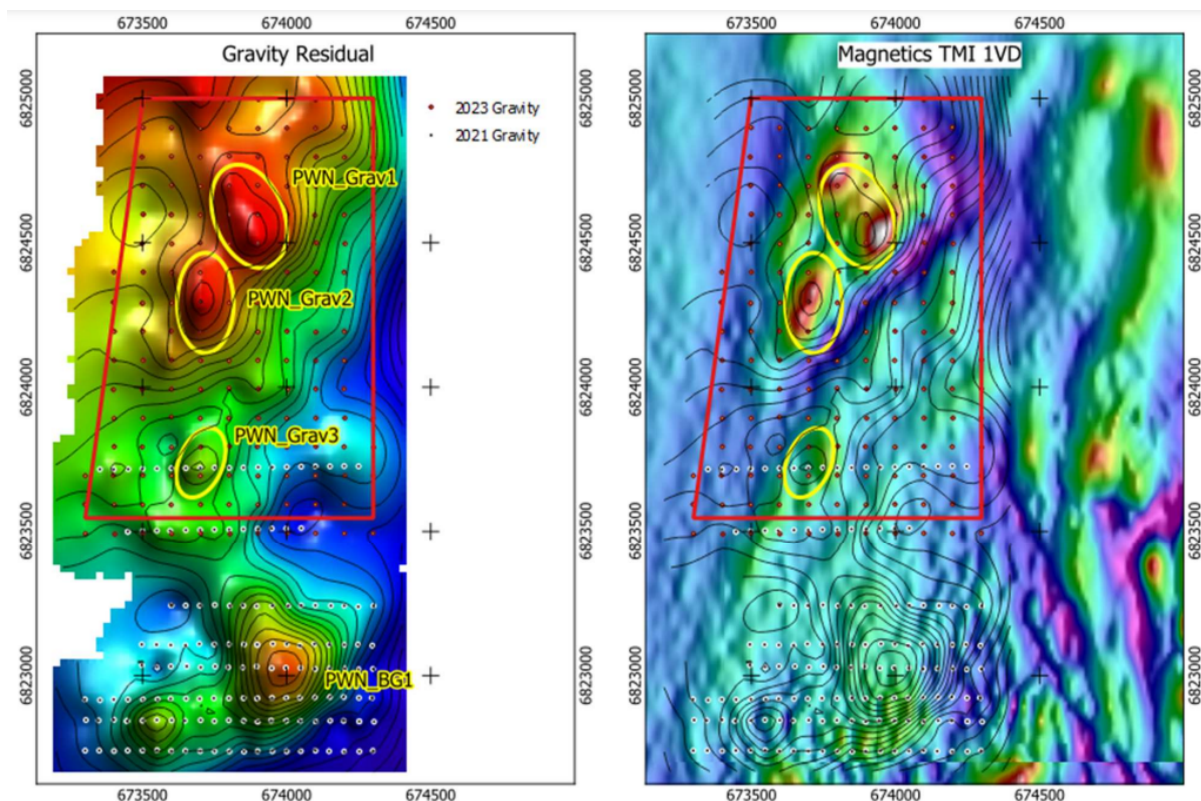


Figure 16. Gravity residual with anomaly outlines (left) and TMI RTP 1VD with residual gravity contours and anomaly outlines.

Moving Loop TEM Survey B-field moving loop TEM (MLTEM) survey was also conducted at the Pincher North Prospect (E57/986 and E57/1019) within the Youanmi Project over coincident gravity and aeromagnetic responses highlighted in the gravity surveys completed previously and the historic Linda Gossan occurrence. The aim of the MLTEM surveying was to detect and delineate bedrock conductors associated with the coincident magnetic and gravity anomalies that may representing potential VMS base metal mineralisation akin to the Pincher Well North Dome zinc-copper mineralisation or similar. Six lines of B-Field moving loop TEM (Inloop and Slingram) data were collected and a total of 101 stations were recorded for a total of 4.75-line kilometres of MLTEM data. (Figures 17a and 17b).

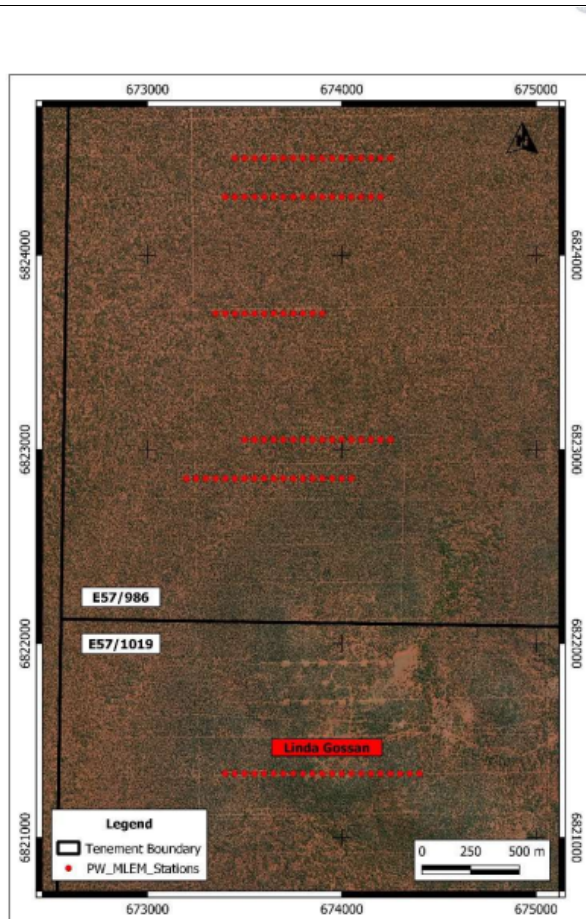


Figure 17a. Pincher Well MLTEM survey location plan.

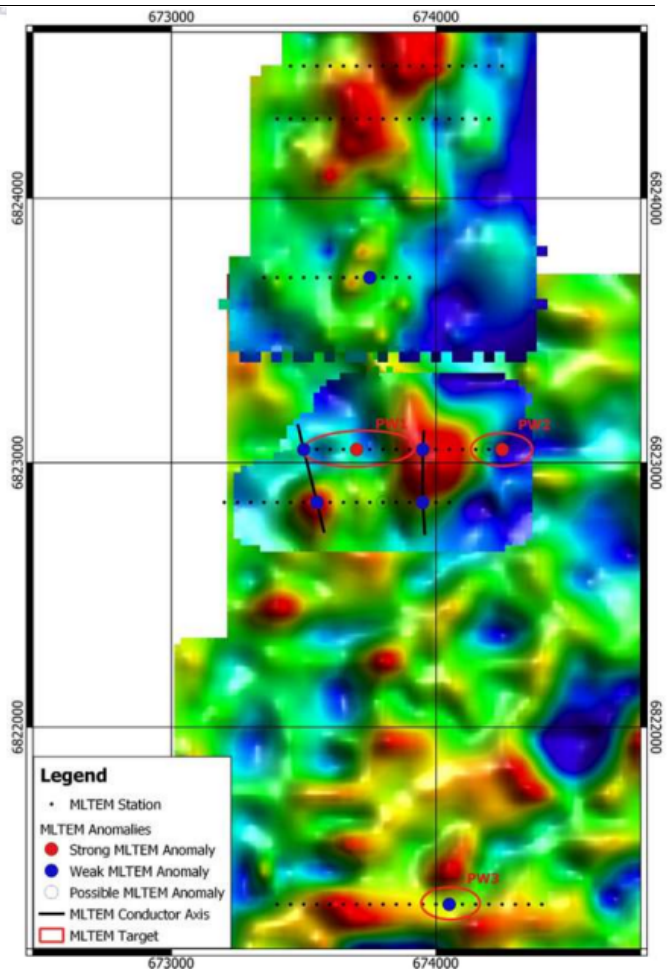


Figure 17b. Pincher Well MLTEM summary interpretation over an image of residual gravity.

A number of anomalies are evident in the data however most have been identified related to near surface (regolith) effects or survey noise. Two stronger late time anomalies (PW1 and PW2) evident on line 6823050N and a subtle mid to late time response detected at the Linda Gossan line are suggested for further investigation. A subtle mid to late time anomaly (PW-3) was also evident over the Linda Gossan in the SQUID data and the tenor of this response is low and may reflect sphalerite over copper sulphides. The MLTEM results further to be reconciled from a geological perspective (refer ASX release 31 January 2024).

9. MANGAROON PROJECT TENEMENTS DIVESTMENT

Dreadnought Resources Limited (DRE) has acquired 100% of Venus's three tenements (E08/3229, E09/2422 and ELA08/3539) located in the Gascoyne Region of WA for the consideration of 16M shares and \$50k cash (ex GST) and 1% Gross Royalty (refer DRE ASX release 26 July 2024).

10. HENDERSON LITHIUM-GOLD-NICKEL PROJECT

IGO subsidiary conducted extensive surface sampling (3,678 soil samples and 7 rock chip samples) and geological mapping by spending \$866,356 (until 31 May 2024) under Farm-in and JV agreement (refer ASX release 2 May 2023). The exploration was mainly focused on the delineation of target areas for Lithium. Due to changing priorities, IGO has withdrawn from the JV agreement. Venus is currently reviewing the data and focusing on exploring the historically identified potential gold target areas along the Ida fault including the Hilltop gold workings where exploratory rock-chip sampling of mullock returned 77.2 g/t Au and 2.4 g/t Au (refer ASX releases 8 May 2020 and 9 September 2021 and 31 July 2024).

Competent Person's Statement

The information in this report that relates to Bellchambers Gold Project, Youanmi South Lithium, Bridgetown Greenbushes and Copper Hills Projects Exploration Results, Mineral Resources or Ore Resources is based on information compiled by Dr F Vanderhor, Geological Consultant who is a member of The Australian Institute of Geoscientists (AIG). Dr Vanderhor has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Vanderhor consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Copper Hills, Marvel Loch East, Youanmi Pincher North, Curara Well Projects geophysical data interpretation Results is based on information compiled by Mr Mathew Cooper who is a member of The Australian Institute of Geoscientists. Mr Cooper is Principal Geophysicist of Core Geophysics Pty Ltd who are consultants to Venus Metals Corporation Limited. Mr Cooper has sufficient experience which is relevant to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cooper consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Bellchambers Gold Project Exploration Results, Mineral Resources or Ore Resources is based on information compiled by Mr Widenbar, who is a Member of the Australasian Institute of Mining and Metallurgy, is a full-time employee of Widenbar and Associates and produced the Mineral Resource Estimate based on data and geological information supplied by Venus. Mr Widenbar has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Widenbar consents to the inclusion in this report of the matters based on his information in the form and context that the information appears.

The information in this report has also been prepared by Mr Kumar Arunachalam, who is a Member of The Australasian Institute of Mining and Metallurgy and a full-time employee of the Company. Mr Arunachalam has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Arunachalam consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Venus Metals Corporation Limited planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Venus Metals Corporation Ltd believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

DIRECTORS' REPORT

Your Directors submit their report for the year ended 30 June 2024.

DIRECTORS

The names of Directors in office during the financial year and until the date of this report are as follows.

Directors were in the office for this entire period unless otherwise stated.

Peter Charles Hawkins
Matthew Vernon Hogan
Barry Fehlberg
Selvakumar Arunachalam

COMPANY SECRETARY

Patrick Tan

PRINCIPAL ACTIVITIES

The principal activity of the Group during course of the financial year was the exploration of mineral tenements in Western Australia.

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

OPERATING RESULTS

The profit of the Group amounted to \$29,466,094 (2023: loss of \$5,150,010).

DIVIDENDS PAID OR RECOMMENDED

The Company distributed 55 million Rox shares as in-specie distribution amounting to \$13,451,647 to its shareholders on 12 July 2023. The unfranked dividend was valued at \$0.0611 per ordinary share.

Other than the above, no dividend has been declared or paid by the Company and the Directors do not, at present, recommend a dividend.

REVIEW OF OPERATIONS

For details on the Review of Operations refer to pages 2 to 14.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no other significant changes in the state of affairs of the Group that occurred during the financial year.

EVENTS SUBSEQUENT TO REPORTING DATE

On 26 July 2024, the Group sold three tenements located in the Gascoyne Region relating to Mangaroon Project to Dreadnaught Resources Limited for the consideration of 16 million shares (at a deemed price of 2.5c each), \$50,000 cash and 1% Gross Royalty in respect of all minerals.

On 29 August 2024, the Group sold 350,000 shares in Rox Resources Limited.

Other than the above, there has not arisen 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 affair of the Group, in the future financial years.

LIKELY DEVELOPMENTS

Other than likely developments contained in the "Review of Operations", further information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

ENVIRONMENTAL REGULATION

There were no known significant breaches of the Group's licence conditions or any environmental regulations to which it is subject to.

DIRECTORS' MEETINGS

Directors	Number eligible to attend	Number attended
Peter Hawkins	8	8
Matthew Hogan	8	8
Barry Fehlberg	8	8
Selvakumar Arunachalam	8	8

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

Peter Charles Hawkins

Non - Executive Director/Chairman (appointed 31 July 2019)

Qualifications

B Comm

Experience

Peter Hawkins was appointed to the Board on 31 July 2019 and has over 50 years diverse corporate experience. He has held numerous Managing Director or Partner level positions in several stockbroking firms and has been part of the successful establishment and growth of a number of public and private companies. He has served as the Chairman of the Stock Exchange Perth Limited as a member of the ASX national committee and has also served as Deputy Chairman of the West Australian TAB.

He was Chairman of the Diggers and Dealers conference and has also held Non-Executive Director positions of several publicly listed companies over the past decade.

Directorships Held in Other Listed Entities

In the past three years Mr Hawkins has not held directorships in any ASX listed companies.

Relevant Interest in Shares, Options and Performance Rights as at the date of this report

600,000 ordinary shares.
750,000 unlisted options ex-price \$0.1886 expiring 30/11/2025.
500,000 performance rights expiring 20/12/2024*.
750,000 Tranche A performance rights expiring 24/11/2028.

* As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise these performance rights if any milestones are met.

Matthew Vernon Hogan

Managing Director (appointed 22 December 2006)

Experience

Mr Matthew Hogan until February 2010 was the Executive Director and Chief Executive Officer of United Minerals Corporation NL (UMC), which successfully discovered the Railway direct shipping iron ore deposit in the Central Pilbara. In February 2010 UMC was acquired by BHP Billiton for \$204m through a scheme of arrangement.

Mr Hogan has over 25 years' experience in the stockbroking industry and was closely involved in bringing a number of company listings to the ASX, the underwriting of shareholder entitlement issues and corporate placements.

Mr Hogan has previously worked in the business services division of international accounting firm Ernst & Young.

Relevant Interest in Shares, Options and Performance Rights as at the date of this report

5,090,664 ordinary shares.
2,500,000 unlisted options ex-price \$0.1886 expiring 30/11/2025.
3,500,000 performance rights expiring 20/12/2024*.
2,000,000 Tranche A performance rights expiring 24/11/2028.
2,000,000 Tranche B performance rights expiring 24/11/2028.

* As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise these performance rights if any milestones are met.

Directorships Held in Other Listed Entities

Mr Hogan is currently a Non-Executive Director in Rox Resources Limited (ASX: RXL).

Barry Fehlberg

Non- Executive Director (appointed 7 May 2018)

Qualifications

BSc (Hons), MAusIMM

Experience

Mr Fehlberg has 50 years of successful experience in exploration for gold, base metals, diamonds and iron ore.

Mr Fehlberg has been director of exploration for various ASX listed Companies since 1978, and during his career he has made numerous discoveries in all these commodities.

In 1980 he led the drilling team for Spargos Exploration N.L. that discovered the depth extensions of the Bellevue Gold mine which was successfully brought into production.

In more recent times, Mr Fehlberg led the exploration team as Technical Director that discovered the Railway Iron Ore deposit for United Minerals Corporation NL. This Company was taken over by BHP Billiton in 2010 in a \$204 million transaction.

Mr Barry Fehlberg is an Honours Geology graduate of the University of Adelaide (1968).

Relevant Interest in Shares, Options and Performance Rights as at the date of this report

6,785,000 ordinary shares.
750,000 unlisted options ex-price \$0.1886 expiring 30/11/2025.
2,000,000 performance rights expiring 20/12/2024*.
750,000 Tranche A performance rights expiring 24/11/2028.

* As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise these performance rights if any milestones are met.

Directorships Held in Other Listed Entities

In the past three years Mr Fehlberg has not held directorships in any ASX listed companies.

Selvakumar Arunachalam

Executive Director/General Manager (appointed 15 July 2011)

Qualifications

MAusIMM M.Sc (Geology), M.Tech (Hydrogeology), PG Dip in Geothermal Tech (NZ), Dip in Science (GIS) (NZ)

Experience

Mr Selvakumar Arunachalam has over 30 years' experience in geology in India, New Zealand and Australia.

Mr Arunachalam until February 2010 was also an employee of United Minerals Corporation NL.

Directorships Held in Other Listed Entities

Mr Arunachalam is currently a Non-Executive Director in Carbine Resources Limited (ASX: CRB).

Relevant Interest in Shares, Options and Performance Rights as at the date of this report

1,675,000 ordinary shares.
1,000,000 unlisted options ex-price \$0.1886 expiring 30/11/2025.
1,500,000 performance rights expiring 20/12/2024*.
1,500,000 Tranche A performance rights expiring 24/11/2028.
1,000,000 Tranche B performance rights expiring 24/11/2028.

* As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise these performance rights if any milestones are met.

Patrick Tan

Company Secretary (appointed 1 July 2018)

Qualifications

B.Acc, FCPA

Experience

Patrick Tan has over 35 years of experience in accounting, taxation and company secretarial.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited)

This report details the nature and amount of remuneration for each Director of the Group and for the Executives receiving the highest remuneration.

Remuneration Policy

The Group has a Remuneration Policy for determining the nature and amount of remuneration. The amount of emoluments for Board members of the Group is as follows.

The Group's remuneration policy for Executive Directors is designed to promote superior performance and long term commitment to the Group. Executives received a base remuneration which is market related.

The remuneration policy, setting the terms and conditions for the Executive Directors and other Senior Executives, was developed by the Board after seeking professional advice from independent external consultants.

The Board's policy reflects its obligation to align Executives' remuneration with Shareholders' interests and to retain appropriately qualified Executive talent for the benefit of the Group. The main principles of the policy are:

- reward reflects the competitive market in which the Group operates;
- individual reward should be linked to performance criteria; and
- Executives should be rewarded for both financial and non-financial performance.

Executives are also entitled to participate in the employee share and option arrangements.

The Executive Director and Executives receive a superannuation guarantee contribution required by the government, which is 11.5% from 1 July 2024, and do not receive any other retirement benefits.

Group Performance, Shareholder Wealth and Director and Executive Remuneration

The remuneration policy has been tailored to increase goal congruence between Shareholders, Directors and Executives. There have been two methods applied in achieving this aim, the first being a performance-based bonus based on key performance indicators, and the second being the issue of options to the majority of Directors and Executives to encourage the alignment of personal and Shareholders' interests.

Employment Agreements

Remuneration and other terms of employment are formalised in employment agreements.

Peter Charles Hawkins – Non-Executive Director/Chairman

- Term of agreement – commenced 31 July 2019.
- Effective from 1 July 2024, Mr Hawkins' base salary was decreased to \$30,000 per annum (2023: \$50,000 per annum).

Matthew Hogan – Managing Director

- On 23 July 2024, the Company entered into a new consultancy agreement with Mining and Exploration Investment Consultants Pty Ltd (of which Mr Hogan is a director) which is on similar terms to the now-terminated employment agreement between Mr Hogan and the Company executed on 12 July 2018.
- Monthly fee of \$23,229 (exclusive GST).
- May be terminated by Mr Hogan by giving to the Company one month's notice in writing.
- May be terminated by the Company by giving 12 months' notice in writing to Mr Hogan.

Selvakumar Arunachalam – Executive Director

- Commenced 1 August 2019.
- Effective from 1 July 2024, Mr Arunachalam's base salary was decreased to \$175,000 per annum (2023: \$225,000 per annum).
- Provision of four weeks annual leave.
- May be terminated by Mr Arunachalam or by the Company by giving one month's notice in writing.
- May be terminated by the Company by giving 12 months' notice in writing to Mr Arunachalam.

Barry Fehlberg – Non-Executive Director

- Term of agreement – commenced 1 July 2018.
- Effective from 1 July 2024, Mr Fehlberg's base salary was decreased to \$30,000 per annum (2023: \$50,000 per annum).

Non-Executive Directors

Fees to Non-Executives Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-Executive Directors' remuneration consists of set fee amounts and statutory superannuation. Directors' base fees are presently up to \$30,000 per annum.

Non-Executives Directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The total compensation for all Non-Executive Directors, last voted upon by shareholders at the 2010 AGM, is not to exceed \$250,000 per annum. There is no provision for retirement allowances for Non-Executive Directors apart from statutory superannuation. Non-Executive Directors are eligible to be granted options to provide a material additional incentive for their ongoing commitment and dedication to the continued growth of the Group.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Details of Remuneration for the year ended 30 June 2024 and 30 June 2023

	Year	Short Term		Post-employment	Share-based payments	Total	S300A(1)(e)(i) Proportion of remuneration performance related*
		Salary, fees and other cash benefits	Non-monetary benefits ⁽¹⁾	Superannuation Contribution	Shares & Options		
		\$	\$	\$	\$	\$	%
Key Management Person (Directors)							
Matthew Vernon Hogan	2024	390,772 ⁽²⁾	28,077	29,682	665,000	1,113,531	Nil
	2023	250,000	26,116	25,292	131,680	433,088	Nil
Peter Charles Hawkins	2024	50,000	-	5,500	95,000	150,500	Nil
	2023	40,000	-	4,200	39,505	83,705	Nil
Barry Fehlberg	2024	50,000	-	5,500	380,000	435,500	Nil
	2023	40,000	-	4,200	39,505	83,705	Nil
Selvakumar Arunachalam	2024	225,000	21,058	24,750	285,000	555,808	Nil
	2023	175,000	190	18,275	52,672	246,137	Nil
Total	2024	715,772	49,135	65,432	1,425,000	2,255,339	
Total	2023	505,000	26,306	51,967	263,362	846,635	

⁽¹⁾ Movements in the KMP's annual and long service leave during the year.

* Nil % as the options do not have any performance related conditions.

⁽²⁾ This included \$90,772 paid out for unused annual and long service leaves due to Mr Hogan's employment contract ceasing.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Options awarded and vested during the year

Terms and Conditions for each Grant during the year

	Year	Awarded No.	Award date	Fair value per option at award date (\$)	Exercise price (\$)	Expiry date	No. unvested during the year	No. vested during the year
Key Management Person (Directors)	2024	-	-	-	-	-	-	-
	2023	2,500,000	25/11/2022	0.0528	0.20	30/11/2025	-	2,500,000
	2024	-	-	-	-	-	-	-
	2023	750,000	25/11/2022	0.0528	0.20	30/11/2025	-	750,000
	2024	-	-	-	-	-	-	-
	2023	750,000	25/11/2022	0.0528	0.20	30/11/2025	-	750,000
	2024	-	-	-	-	-	-	-
	2023	1,000,000	25/11/2022	0.0528	0.20	30/11/2025	-	1,000,000
	2024	-	-	-	-	-	-	-
	2023	5,000,000	25/11/2022	0.0528	0.20	30/11/2025	-	5,000,000
Total	2024	-	-	-	-	-	-	-
	2023	5,000,000	25/11/2022	0.0528	0.20	30/11/2025	-	5,000,000

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Performance rights awarded and vested during the year

Terms and Conditions for each Grant during the year

	Year	Awarded No.	Award date	Fair value per right at award date (\$)	Exercise price (\$)	Expiry date	No. unvested during the year	No. vested during the year
Key Management Person (Directors)								
Matthew Vernon Hogan	2024	4,250,000	24/11/2023	\$0.10	-	24/11/2028	4,250,000	-
	2023	-	-	-	-	-	-	-
Peter Charles Hawkins	2024	750,000	24/11/2023	\$0.10	-	24/11/2028	750,000	-
	2023	-	-	-	-	-	-	-
Barry Fehlberg	2024	750,000	24/11/2023	\$0.10	-	24/11/2028	750,000	-
	2023	-	-	-	-	-	-	-
Selvakumar Arunachalam	2024	2,500,000	24/11/2023	\$0.10	-	24/11/2028	2,500,000	-
	2023	-	-	-	-	-	-	-
Total	2024	8,250,000	24/11/2023	\$0.10	-	24/11/2028	8,250,000	-
	2023	-	-	-	-	-	-	-

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Options lapsed during the year

	Year	Awarded No.	Award date	Fair value per option at award date (\$)	Exercise price (\$)	Expiry date	No. lapsed during the year
Key Management Person (Directors)							
Matthew Vernon Hogan	2024	600,000	26/11/2020	\$0.1050	\$0.30	30/11/2023	600,000
	2023	2,500,000	20/12/2019	\$0.1125	\$0.30	30/11/2022	2,500,000
Peter Charles Hawkins	2024	300,000	26/11/2020	\$0.1050	\$0.30	30/11/2023	300,000
	2023	750,000	20/12/2019	\$0.1125	\$0.30	30/11/2022	750,000
Barry Fehlberg	2024	400,000	26/11/2020	\$0.1050	\$0.30	30/11/2023	400,000
	2023	750,000	20/12/2019	\$0.1125	\$0.30	30/11/2022	750,000
Selvakumar Arunachalam	2024	500,000	26/11/2020	\$0.1050	\$0.30	30/11/2023	500,000
	2023	1,000,000	20/12/2019	\$0.1125	\$0.30	30/11/2022	1,000,000
Total	2024	1,800,000	26/11/2020	\$0.1050	\$0.30	30/11/2023	1,800,000
	2023	5,000,000	20/12/2019	\$0.1125	\$0.30	30/11/2022	5,000,000

Value of options held by key management personnel, exercised and lapsed during the year.

For details on the valuation of the options, including models and assumptions used, please refer to Note 21 below.

There were no alterations to the terms and conditions of options awarded as remuneration since their award date.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Options over equity instruments

The movement during the reporting period in the number of options over ordinary shares in the Company held, directly, indirectly or beneficially, by key management persons, including their related parties, is as follows:

	Balance 1 July 2023	Granted as compensation	Exer- cised	Net change Others ⁽¹⁾	Held at 30 June 2024	Vested during the year	Vested and exercisable at 30 June 2024
Directors							
M Hogan	3,100,000	-	-	(600,000)	2,500,000	-	2,500,000
P Hawkins	1,050,000	-	-	(300,000)	750,000	-	750,000
B Fehlberg	1,150,000	-	-	(400,000)	750,000	-	750,000
S Arunachalam	1,500,000	-	-	(500,000)	1,000,000	-	1,000,000
	6,800,000	-	-	(1,800,000)	5,000,000	-	5,000,000
	Balance 1 July 2022	Granted as compensation	Exer- cised	Net change Others ⁽¹⁾	Held at 30 June 2023	Vested during the year	Vested and exercisable at 30 June 2023
Directors							
M Hogan	3,100,000	2,500,000	-	(2,500,000)	3,100,000	2,500,000	3,100,000
P Hawkins	1,050,000	750,000	-	(750,000)	1,050,000	750,000	1,050,000
B Fehlberg	1,150,000	750,000	-	(750,000)	1,150,000	750,000	1,150,000
S Arunachalam	1,500,000	1,000,000	-	(1,000,000)	1,500,000	1,000,000	1,500,000
	6,800,000	5,000,000	-	(5,000,000)	6,800,000	5,000,000	6,800,000

⁽¹⁾ Other changes represent options that were acquired, expired, transferred or were forfeited during the year.

Performance rights over equity instruments ⁽¹⁾

The movement during the reporting period in the number of performance rights over ordinary shares in the Company held, directly, indirectly or beneficially, by key management persons, including their related parties, is as follows:

	Held at 1 July 2023	Acquired	On exercise of rights	Other change ⁽²⁾	Held at 30 June 2024
Directors					
M Hogan	3,500,000	4,250,000	-	-	7,750,000
P Hawkins	500,000	750,000	-	-	1,250,000
B Fehlberg	2,000,000	750,000	-	-	2,750,000
S Arunachalam	1,500,000	2,500,000	-	-	4,000,000
	7,500,000	8,250,000	-	-	15,750,000
	Held at 1 July 2022	Acquired	On exercise of options	Other change ⁽²⁾	Held at 30 June 2023
Directors					
M Hogan	3,500,000	-	-	-	3,500,000
P Hawkins	500,000	-	-	-	500,000
B Fehlberg	2,000,000	-	-	-	2,000,000
S Arunachalam	1,500,000	-	-	-	1,500,000
	7,500,000	-	-	-	7,500,000

⁽¹⁾ As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise 7,500,000 performance rights issued on 20/12/2019 if any milestones are met.

⁽²⁾ Other changes represent performance rights that were acquired, expired, transferred or were forfeited during the year.

DIRECTORS' REPORT

REMUNERATION REPORT (Audited) (continued)

Shareholdings of key management personnel

The movement during the reporting period in the number of shares in the Company held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	Held at 1 July 2023	Acquired	On exercise of options	Other change ⁽¹⁾	Held at 30 June 2024
Directors					
M Hogan	1,420,056	3,500,000	-	-	4,920,056
P Hawkins	100,000	500,000	-	-	600,000
B Fehlberg	4,675,000	2,000,000	-	110,000	6,785,000
S Arunachalam	175,000	1,500,000	-	-	1,675,000
	6,370,056	7,500,000	-	110,000	13,980,056

	Held at 1 July 2022	Acquired	On exercise of options	Other change ⁽¹⁾	Held at 30 June 2023
Directors					
M Hogan	1,320,056	100,000	-	-	1,420,056
P Hawkins	-	100,000	-	-	100,000
B Fehlberg	4,585,000	90,000	-	-	4,675,000
S Arunachalam	175,000	-	-	-	175,000
	6,080,056	290,000	-	-	6,370,056

⁽¹⁾ Other change represents on and off-market trade.

End Remuneration Report

DIRECTORS' REPORT

Business Risks

The Group identified and actively manages the material risks and internal control systems. The risk framework is overseen by Executives and the Board of Directors. The framework assists the organization to identify, classify, document, manage and report on the risks facing the Group. The perceived likelihood and potential consequence of each risk are used to determine the risk level, which in turn determines the actions required to manage the risk and reporting obligations. The Board of Directors will ensure relevant risks have been recognised and perform oversight of the risk management systems.

The prospects of the Group in progressing their exploration and development projects and successfully operating mines may be affected by a number of factors. These factors are similar to most exploration and development companies moving the exploration phase and advancing projects into development and production. The risks described below are considered to have the greatest potential impact to the Group's ability to successfully execute its strategy, however additional or unknown risks not listed below may also have the ability to impair business operations.

A summary of the significant risks facing the entity include the following:

Government regulation

The Group's current and future exploration activities are subject to various laws and statutory regulations governing prospecting, development, production, taxes, royalty payments, labour standards and occupational health, mine safety, toxic substances, land use, water use, communications, land claims of local people and other matters, and to obtaining and maintaining the necessary titles, authorisations, permits and licences.

No assurance can be given that new laws, rules and regulations will not be enacted or that existing laws, rules and regulations will not be applied in a manner which could have an adverse effect on the Group's financial position and results of operations, or on the success of development projects. Any such amendments to current laws, regulations and permits governing operations and activities of mining, exploration and development projects, or more stringent implementation thereof, could have a material adverse impact on the Group's result of operations, financial condition and prospects. Failure to comply with any applicable laws, regulations or permitting requirements may result in enforcement actions against the Group, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

Tenure, Native Title, Aboriginal Heritage and Land Claims risks

Interests in exploration and mining tenements in Australia are governed by state legislation and are evidenced by the granting of leases or licences. Each lease or licence is for a specific term and carries with it annual expenditure and reporting conditions as well as other conditions requiring compliance.

These conditions include the requirement, for exploration licences, for reduction in the area held under licence from time to time unless it is considered that special circumstances apply. Consequently, the Group could lose title to, or its interest in, its tenements if licence conditions are not met or if expenditure commitments are not met.

It is possible that, in relation to tenements in which the Group has an interest or may acquire such an interest, there may be areas over which legitimate native title rights exist or which are subject to native title claims made under the *Native Title Act 1993* (Cth). In such circumstances, the ability of the Group to progress from the exploration phase to the development and mining phases of the operation, may be adversely affected.

Further, it is possible that there will exist on the Group's mining tenements, areas containing sacred sites or sites of significance to Aboriginal people in accordance with their tradition that are protected under the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth). As a result, land within the tenements may be subject to restrictions on exploration, mining or other uses and/or significant approval hurdles may apply.

Tenement Renewals

Renewal of tenements owned by the Group is made by way of application to the relevant department. There is no guarantee that a renewal will be automatically granted other than in accordance with the applicable state or territory mining legislation. In addition, the relevant department may impose conditions on any renewal, including relinquishment of ground.

Exploration and development risks

Exploration is a high-risk activity that requires large amounts of expenditure over extended periods of time. The Group's exploration activities will also be subject to all the hazards and risks normally encountered in the exploration of minerals, including climatic conditions, hazards of operating vehicles and plant, risks associated with operating in remote areas and other similar considerations. Conclusions drawn during exploration and development are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

DIRECTORS' REPORT

Although the Group's activities are primarily directed towards exploration for mineral deposits and the possibility of third-party arrangements including joint ventures, partnerships, ore purchase arrangements or other third-party contracts, its activities also include the development of mineral deposits into mining operations. An ability to sustain or increase the current level of production in the longer term is in part dependent on the success of the Group's exploration activities and development projects.

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. It is impossible to ensure that the exploration or development programs the Group plans will result in a profitable mining operation.

Commodity prices

The Group's future prospects and the company share price will be influenced by the prices obtained for the commodities produced and targeted in the Group's exploration and development programs. Commodity prices fluctuate and are impacted by factors including the relationship between global supply and demand for minerals, forward selling by producers, costs of production, geopolitical factors (including trade tensions), hostilities and general global economic conditions.

Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand factors. These factors may have an adverse effect on the Group's production and exploration activities and any subsequent development and production activities, as well as its ability to fund its future activities. Further, rare earth products are not exchange traded commodities.

Occupational health and safety

Exploration activities may expose the Group's contractors to potentially dangerous working environments. Occupational health and safety legislation and regulations differ in each jurisdiction. If any of the Group's contractors suffers injury or death, compensation payments or fines may be payable and such circumstances could result in the loss of a licence or permit required to carry on the business. Such an incident may also have an adverse effect on the Group's business and reputation.

Environment

The Group's projects are subject to the environmental laws and regulations of Australia (including statutory rehabilitation obligations that the Group will need to comply with in the future and which may be material). While the Group proposes to comply with applicable laws and regulations and conduct its programs in a responsible manner with regard to the environment, there is the risk that the Group may incur liability for any breaches of these laws and regulations.

The Group is also unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Group's cost of doing business or affect its operations. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Group to incur significant expenses and undertake significant investments which could have a material adverse effect on the Group's business, financial condition and performance.

Insurance

The Group maintains insurance to protect against certain risks. However, the Group's insurance will not cover all the potential risks associated with an exploration company's operations. The Group may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution, or other hazards as a result of exploration is not generally available to the Group, or to other companies in the mining industry on acceptable terms.

Reliance on key personnel

The Group is dependent on its directors and consultants to implement its business strategy. A number of factors including the departure of key management personnel or a failure to attract or retain suitable qualified key personnel, could adversely affect the Group's business strategy.

Access to and dependence on capital raisings

The Group's exploration activities require substantial expenditure going forward. The Group's objectives when managing capital is to safeguard its ability to continue as a going concern. Although the company believes that additional funding can be obtained via capital raising, no assurances can be made that appropriate funding will be available when required. If the Group is unable to obtain additional financing as required, it may be required to scale back its exploration and development program. As a result, the Group's ability to continue as a going concern may be diminished.

DIRECTORS' REPORT

SHARES ISSUED ON EXERCISE OF OPTIONS

During the year, 650,000 shares were issued upon exercise of Options at \$0.20 each.

OPTIONS AND PERFORMANCE RIGHTS

At the date of this report, the number of options and performance rights over ordinary shares in the Company are as follows:

Unlisted Options

Expiry date	Exercise price	Number of options
30-Nov-2025	\$0.1886	<u>17,850,000</u>

Unlisted Performance Rights

Expiry date	Exercise price	Number of rights
20-Dec-2024	Nil	7,500,000
24-Nov-2028	Nil	<u>9,150,000</u>
	Total	<u>16,650,000</u>

These options and performance rights do not entitle the holder to participate in any share issue of the Company.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

Indemnification

The Group has agreed to indemnify the following current directors of the Company, Mr P C Hawkins, Mr M V Hogan, Mr B Fehlberg, and Mr S Arunachalam against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

Insurance premium

Since the end of the previous financial year the Company has paid insurance premiums of \$25,185 in respect of directors' and officers' liability insurance for current directors, including senior executives of the Company. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome; and
- other liabilities that may arise from their position, with the exception of conduct involving a willful breach of duty or improper use of information or position to gain a personal advantage.

PROCEEDINGS ON BEHALF OF GROUP

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

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

ENVIRONMENTAL LIABILITIES

There were no environmental liabilities at the date of this report.

NON-AUDIT SERVICES

During the year there were no non-audit services provided by the Group's auditor, Stantons.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 27 and forms part of the Director's Report for the financial year ended 30 June 2024.

This report is made with a resolution of the Directors.



Matthew Vernon Hogan
Managing Director
Perth, Western Australia

24 September 2024

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Board of Directors
Venus Metals Corporation Limited
Unit 2, 8 Alvan St
Subiaco WA 6008
Australia

Dear Directors

RE: Venus Metals Corporation Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Venus Metals Corporation Limited.

As Audit Director for the audit of the financial statements of Venus Metals Corporation Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD



Martin Michalik
Director

CORPORATE GOVERNANCE STATEMENT

Approach to Corporate Governance

The Group has adopted systems of control and accountability as the basis for the administration of corporate governance. Some of these policies and procedures are summarised in this statement. Commensurate with the spirit of the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Principles & Recommendations**), the Group has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Group's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Group's corporate governance practices depart from a recommendation, the Board has offered full disclosure and an explanation for the adoption of its own practice.

Further information about the Group's corporate governance practices may be found on the Group's website at www.venusmetals.com.au, under the section marked "Group - Corporate Governance".

The Group reports below on how it has followed (or otherwise departed from) each of the Principles & Recommendations during the financial year ended 30 June 2024 (**Reporting Period**).

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
Principle 1 - Lay solid foundations for management and oversight			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	Y	The Group has established the functions reserved to the Board, and those delegated to senior executives and has set out these functions in its Board Charter. The Charter is available on the Group's website at https://www.venusmetals.com.au/company/corporate-governance . The number of times the Board met during the Reporting Period is disclosed in the Directors' Report section above. In addition to formal Board and Board Committee meetings throughout the Reporting Period, members of the Board spent time with senior executives and other management personnel of the Company and engaged with other key stakeholders.
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	Y	The Board undertakes appropriate checks before appointing a person or putting forward to shareholders a candidate for election as a director and provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. The checks which are undertaken, and the information provided to shareholders are set out in the <i>Group's Policy and Procedure for the Selection and (Re) Appointment of Directors</i> which is disclosed on the Group's website.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Y	The Group has a written agreement with each director and senior executive setting out the terms of their appointment. The material terms of any employment, service or consultancy agreement the Group has entered into with any director or senior executive has been disclosed in accordance with ASX Listing Rule 3.16.4.
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Y	The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board as outlined in the <i>Board Charter</i> , including preparation of meeting papers and meeting minutes.

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
1.5	<p>A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: <ul style="list-style-type: none"> (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: <ul style="list-style-type: none"> (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act. 	N	<p>The Board is responsible for establishing and monitoring on an annual basis the achievement against gender diversity objectives and strategies, including the representation of women at all levels of the organisation.</p> <p>The proportion of women employees in the whole organisation as at Reporting Period was approximately 2 out of 7 (29%).</p> <p>The Board acknowledges the absence of female participation on the Board of Directors. However, the Board has determined that the composition of the current Board represents the best mix of Directors that have an appropriate range of qualifications and expertise, can understand and competently deal with current and emerging business issues and can effectively review and challenge the performance of management.</p> <p>The Group has not set or disclosed measurable objectives for achieving gender diversity. Due to the size of the Group, the Board does not deem it practical to limit the Group to specific targets for gender diversity as it operates in a very competitive labour market where positions are sometimes difficult to fill. However, every candidate suitably qualified for a position has an equal opportunity of appointment regardless of gender, age, ethnicity or cultural background.</p>
1.6	<p>A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. 	Y	<p>The Group recognizes the pivotal role that the Board has in the governance framework of the Group. Under the Board Charter, the Chairman is responsible for scheduling regular and effective evaluation of the Board's performance. An annual Board evaluation was completed in the Reporting Period.</p>
1.7	<p>A listed entity should:</p> <ul style="list-style-type: none"> (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period. 	Y	<p>The Group has developed its formal processes for the performance evaluation of senior executives in conjunction with the Nominations and Remuneration Committee.</p> <p>The Committee developed and agreed key performance measures for the Managing Director having regard to the Group's strategic, financial and operational objectives for the year. The evaluation is conducted at the time of the executive's annual remuneration review and involves an interview with the Managing Director to discuss performance against the senior executive's contract with the Group. The Managing Director also evaluates the performance of the senior executives on an ongoing basis via informal discussions about performance.</p> <p>A formal review of the Managing Director's and each senior executive's performance occurs at least annually and was undertaken in the Reporting Period.</p>

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
Principle 2 - Structure the board to be effective and add value			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	N	<p>The Board has not established a separate Nomination Committee. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Nomination Committee. Accordingly, the Board performs the role of the Nomination Committee. Items that are usually required to be discussed by a nomination committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the Nomination Committee it carries out those functions which are delegated to it in the Group's Nomination Committee Charter. The Board deals with any conflicts of interest that may occur when convening in the capacity of the Nomination Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.</p> <p>The full Board, in its capacity as the Nomination Committee, has not held any meetings during the Reporting Period.</p> <p>The Board has adopted a Nomination Committee Charter which describes the role, composition, functions and responsibilities of the Nomination Committee. A copy of the Nomination Committee Charter is available on the Group's website at https://www.venusmetals.com.au/company/corporate-governance.</p>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.	Y	<p>The mix of skills and diversity for which the Board is looking to achieve in its membership is represented by the Board's current composition.</p> <p>The skill of each director is set out in the Directors' Report section in this Annual Report on pages 15-16.</p>
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, or relationship of the type described in Box 2.3 of the ASX Corporate Governance Recommendations but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	Y	<p>The Board considers the independence of directors having regard to the relationships listed in Box 2.3 of the Principles & Recommendations. During the Reporting Period, the two independent directors of the Group were Mr Peter Hawkins and Mr Barry Fehlberg.</p> <p>The Board has considered both Mr Hawkins and Mr Fehlberg's independence that both are sufficiently independent because they are not a member of management, they are free of any business or other relationship that could materially interfere with the independent exercise of their judgement and consistently makes decisions that are in the best interests of the Group. Accordingly, the Board considers both Mr Hawkins and Mr Fehlberg to be independent directors.</p> <p>The length of service of each director is set out in the Directors' Report pages 15-16.</p>

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
2.4	A majority of the board of a listed entity should be independent directors.	N	The Board does not have a majority of directors who are independent. The Board considers that its composition is appropriate for the Group's circumstances and includes an appropriate mix of skills and expertise relevant to the Group. The Group gives consideration to the balance of independence on the Board and will continue to review its composition in accordance with the Nomination Committee Charter.
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Y	<p>During the Reporting Period, the Group's independent Chair is Mr Peter Hawkins. The Board believes that Mr Hawkins is the most appropriate person for the position of Chair because of his industry experience and knowledge. The Board believes that Mr Hawkins makes decisions that are in the best interests of the Group.</p> <p>The Managing Director of the Group is Mr Matthew Hogan.</p>
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	N	Given the size of the Group there is no formal induction process for new directors. Board considers that if any new director is to be appointed, that new director will be provided with a personalized induction dependent upon the skills, experience and knowledge of the Group that the new director possesses. All directors are expected to maintain and enhance their skills and knowledge so as to exercise their responsibilities and discharge their obligations to the Group. Directors are expected to participate in appropriate professional development activities.
Principle 3 - Instil a culture of acting lawfully, ethically and responsibly			
3.1	A listed entity should articulate and disclose its values.	Y	<p>The Group has adopted a Code of Conduct which requires Directors, management and employees to deal with the Company's customers, suppliers, competitors and each other with honesty, fairness and integrity and to observe the rule and spirit of the legal and regulatory environment in which the Company operates.</p> <p>The values set up in the Code of Conduct are inculcated across the Group's corporate group and supported by the standards and behaviours set out in the Group's Code of Conduct.</p>
3.2	<p>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	Y	<p>The Group has established a Code of Conduct as to the practices necessary to maintain confidence in the Group's integrity, the practices necessary to take into account its legal obligations and the reasonable expectations of its stakeholders, and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.</p> <p>A summary of the Group's Code of Conduct is available on the Group's website at https://www.venusmetals.com.au/company/corporate-governance.</p>
3.3	<p>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>	Y	<p>The Group has introduced a Whistleblower Policy in December 2019, which reflects the amended Australian whistleblowing laws passed in February 2019 and effective 1 January 2020.</p> <p>The Whistleblower Policy is a practical tool for helping the Group identify non-compliant conduct that may not be uncovered unless there is a safe and secure means for disclosing such conduct. The Policy is available at https://www.venusmetals.com.au/company/corporate-governance.</p>

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
3.4	<p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.</p>	Y	<p>The Group's position on bribery and corruption are covered in the Group's Anti-Bribery and Corruption Policy and is available on the Group's website https://www.venusmetals.com.au/company/corporate-governance.</p>
Principle 4 - Safeguard integrity in corporate reports			
4.1	<p>The board of a listed entity should have an audit committee which:</p> <p>(a) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(b) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(c) the charter of the committee;</p> <p>(d) the relevant qualifications and experience of the members of the committee; and</p> <p>(e) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>If it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	Y	<p>The Board has established an Audit Committee and adopted an Audit Committee Charter which describes the role, composition functions and responsibilities of the Audit Committee.</p> <p>The members of the Audit Committee are Peter Hawkins (Chair), Barry Fehlberg, Matthew Hogan, and the Company Secretary, Patrick Tan.</p> <p>All members of the Audit Committee consider themselves to be financially literate and have an understanding of the industry in which the Group operates. The details of qualifications and experience of each Committee member are detailed in the Directors Report above.</p> <p>The Group has established procedures for the selection, appointment and rotation of its external auditor. The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises, as recommended by the Audit Committee (or its equivalent). Candidates for the position of external auditor must demonstrate complete independence from the Group through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Group's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Audit Committee (or its equivalent) and any recommendations are made to the Board.</p> <p>The Group's Audit Committee Charter and the Group's Procedure for Selection, Appointment and Rotation of External Auditor are available on the Group's website.</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion the</p> <p>(a) financial records of the entity have been properly maintained and</p> <p>(b) financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity</p> <p>and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	Y	<p>The Managing Director and Chief Financial Officer/Company Secretary declared in writing to the Board that the financial records of the Group for the financial year have been properly maintained, the Group's financial reports for the Reporting Period comply with accounting standards and present a true and fair view of the Group's financial condition and operation results. The statement is required annually.</p>

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Y	<p>The Group has implemented process to verify certain periodic corporate reports prepared and released during the Reporting Period, where those reports are not subject to audit or review by an external auditor, to satisfy itself that each report was materially accurate and balanced and provided investors. With appropriate information to make investment decisions. Such periodic corporate reports are drafted by staff with responsibility for, or expertise in, the subject matter and are verified, including by documenting the sources of information and consultation undertaken within the Group or with external parties.</p> <p>The Board or, where appropriate, Board committees, review and approve statutory and other periodic corporate reports prior to release to the market.</p>
Principle 5 - Make timely and balanced disclosure			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under ASX LR 3.1.	Y	<p>The Group has established written policies and procedures for complying with its continuous disclosure obligations under the ASX Listing Rules. A summary of the Group's <i>Policy on Continuous Disclosure</i> is disclosed on the Group's website https://www.venusmetals.com.au/company/corporate-governance.</p>
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Y	Copies of all material market announcements are provided to the Group's Board immediately after they have been made.
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Y	The Group releases a copy of materials for all new and substantive investor and analyst presentations to the ASX Market Announcement Platform ahead of such presentations. These presentations include results presentations as well as presentations given at the Group's Annual General Meeting, at investor days and to broker conferences.
Principle 6 - Respect the rights of security holders			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Y	<p>The Group provides information about itself and its governance to security holders via the Investor Centre on its website at https://www.venusmetals.com.au/company/corporate-governance.</p>
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Y	<p>The Group has implemented an investor relations program, which includes the Annual General Meeting to facilitate effective two-way communication with investors. The program is set out in the <i>Shareholder Communication Policy</i> at https://www.venusmetals.com.au/company/corporate-governance.</p>
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Y	The Group has in place a <i>Shareholder Communication Policy</i> which outlines the policies and processes that it has in place to facilitate and encourage participation at meeting of shareholders.
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	Y	The Group ensures that all substantive resolutions at meeting of security holders are decided by a poll rather than by a show of hands.
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Y	Shareholders are given the option to receive communications from, and send communications to, the Group and its share registry electronically. The contact details of the Group and its share registry are available on the website. Further, shareholders may register to receive ASX Announcements through the website.

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
Principle 7 - Recognise and manage risk			
7.1	<p>The board of a listed entity should have a committee or committees to oversee risk, each of which:</p> <ul style="list-style-type: none"> (a) has at least 3 members, a majority of whom are independent directors; and (b) is chaired by an independent director, <p>and disclose:</p> <ul style="list-style-type: none"> (c) the charter of the committee; (d) the members of the committee; and (e) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings. <p>If it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	N	<p>The Board has adopted a Risk Management Policy, which sets out the Group's risk profile. Under the policy, the Board is responsible for approving the Group's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.</p> <p>Under the policy, the Board delegates day-to-day management of risk to the Managing Director, who is responsible for identifying, assessing, monitoring and managing risks. The Managing Director is also responsible for updating the Group's material business risks to reflect any material changes, with the approval of the Board.</p> <p>In fulfilling the duties of risk management, the Managing Director may have unrestricted access to Group employees, contractors and records and may obtain independent expert advice on any matter he/she deems appropriate, with the prior approval of the Board.</p> <p>In addition, the following risk management measures have been adopted by the Board to manage the Group's material business risks:</p> <ul style="list-style-type: none"> • the Board has established authority limits for management, which, if proposed to be exceeded, requires prior Board's approval; • the Board has adopted a compliance procedure for the purpose of ensuring compliance with the Group's continuous disclosure obligations; and • the Board has adopted a corporate governance manual which contains other policies to assist the Group to establish and maintain its governance practices. <p>The Group considers the following categories of risk to have a material effect impact its business and hence are included in the Group's risk profile.</p> <ul style="list-style-type: none"> • Financial reporting; • Operational; • Environmental; • Sustainability; • Occupational Health & Safety; • Ethical conduct; • Reputation; and • Legal and Compliance.
7.2	<p>The board or a committee of the board should:</p> <ul style="list-style-type: none"> (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place. 	Y	<p>The Board has required management to design, implement and maintain risk management and internal control systems to manage the Group's material business risks. The Board also requires management to report to it confirming that those risks are being managed effectively. The Board has received a report from management as to the effectiveness of the Group's management of its material business risks for the Reporting Period.</p> <p>The Managing Director has provided assurance in writing to the Board that the Group's financial reports are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board.</p>

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure						
			<p>Monthly actual results are reported against budgets approved by the Directors and revised forecasts for the year are prepared regularly.</p> <p>All Directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Group.</p> <p>Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Group. The Board has developed procedures to assist Directors to disclosed potential conflict of interest.</p> <p>Where the Board believes that a significant conflict exists for a Director on a board matter, the Director concerned does not receive the relevant board papers and is not present at the meeting whilst the item is considered.</p> <p>A summary of the Group's <i>Risk Management Policy</i> is available on the Group's website.</p>						
7.3	<p>A listed entity should disclose if it has an internal audit function, how the function is structured and what role it performs.</p> <p>If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	N	<p>The Group does not have an internal audit function. To evaluate and continually improve the effectiveness of the Group's risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks as outlined in the Group's <i>Risk Management Policy</i> at https://www.venusmetals.com.au/company/corporate-governance.</p>						
7.4	<p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	Y	<p>Using its risk management framework, the Board has identified the following risk categories – liquidity, strategic risk, operational, environmental, compliance, human capital, workplace, health and safety, financial reporting, market and commodity related.</p> <p>As the Group is not in production nor has any major operations, the Group has not identified any material exposure to any economic, environmental and/or social sustainability risks.</p> <table><tr><th>Economic risk</th><th>Mitigation strategies</th></tr><tr><td>Market risk – movements in commodity prices</td><td>The group manages its exposure to market risk by monitoring market conditions and making decisions based on industry experience.</td></tr><tr><td>Future capital – cost and availability of funds to meet the Group's business needs</td><td>The Group monitors its cash reserves and manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid finance requirements to finance the group's current and future operations.</td></tr></table>	Economic risk	Mitigation strategies	Market risk – movements in commodity prices	The group manages its exposure to market risk by monitoring market conditions and making decisions based on industry experience.	Future capital – cost and availability of funds to meet the Group's business needs	The Group monitors its cash reserves and manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid finance requirements to finance the group's current and future operations.
Economic risk	Mitigation strategies								
Market risk – movements in commodity prices	The group manages its exposure to market risk by monitoring market conditions and making decisions based on industry experience.								
Future capital – cost and availability of funds to meet the Group's business needs	The Group monitors its cash reserves and manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid finance requirements to finance the group's current and future operations.								

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
Principle 8 - Remunerate fairly and responsibly			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(A) the charter of the committee;</p> <p>(B) the members of the committee; and</p> <p>(C) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	Y	<p>The Board has established a Remuneration Committee. The members of the Remuneration Committee are Peter Hawkins (Chair), Matthew Hogan and Barry Fehlberg.</p> <p>During the year the Remuneration Committee has met to discuss the remuneration of the Executive Directors.</p> <p>The members of the Committee collectively have appropriate skills, and a sufficient understanding of the business and industry sector in which the Group operates, to discharge the Committee's mandate effectively.</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding</p> <p>(a) the remuneration of non-executive directors and</p> <p>(b) the remuneration of executive directors and other senior executives.</p>	Y	<p>Details of remuneration, including the Group's policy on remuneration, are contained in the "Remuneration Report" which forms part of the Directors' Report above.</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	N/A	<p>The Group does not have an equity-based remuneration scheme and this recommendation is therefore not applicable.</p>
Principle 9 – Additional recommendations that apply only in certain cases			
9.1	<p>Listed entity with a director who does not speak the language in which the board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the directors understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.</p>	N/A	<p>The Group does not have directors who do not speak English.</p>
9.2	<p>Listed entity established outside Australia should ensure that meetings of security holders are held at reasonable place and time.</p>	N/A	<p>The Group was established in Australia.</p>

Principle	Corporate Governance Council Recommendation	Conform (Y/N)	Disclosure
9.3	Listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	N/A	The Group was established in Australia and holds its AGM in Australia. The Group's external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue	4	33,527	46,084
Other income	4	1,181	14,154
Profit on sale of fixed assets		2,450	-
Gain from sale of tenements	5	36,363,794	-
Loss on sale of investments		(99,984)	(35,000)
Employee benefit expenses	6	(2,552,194)	(1,225,229)
Exploration expense		(1,425,933)	(3,769,113)
Depreciation and amortisation expense		(79,690)	(70,452)
Changes in market value of shares		(125,000)	579,167
Share of loss – associate	28	(2,251,463)	-
Other expenses		(400,594)	(689,621)
Profit / (Loss) before income tax		29,466,094	(5,150,010)
Income tax	7	-	-
Profit / (Loss) for the year		29,466,094	(5,150,010)
Other comprehensive income		-	-
Income tax on other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive profit / (loss) for the year		29,466,094	(5,150,010)
Net profit / (loss) attributable to:			
Owners of the Company		29,466,094	(5,150,010)
Net profit / (loss) for the year		29,466,094	(5,150,010)
Total comprehensive profit / (loss) attributable to:			
Owners of the Company		29,466,094	(5,150,010)
Total comprehensive profit / (loss) for the year		29,466,094	(5,150,010)
Earnings per share			
Basic profit / (loss) per share	9	0.155	(0.030)
Diluted profit / (loss) per share	9	0.155	(0.030)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	11	701,968	3,501,632
Trade and other receivables	10	226,995	364,724
Financial assets at fair value through profit or loss	27	-	1,575,000
Assets held for sale	14	-	2,233,257
Prepayments		151,646	245,073
TOTAL CURRENT ASSETS		1,080,609	7,919,686
NON-CURRENT ASSETS			
Property, plant and equipment	12	167,220	197,496
Capitalised acquisition costs	13	120,700	120,700
Investment in associate	28	15,148,761	-
Intangibles	15	9,500,000	1,040,000
Right-of-use assets	16	48,395	-
TOTAL NON-CURRENT ASSETS		24,985,076	1,358,196
TOTAL ASSETS		26,065,685	9,277,882
CURRENT LIABILITIES			
Trade and other payables	17	306,889	299,728
Employee benefits	18	66,682	161,739
Lease liability - current	16	24,136	-
Other current liabilities	19	-	6,697,051
TOTAL CURRENT LIABILITIES		397,707	7,158,518
NON-CURRENT LIABILITIES			
Lease liability – non-current	16	26,336	-
TOTAL NON-CURRENT LIABILITIES		26,336	-
TOTAL LIABILITIES		424,043	7,158,518
NET ASSETS		25,641,642	2,119,364

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Note	2024 \$	2023 \$
Share capital	20	37,401,872	38,354,041
Reserves	20	13,706,873	5,246,873
Accumulated losses		(25,467,103)	(41,481,550)
TOTAL EQUITY		25,641,642	2,119,364

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

	Attributable to owners of the Company				
	Share Capital	Share base payment reserve	Revaluation Reserve (Note 20)	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
As at 1 July 2023	38,354,041	5,246,873	-	(41,481,550)	2,119,364
Total comprehensive income for the year					
Profit for the year	-	-	-	29,466,094	29,466,094
Total comprehensive profit for the year	-	-	-	29,466,094	29,466,094
Transactions with owners recorded directly into equity					
<i>Contributions by and distributions to owners</i>					
Issue of ordinary shares	1,555,000	-	-	-	1,555,000
Return of capital (Note 20)	(2,498,129)	-	-	-	(2,498,129)
Dividend	-	-	-	(13,451,647)	(13,451,647)
Transaction costs	(9,040)	-	-	-	(9,040)
Revaluation increase (Note 15)	-	-	8,460,000	-	8,460,000
Balance at 30 June 2024	37,401,872	5,246,873	8,460,000	(25,467,103)	25,641,642

	Attributable to owners of the Company				
	Share Capital	Share base payment reserve	Revaluation Reserve (Note 20)	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
As at 1 July 2022	36,002,702	4,708,479	-	(36,331,540)	4,379,641
Total comprehensive income for the year					
Loss for the year	-	-	-	(5,150,010)	(5,150,010)
Total comprehensive loss for the year	-	-	-	(5,150,010)	(5,150,010)
Transactions with owners recorded directly into equity					
<i>Contributions by and distributions to owners</i>					
Issue of ordinary shares	2,800,000	-	-	-	2,800,000
Issue of options as share- based payments	-	537,894	-	-	537,894
Options fee received	-	500	-	-	500
Transaction costs	(448,661)	-	-	-	(448,661)
Balance at 30 June 2023	38,354,041	5,246,873	-	(41,481,550)	2,119,364

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		29,368	46,084
Cash paid to suppliers and employees		(1,458,550)	(1,686,392)
Exploration expenditure		(1,338,643)	(1,722,320)
R&D tax credit		-	14,154
Net cash flows used in operating activities	11 (b)	(2,767,825)	(3,348,474)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of plant and equipment		(25,216)	(51,374)
Acquisition of royalty		-	(575,000)
Acquisition of listed investments		(250,000)	(366,667)
Proceeds from sale of listed investments		150,017	340,000
Net cash flows used by investing activities		(125,199)	(653,041)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of shares (net of costs)		120,960	2,075,199
Payment of finance lease liability		(27,600)	(49,250)
Proceeds from issues of unlisted options		-	500
Net cash flows provided by financing activities		93,360	2,026,449
Net decrease in cash and cash equivalents		(2,799,664)	(1,975,066)
Cash and cash equivalents at 1 July		3,501,632	5,476,698
Cash and cash equivalents at 30 June	11(a)	701,968	3,501,632

Dividend paid were noncash and represented a distribution of 55 million Rox Resources Limited shares to ordinary shareholders.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 1 Reporting entity

Venus Metals Corporation Limited (the “Company”) is a company domiciled in Australia. The Company’s registered address is at Unit 2, 8 Alvan Street, Subiaco, WA 6008, Australia. The consolidated financial statements of the Group as at and for the year ended 30 June 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group Entities”) and the Group’s jointly controlled entities. The Group is a for-profit entity and primarily is involved in exploration for gold, copper, base metals, vanadium, lithium and Rare Earth Elements.

Note 2 Summaries of material accounting policies

(a) Basis of Preparation

The consolidated financial statements are a general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB). The consolidated financial statements are presented in Australian Dollars (AUD).

Except for cashflow information, the consolidated financial statements have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The consolidated financial statements were authorised for issue by the Board of Directors on 24 September 2024.

(b) Going concern

The financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation and extinguishment of liabilities in the ordinary courses of business.

For the year ended 30 June 2024 the Group recorded a profit of \$29,466,094 (2023: loss \$5,150,010), cash outflow from operations \$2,767,825 (2023: \$3,348,474), working capital surplus of \$682,902 (2023: \$761,168 surplus) and net assets of \$25,641,642 (2023: \$2,119,364).

The Group had \$701,968 cash and cash equivalents at 30 June 2024

The Directors have prepared a cash flow forecast, which indicates that Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report. The forecast includes capital raisings to be finalized within the next 12 months, along with the sale of investments in listed entity made subsequently, as disclosed in note 30.

Should the Group not achieve additional funding required, there is uncertainty whether the Group would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

No adjustments have been made in this report with regard to the recoverability or classification of recorded asset amounts or to the amounts on classification of liabilities that might be necessary should the group not be able to continue as a going concern. The consolidated financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation and extinguishment of liabilities in the ordinary course of business.

(c) New and Amended Accounting Standards Adopted by the Group

The Group has considered the implications of new and amended Accounting Standards which have become applicable for the current financial reporting period.

AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

The Group adopted AASB 2021-2 which amends AASB 7, AASB 101, AASB 108 and AASB 134 to require disclosure of 'material accounting policy information' rather than significant accounting policies' in an entity's financial statements. It also updates AASB Practice Statement 2 to provide guidance on the application of the concept of materiality to accounting policy disclosures. The adoption of the amendment did not have a material impact on the financial statements.

AASB 2022-7: Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards
AASB 2022-7 makes editorial corrections to various Australian Accounting Standards and AASB Practice Statement 2. It also formally repeals the superseded and redundant Australian Accounting Standards set out in Schedules 1 and 2 of this standard.

The adoption of the amendment did not have a material impact on the financial statements.

(d) New and Amended Accounting Policies Not Yet Adopted by the Group

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current.
The amendment amends AASB 101 to clarify whether a liability should be presented as current or non-current.

The Group plans on adopting the amendment for the reporting period ending 30 June 2025. The amendment is not expected to have a material impact on the financial statements once adopted.

AASB 2021-7c: Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

AASB 2021-7c defers the application of AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2025 instead of 1 January 2018.

The Group plans on adopting the amendments for the reporting periods ending 30 June 2026. The impact of initial application is not yet known.

The Group plans on adopting the amendment for the reporting period ending 30 June 2025. The amendment is not expected to have a material impact on the financial statements once adopted.

(e) Material accounting policies

Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Venus Metals Corporation Limited) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 31.

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

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the consolidated statement of financial position and consolidated statement of comprehensive income.

Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a "joint venture" and accounted for using the equity method.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Group's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the consolidated financial statements.

Gains and losses resulting from sales to a joint operation are recognised to the extent of the other parties' interests. When the Group makes purchases from a joint operation, it does not recognise its share of the gains and losses from the joint arrangement until it resells those goods/assets to a third party.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Fair Value of Assets and Liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- (i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
- (ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

(f) Subsidiaries

Subsidiaries are entities controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(g) Jointly controlled operations

A jointly controlled operation is a joint venture by each venture using its own assets in pursuit of the joint operations. The consolidated financial statements include the assets that the Group controls and the liabilities that it incurs in the course of pursuing the joint operations, and the expenses that the Group incurs and its share of the income that it earns from the joint operation.

(h) Income tax

Income tax expense comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and associates and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(i) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- The cost of materials and direct labour,
- Any other costs directly attributable to bringing the assets to a working condition for their intended use,
- When the Group has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located, and
- Capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as difference between the net proceeds from the disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

(iii) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date the asset is completed and ready for use.

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a reducing balance basis over their useful lives to the entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Plant and equipment	40%
Computer equipment	40%
Motor vehicles	40%
Building improvements	40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated losses.

(j) Exploration and development expenditure

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

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

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

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

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis in determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(k) Financial instruments

Recognition, initial measurement and derecognition

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

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

Classification and subsequent measurement

Financial assets

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

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

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:

- The contractual cash flow characteristics of the financial assets; and
- The entities business model for managing the financial asset.

Financial assets at amortised cost

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

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

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

Financial assets at fair value through other comprehensive income (Equity instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 *Financial Instruments: Presentation* and are not held for trading.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Financial assets at fair value through profit or loss (FVPL)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. The Group's financial assets at FVPL is disclosed in Note 24 to the financial statements.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

Impairment

From 1 July 2019, the Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (ie the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

(l) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

(m) Revenue recognition

Interest Income

Interest income is recognised using the effective interest method.

Government Grant

An unconditional government grant is recognised in the statement of profit or loss as other income when the grant becomes receivable. Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the same period in which the expenses are recognised.

Research and development tax incentives are recognised in the statement of profit or loss as other income when received or when the amount to be received can be reliably estimated.

(n) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

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

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are generally paid within 30 days of recognition.

(p) Earnings per share

(i) Basic earnings per share

Basic earnings per share is determined by dividing net profits after income tax attributable to members of the Group, 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 during the year.

(ii) Diluted earnings per share

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

(q) Critical accounting estimates and judgments

The Directors evaluated estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained externally.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

(i) Key Estimates – Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimate.

(ii) Acquisition Costs

The Group is required to assess whether there has been an impairment of mineral acquisition costs capitalised.

(iii) Option and Performance Right Valuations

Estimating the fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or performance right, volatility and making assumptions about them.

The fair value is determined by a valuation using the Black Scholes Option Pricing Model, using the assumptions detailed in Note 21.

(r) Financial risk management objectives and policies

The Group's principal financial instruments comprise cash and cash equivalents and financial assets at FVPL.

The main risks arise from the Group's financial instruments are fair value interest rate risks and market risks. The Board reviews and agrees policies for managing this risk are summarised below.

Details of the significant accounting policies and methods adopted, including the criterion for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed elsewhere in Note 2 to the consolidated financial statements.

(i) Interest Risk

The Group's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market rates.

(ii) Credit Risk

The Group does not have any material credit risk exposure to any single debtor under financial instruments.

(iii) Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows.

(s) Interest in joint ventures

(i) Reimbursement of the joint venture operator's costs

When the Group, acting as an operator, receives reimbursement of direct costs recharges to the joint venture such recharges represent reimbursements of cost that the operator incurred as an agent for the joint venture and therefore have no effect on the consolidated statement of comprehensive income.

In many cases, the Group also incurs certain general overhead expenses in carrying out activities on behalf of the joint venture. As these costs can often not be specifically identified, joint venture agreements allow the operator to recover the general overhead expenses incurred by charging an overhead fee that is based on a fixed percentage of the total costs incurred for the year, often in the form of a management fee. Although the purpose of this recharge is very similar to the reimbursement of direct costs, the Group is not acting as an agent in this case. Therefore, the general overhead expenses and the overhead fee are recognised in the consolidated statement of comprehensive income as an expense and income respectively.

(ii) Jointly controlled assets

A jointly controlled asset involves joint control and offers joint ownership by the Group and other ventures of assets contributed to or acquired for the purpose of the joint venture, without the formation of a corporation partnership or other entity.

Where the Group's activities are conducted through jointly controlled assets, the Group recognises its share of jointly controlled assets, and liabilities it has incurred, its share of liabilities incurred jointly with other venturers, related revenue and operating costs in the consolidated financial statements and share of their production.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

(iii) Jointly controlled entities

A jointly controlled entity is a corporation, partnership or other entity in which each venturer holds an interest. A jointly controlled entity operates in the same way as other entities, except that a contractual arrangement established joint control. A jointly controlled entity controls the assets of the joint venture earns its own income and incurs its own liabilities and expenses. Interests in jointly controlled entities are accounted for using the equity method.

Under the equity method, the investment in the joint venture is carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The consolidated statement of comprehensive income reflects the Group's share of the result of operations of the joint venture. Where there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes and discloses this, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The share of the joint venture net profit is shown on the face of the consolidated statement of comprehensive income. This is the profit attributable to venturers in the joint venture.

The consolidated financial statements of the joint controlled entities are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the account policies in line with those of the Group.

(t) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flow at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(u) Employees benefits

(i) Superannuation

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(ii) Share-based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 21.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

(v) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquire and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with AASB 112: *Income Taxes* and AASB 119: *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with AASB 2: *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with AASB 5: *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with AASB 139: *Financial Instruments: Recognition and Measurement* or AASB 137: *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

(w) Right-of-use assets

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

(x) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred. subsequently measured at amortised cost using the effective interest method.

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

(y) Intangible assets

Recognition and Measurement

Intangible assets are initially recognized at cost.

After initial recognition, an intangible asset are carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated amortisation and any subsequent accumulated impairment losses. Revaluations are made with such regularity that at the end of the reporting period the carrying amount of the asset does not differ materially from its fair value.

If an intangible asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

Amortisation of intangibles assets

The royalty rights are amortized on a straight-line basis over the estimated life of the mine. Amortization begins when the mine goes into production.

(z) Investment in associate

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment. Where the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

(aa) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 3 Operating segments

The Group operates predominantly in the mineral exploration industry in Australia. For management purposes, the Group is organised into one main operating segment which involves the exploration of minerals in Australia. All of the Group's activities are interrelated and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment.

The financial results from this segment are equivalent to the financial statements of the Group as a whole.

Geographical information

The Group operates solely in one country, Australia

Note 4 Revenue and other income

	2024	2023
	\$	\$
Interest income	33,527	46,084
Revenue	33,527	46,084
R&D Tax credit	-	14,154
Others	1,181	-
Other income	1,181	14,154

Note 5 Gain on sale of tenements

	2024	2023
	\$	\$
Consideration received	31,900,000	-
Rox loan forgiven	Note 19 6,697,051	-
Asset held for sale	Note 14 (2,233,257)	-
Gain on sale of tenements	36,363,794	-

On 30 March 2023, the Group entered into an asset sale and purchase agreement with Rox Resources Limited (Rox), for Rox to acquire, subject to conditions precedent, for consideration of 110 million Rox shares at the deemed price of \$0.29 each, the Group's 30% interest in the OYG JV (Youanmi Gold Project) and all the Group's gold interest in their other joint ventures covering other regional areas in Youanmi.

The Company's shareholders approved the sale of the assets at the General Meeting on 23 June 2023.

All conditions precedent were satisfied on 7 July 2023 and the Company was issued the Rox shares on that day. The Company then distributed 55 million Rox shares as in-specie distribution to its shareholders on 12 July 2023, and the remaining 55 million of Rox shares are held by the Company in escrow for 12 months.

As part of the agreement above, the amount owing by the Group to Rox at a value of \$6,697,051 was extinguished via a Deed of Forgiveness. The Group recorded the extinguished loan amount on the completion of transaction on 7 July 2023.

The company obtained a class ruling about the in-specie distribution of shares in Rox Resources Limited to shareholders of Venus Metals Corporation Limited. The in-specie distribution had a return of capital component of \$2,498,129 with the remaining value of \$13,451,647 being an unfranked dividend paid to Venus shareholders. Also Refer Note 28 and Note 20.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 6 Employee benefits expense

	2024	2023
	\$	\$
Wages and salaries	1,018,055	858,089
Compulsory social security contributions	109,139	93,106
Share-based payment transaction expense	1,425,000	274,034
	2,552,194	1,225,229

Note 7 Income tax

	2024	2023
	\$	\$
(a) Numerical reconciliation of income tax expense to prima facie tax payable		
Accounting profit / (loss) before income tax	29,466,094	(5,150,010)
Less: R&D tax credit	-	(14,154)
Profit / (Loss) from continuing operations before tax credit	29,466,094	(5,164,164)
Prima facie tax expense / (benefit) from ordinary activities at 30.0% (2023: 30.0%)	8,839,828	(1,549,249)
Tax effect of amounts which are not (taxable) / deductible in calculating taxable income (including R&D tax credit)	(10,479,863)	86,432
Movement in unrecognised temporary differences	1,640,035	(34,918)
Tax effect of current year losses for which no deferred tax assets have been recognised	-	1,497,735
Income tax expense	-	-
	2024	2023
	\$	\$
(b) Tax losses		
Revenue losses	5,019,716	33,455,637
Capital losses	-	1,164,557
Total	5,019,719	34,620,194
Potential tax benefit at 30.0% (2023: 30.0%)	1,505,915	10,386,05

The tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future profit will be available against which the Group can utilise the benefit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

(c) Deferred tax asset / (liability) not brought to account and carried forward in relation to:

	2024	2023
	\$	\$
Tax losses	1,505,915	10,386,058
Section 40-880 deduction	134,814	130,663
Exploration acquisition costs	(318,209)	(905,434)
Prepayment	(45,494)	(73,522)
Provisions	42,519	68,358
Revaluation gain	(2,538,000)	-
Plant & Equipment	(8,487)	(39,970)
	(1,226,942)	9,566,153

There is no tax payable attached to the payment of dividends in either 2023 or 2024 as a result of the dividend payments by the group to its shareholders.

Note 8 Related party disclosures

Key management personnel compensation

	2024	2023
	\$	\$
Short-term employee benefits	715,772	505,000
Post-employment benefits	65,432	51,967
Other costs	49,135	26,306
Share-based payments	1,425,000	263,362
	2,255,339	846,635

Information regarding individual directors' and executives' compensation and some equity instruments disclosures as required by Corporate Regulation 2M.3.03 is provided in the remuneration report section of the Directors' Report.

Apart from the details disclosed in this note, no director has entered into a material contract with the Company or the Group since the end of the previous financial year and there were no material contracts involving Director's interests existing at year-end.

Transactions with related parties

Transaction between each parent company and its subsidiary which are related parties of that Company are eliminated on consolidation and are not disclosed in this note.

Loan to key management personnel and their related parties

There are no loans made to directors or other key management personnel of the Company or the Group.

Key management personnel and director transaction

A number of key management persons, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

Zoe Hogan, daughter of Mr Matthew Hogan, is an employee of the Company. She received total remuneration inclusive of superannuation during the financial year of \$75,598 (2023: \$70,720) as Office Administrator.

Paul Hogan, brother of Mr Matthew Hogan, is an employee of the Company. He received total remuneration inclusive of superannuation during the financial year of \$111,000 (2023: \$84,293) as Health & Safety Officer and Logistic Manager.

There were no other transactions with related parties during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 9 Loss per share

The calculation of basic and diluted loss per share for the years ended 30 June 2024 and 30 June 2023 were based on the following:

	2024 \$	2023 \$
Net profit / (loss) attributable to ordinary equity holders of the Company	29,466,094	(5,150,010)
	2024 No.	2023 No.
Weighted average number of ordinary shares used in calculating basic loss per share	189,656,354	172,315,806
	2024 \$	2023 \$
Basic gain / (loss) per share	0.155	(0.030)
Diluted gain / (loss) per share	0.155	(0.030)

Note 10 Trade and other receivables

	2024 \$	2023 \$
Other receivables	226,995	364,724

None of the receivables are past due or impaired.

Note 11 Cash and cash equivalents

(a) Cash and cash equivalents

	2024 \$	2023 \$
Cash at bank and on hand	701,968	3,501,632

**NOTES TO THE CONSOLIDATED FINANCIAL
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FOR THE YEAR ENDED 30 JUNE 2024**

**(b) Reconciliation of cash flows from
operating activities**

	2024	2023
	\$	\$
Profit / (Loss) for the year	29,466,094	(5,150,010)
<u>Adjustments for:</u>		
- Loss on sale of listed investments	99,984	35,000
- Depreciation and amortisation	79,690	70,452
- Share-based payment transaction expenses	1,425,000	274,034
- Interest on lease	5,478	429
- Gain on sale of tenements	(36,363,794)	-
- Fair value (gain) / loss on revaluation of listed investments	125,000	(579,167)
- Share of loss – associate	2,251,463	-
<u>Changes in:</u>		
- Prepayments	93,427	(106,892)
- Trade and other receivables	137,729	(87,163)
- Trade and other payables	7,161	(13,886)
- Employee benefits	(95,057)	37,244
- Other current liabilities	-	2,171,485
Net cashflows used in operating activities	(2,767,825)	(3,348,474)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 12 Property, plant and equipment

	Motor vehicles \$	Plant & equipment \$	Total \$
Cost			
Balance 1 July 2023	142,468	282,594	425,062
Additions	23,659	1,557	25,216
Disposals	-	-	-
Balance at 30 June 2024	166,127	284,151	450,278
Balance 1 July 2022	285,538	506,946	792,484
Additions	-	51,374	51,374
Disposals	(143,070)	(275,726)	(418,796)
Balance at 30 June 2023	142,468	282,594	425,062
Accumulated depreciation			
Balance 1 July 2023	79,202	148,364	227,566
Depreciation charge for the year	21,239	34,253	55,492
Disposal	-	-	-
Balance at 30 June 2024	100,441	182,617	283,058
Balance 1 July 2022	201,407	396,153	597,560
Depreciation charge for the year	21,089	27,943	49,032
Disposal	(143,294)	(275,732)	(419,026)
Balance at 30 June 2023	79,202	148,364	227,566
Carrying amounts			
At 30 June 2024	65,686	101,534	167,220
At 30 June 2023	63,266	134,230	197,496

Note 13 Capitalised acquisition costs

	2024 \$	2023 \$
Cost		
Balance at 1 July	3,102,133	5,260,390
Acquisition costs during the year	-	75,000
Reclass during the year	-	(2,233,257)
Cost reversed due to tenements sale	(2,981,433)	-
Balance at 30 June	120,700	3,102,133
Impairment		
Balance at 1 July	(2,981,433)	(2,981,433)
Impairment	-	-
Impairment reversed due to tenements sale	2,981,433	-
Balance at 30 June	-	(2,981,433)
Carrying amounts	120,700	120,700

The ultimate recoupment of capitalised acquisition costs carried forward is dependent on successful development and commercial exploitation or, alternatively, sale of the respective project areas.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 14 Asset Held for sale

		2024 \$	2023 \$
At the beginning of the year		2,233,257	-
Classified as held for sale during the year		-	2,233,257
Sold during the year	Note 5	(2,233,257)	-
At the end of the year		<u>-</u>	<u>2,233,257</u>

Note 15 Intangibles

	2024 \$	2023 \$
Non-current assets		
Royalty rights	1,040,000	1,040,000
Less: Accumulated amortization	-	-
Less: Impairment	-	-
Add: Revaluation increase	8,460,000	-
	<u>9,500,000</u>	<u>1,040,000</u>

Reconciliations of the intangible asset at the beginning and end of the current and previous financial year are set out below:

	2024 \$	2023 \$
Balance 1 July	1,040,000	-
Additional at cost ⁽¹⁾	-	1,040,000
Revaluation of assets ⁽²⁾	8,460,000	-
Impairment of assets	-	-
Amortisation expense	-	-
Balance 30 June	<u>9,500,000</u>	<u>1,040,000</u>

⁽¹⁾ The Group acquired a 0.3% royalty in relation to the Youanmi Gold Project by paying \$1,040,000 (consist of cash \$500,000 and 3 million ordinary shares with a deemed price of \$ 0.18 each) to the vendor.

⁽²⁾ The Group currently holds a 1% Net Smelter Royalty (NSR) related to the Youanmi Gold Project. The project is held 100% by Rox Resources Limited (ROX) with the Group holding a combined 1% NSR royalty on all gold production from the Youanmi Gold Mining Leases.

The 1% NSR is a combination of a 0.3% NSR purchased by the Group for approximately \$1.04 million (refer Note 1 above) and a 0.7% NSR acquired via execution of minerals royalty deed dated 30 June 2019 between Oz Younami Gold Pty Ltd, Rox Murchison Pty Ltd and the Company.

Post 31 December 2023, the Company has decided to change accounting policy for royalty rights from the cost model to the revaluation model. In view of the change, the adoption of the new policy results in the financial statements providing reliable and more relevant information about the intangible assets in relation to royalty on the Group's financial position, financial performance or cash flows.

For the current financial year ended 30 June 2024, the Company engaged an external and independent valuation company to determine the fair value of the 1% royalty rights currently held by the Group. Discounted cash flow approach and a normalized transaction value approach were used to determine the fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 15 Intangibles (continued)

The following key assumptions were used in the discounted cashflow calculations:

Key Assumptions Used in Value-In-Use Calculations:

1. Deposit size: this has been determined based on the ROX's Pre-Feasibility Study announced in July 2024 and the mineral resource estimate announced in January 2024.
2. Time to first fills: 3 years; includes Completion of DFS, FEED Study, financing, approvals and construction
3. Production rate: 0.75Mtp.a. for a Mine life of ~7.7 years.
4. Mine life: 7.7 years.
5. Discount rate: 6%
6. Plant recovery 92.6%
7. Discovery probability factor: 100%
8. Development probability factor: 60%.
9. Gold price: \$3,100/oz.

The Group reviews its intangible assets for impairment each reporting period. The Group has not found anything to indicate that any royalty interests are impaired as at 30 June 2024.

Note 16 Right-of-use assets and lease liability

The Group's lease portfolio includes the office lease. The average term of the lease is 3 years with option to extend for an additional 3 years. Where the option to extend is reasonably certain, this has been included in the calculation.

The original office lease dated 12 June 2020 was further extended for the period of 3 years commencing on 1 July 2023.

(a) Carrying value

	2024	2023
	\$	\$
Balance at inception of the lease	72,593	64,262
Accumulated depreciation	(24,198)	(64,262)
	48,395	-

(b) AASB related amounts recognised in the consolidated statement of profit or loss and other comprehensive income

	2024	2023
	\$	\$
Depreciation expense	24,197	21,420
Interest expenses (included in administrative expenses)	5,096	589
	29,293	22,009

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 16 Right-of-use assets and lease liability (continued)

(c) Total cash outflows for leases

	2024	2023
	\$	\$
Repayment of lease liability	27,600	27,171

(d) Option to extend or terminate

The Group uses hindsight in determining the lease term where contract contains option to extend or terminate the lease.

(e) Lease liability

	2024	2023
	\$	\$
Balance at 1 July	-	27,171
New lease	72,593	-
Less: Principle Repayments	(22,121)	(27,171)
	50,472	-
Current lease liability	24,136	-
Non-Current lease liability	26,336	-

(f) The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$	1-5 years \$	> 5 years \$	Total undiscounted lease liability \$	Lease liability included in the Consolidated Statement of Financial Position \$
30 June 2024					
Lease liability	24,136	26,336	-	-	50,472
30 June 2023					
Lease liability	-	-	-	-	-

Note 17 Trade and other payables

	2024	2023
	\$	\$
Trade payables	200,645	157,292
Accrued expenses	47,569	48,476
Other payables (including GST payable)	58,675	93,960
	306,889	299,728

The Group's exposure to liquidity risk related to trade and other payables is disclosed in Note 24.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 18 Employee benefits

	2024	2023
	\$	\$
Liability for annual leave	47,979	125,612
Liability for long service leave	18,703	36,127
	66,682	161,739

Note 19 Other current liabilities

	2024	2023
	\$	\$
Amount owing to a joint venture partner	-	6,697,051

This amount includes a limited recourse loan which amounted to \$nil (30 June 2023: \$6,697,051) advanced by joint venture partner, Rox Resources Limited (Rox) to the Group's subsidiary, Oz Youanmi Gold Pty Ltd, on exploration expenditure pertaining to OYG Joint Venture which was nil % (30 June 2023: 70%) held by Rox.

The total amount of \$6,697,051 was extinguished via a Deed of Forgiveness as part of the asset sale and purchase agreement with Rox (refer to Note 5 above).

Note 20 Capital and reserves

Share capital

	2024	2023
	\$	\$
189,728,683 (2023: 181,578,683) fully paid ordinary shares	37,401,872	38,354,041

	2024 No.	2023 No.	2024 \$	2023 \$
On issue at 1 July	181,578,683	160,078,683	38,354,041	36,002,702
Issued during the year ⁽¹⁾	8,150,000	21,500,000	1,555,000	2,800,000
Share issue costs	-	-	(9,040)	(448,661)
Return of capital	-	-	(2,498,129)	-
On issue at 30 June	189,728,683	181,578,683	37,401,872	38,354,041

⁽¹⁾ At the Company's 2019 Annual General Meeting, shareholders approved the issue of Performance Rights to the Directors (or their respective nominee(s)) as part of the Directors' remuneration package and long term incentives. Vesting of the Performance Rights is subject to the performance milestones, which is associated with the Youanmi Gold Project.

Pursuant to the Transaction Asset sale and purchase agreement, the Company has disposed of its interests in gold in the Youanmi Gold Project to Rox Resources Limited. Therefore, the Company considers it highly unlikely that the operational performance milestones of the Performance Rights will be met. Each of the Directors have undertaken significant work to progress the Company's projects since being granted the Performance Rights in 2019.

In recognition of this fact, and the likelihood that the milestones for the Performance Rights will no longer be able to be met, the Company has issued 7,500,000 fully paid ordinary shares at a deemed price of \$0.19 per share having value of \$1,425,000 to the Directors (or their respective nominee(s) who hold those Performance Rights) equivalent to their entitlements under the Performance Rights as if they had vested.

During the year, 650,000 of unlisted options were exercised into ordinary fully paid shares at the issue price of \$0.20 each.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 20 Capital and reserves (continued)

Capital Management

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital include ordinary share capital and financial liabilities, supported by financial assets.

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

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

Reserves

	2024	2023
	\$	\$
As at 1 July	5,246,873	4,708,479
Share-based payment transactions	-	537,894
Option fee received	-	500
Revaluation increase – Note 15	8,460,000	-
As at 30 June	13,706,873	5,246,873

Options

	2024	2023
	No.	No.
As at 1 July	21,275,000	8,525,000
Issued during the year	-	19,000,000
Exercised during the year	(650,000)	(500,000)
Lapsed during the year	(2,775,000)	(5,750,000)
As at 30 June	17,850,000	21,275,000

Performance rights

	2024	2023
	No.	No.
As at 1 July ⁽²⁾	7,500,000	7,500,000
Issued during the year ⁽¹⁾	9,150,000	-
Exercised during the year	-	-
Lapsed during the year	-	-
As at 30 June	16,650,000	7,500,000

Performance rights issued during the period:

- ⁽¹⁾ On 24 November 2023, the Company issued a total of 9,150,000 of performance rights, comprising of 6,150,000 unlisted Tranche A performance rights to both directors and employees and 3,000,000 unlisted Tranche B performance rights to directors - Refer to Note 21 below.
- ⁽²⁾ As set out in the Company's Notice of Meeting released on 24 May 2023, the holders have undertaken not to exercise 7,500,000 performance rights issued on 20 December 2019 (with expiry date of 20 December 2024) if any milestones are met.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 20 Capital and reserves (continued)

Nature and purpose of the share option reserve

Share-based payment reserve

The share option reserve is used to recognise the value of equity-settled share-based payment transaction provided to employees, including key management personnel, as part of their remuneration and the value of issued options issued during the year net of listing costs.

Note 21 Share-based payment arrangements

On 16 November 2023, the shareholders approved to issue 6,150,000 unlisted Tranche A Performance Rights at nil consideration each converting into one ordinary share on meeting the vesting conditions (at zero-exercise price, expiring five years from the date of issue, being 24 November 2028) to the Directors (or their nominees) and employees (or their nominees) as set out below.

Director/Employee	Number of Tranche A Performance Rights
Matthew Vernon Hogan & Zoe Louise Hogan <Hogan Superannuation Fund> (Mr Matthew Hogan's nominee)	2,250,000
Yafco Pty Ltd <3 Bear Superfund No 1> (Mr Barry Fehlberg's nominee)	750,000
Boronia Investments Pty Ltd (Mr Peter Hawkins' nominee)	750,000
Sai Jayam Family Trust A/C (Mr Selvakumar Arunachalam's nominee)	1,500,000
Jared Lange	200,000
Marine Manna Pty Ltd (Mr Patrick Tan's nominee)	400,000
Fop Vanderhor	300,000
Total	6,150,000

The Tranche A Performance Rights will vest based on:

- a) 50% of the original issue will vest on the Company announcing an ASX announcement of a Mineral Resource or Mineral Resources (reported in accordance with the JORC Code) estimated as at least 5 million tonnes at 1% Li20 or higher, in respect of any area the subject of the Youanmi Lithium Project. For the avoidance of doubt, the Mineral Resource(s) may be distributed over multiple pits/deposits.
- b) 25%* of the original issue will vest on the Company announcing a scoping study (in accordance with the JORC Code) in relation to the Youanmi Lithium Project being completed and announced to the ASX.
- c) 25% - 50%* of the original issue will vest on the Company announcing a PFS (in accordance with the JORC Code) in relation to the Youanmi Lithium Project being completed and announced to the ASX.

*If a PFS in relation to the Youanmi Lithium Project is completed and announced to the ASX prior to a scoping study, then 50% of Tranche A Performance Rights will vest upon a PFS being completed and announced to the ASX.

On 16 November 2023, the shareholders also approved to issue 3,000,000 unlisted Tranche B Performance Rights at nil consideration each converting into one ordinary share on meeting the vesting conditions (at zero-exercise price, expiring five years from the date of issue, being 24 November 2028) to the Directors (or their nominees) as set out below.

Director/Nominee	Number of Tranche B Performance Rights
Matthew Vernon Hogan & Zoe Louise Hogan <Hogan Superannuation Fund> (Mr Matthew Hogan's nominee)	2,000,000
Sai Jayam Family Trust A/C (Mr Selvakumar Arunachalam's nominee)	1,000,000
Total	3,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 21 Share-based payment arrangements (continued)

The Tranche B Performance Rights will vest based on:

- a) 50% of the original issue will vest on the Company announcing an ASX announcement of the counterparty/counterparties in either of the Bridgetown Greenbushes Exploration Project farm-in/earn-in/joint venture or Henderson Nickel Lithium Project farm-in/earn-in/joint venture acquiring at least a 70% interest in, or incurring the requisite expenditure required to acquire at least a 70% interest in, the Bridgetown Greenbushes Exploration Project or Henderson Nickel Lithium Project (as applicable), pursuant to the terms of the relevant farm-in/earn in/joint venture agreement.
- b) 50% of the original issue will vest on the Company announcing an ASX announcement of:
 - i. a Mineral Resource or Mineral Resources (reported in accordance with the JORC Code) estimated as at least 5 million tonnes at 1% Li2O or 1.5 million tonnes at 2% NiEq for 30,000 tonnes of NiEq (which may be distributed over multiple pits/deposits); or
 - ii. a scoping study (in accordance with the JORC Code) being completed; or
 - iii. a preliminary feasibility study (PFS) (in accordance with the JORC Code) being completed,

in respect of any area the subject of the Bridgetown Greenbushes Exploration Project or Henderson Nickel Lithium Project.

Inputs for measurement of grant date fair values

The fair value at grant date is measured using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, 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. Expected volatility is estimated by considering historic average share price volatility.

The model inputs for the Unlisted Tranche A and Tranche B Performance Rights are:

Grant Date	Expiry Date	Exercise Price	Life of rights	Share price at grant date	Expected share price volatility	Dividend yield	Risk-free Interest rate	Fair value at grant date
16-Nov-23	24-Nov-28	n/a	5 Years	0.10	60%	-	4.231%	10.0 cents

As per AASB 2.19 and 2.20, the non-market vesting conditions should be recognised by adjusting the number of Performance Rights based on the best available estimate of the number of Performance Rights that are expected to vest, according to the probability of meeting the vesting conditions.

As at the date of reporting, the Company does not think each of the non-market based performance condition will be met. Therefore, no value of the Performance Rights is estimated and provided.

Options issued during last year:

- (1) On 3 November 2022, the Company issued 9 million unlisted options with an exercise price of \$0.20 each and expiry date of 30 November 2025 as attaching options for every two shares issued under the placement of 18 million ordinary shares to various sophisticated investors on 3 November 2022.
- (2) On 28 November 2022, the Company issued 5 million unlisted options with an exercise price of \$0.20 each and expiry date of 30 November 2025 to RM Corporate Finance Pty Ltd in exchange for lead manager and book running services provided to the Company in relation to the placement of 18 million ordinary shares to various sophisticated investors on 3 November 2022.
- (3) On 6 December 2022, the Company issued 5 million unlisted options with an exercise price of \$0.20 each and expiry date of 30 November 2025 to the Directors (or their nominees) as approved by shareholders during the Annual General Meeting held on 25 November 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 21 Share-based payment arrangements (continued)

Employee Award Plan (Plan)

On 25 November 2022, the Company adopted the Employee Awards Plan (Plan) under which employees and or directors, or individuals who provide services to, a Group Company (Eligible Employees) may be offered the opportunity to subscribe for equity securities in the form of shares, options and/or performance rights (together, the Incentives) in order to increase the range of potential incentives available to them and to strengthen links between the Company and its eligible employees.

The Plan is designed to provide incentives to the Eligible Employees of the Company and to recognise their contribution to the Company's success. Under the Company's current circumstances, the Directors consider that the incentives to Eligible Employees are a cost effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure Eligible Employees who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The Plan is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain significant shareholdings in the Company.

The Plan was approved by shareholders during the Company's Annual General Meeting on 25 November 2022.

On 25 November 2022, the shareholders approved to issue 5,000,000 unlisted options at an issue price of \$0.0001 per option (each option having an exercise price of \$0.20 and an expiry date of 30 November 2025) to the Directors (or their nominees) as set out below. There are no additional vesting conditions attached to the options other than continuous employment with the Company.

Director/Nominee	Number of Options
Matthew Vernon Hogan & Zoe Louise Hogan <Hogan Superannuation Fund> (Mr Matthew Hogan's nominee)	2,500,000
Yafco Pty Ltd <3 Bears Super Fund No 1 A/C> (Mr Barry Fehlberg's nominee)	750,000
Mr Peter Charles Hawkins	750,000
Mrs Sivagami Selvakumar (Mr Selvakumar Arunachalam's nominee)	1,000,000
Total	5,000,000

Options issued to third parties.

On 28 November 2022, the Company issued 5 million unlisted options to RM Corporate Finance Pty Ltd and vested immediately.

Inputs for measurement of grant date fair values

The fair value at grant date is measured using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, 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. Expected volatility is estimated by considering historic average share price volatility.

The model inputs for the Unlisted Options are:

Grant Date	Expiry Date	Exercise Price	Life of option	Share price at grant date	Expected share price volatility	Dividend yield	Risk-free Interest rate	Fair value at grant date
25-Nov-22	30-Nov-25	\$0.20	3 Years	\$0.145	65%	-	3.213%	\$0.0528

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 21 Share-based payment arrangements (continued)

Reconciliation of outstanding unlisted share options

The number and weighted average exercise prices (WAEP) of, and movements in, unlisted share options during the year are as follows:

	Number of options 2024	WAEP 2024	Number of options 2023	WAEP 2023
Outstanding at 1 July	21,275,000	\$0.21	8,525,000	\$0.30
Granted during the year	-	-	19,000,000	\$0.20
Forfeited during the year	-	-	-	-
Exercised during the year	(650,000)	\$0.20	(500,000)	\$0.20
Expired during the year	(2,775,000)	(\$0.30)	(5,750,000)	(\$0.30)
Outstanding at 30 June	17,850,000	\$0.19	21,275,000	\$0.21
Exercisable at 30 June	17,850,000	\$0.19	21,275,000	\$0.21

The options outstanding at 30 June 2024 have an exercise price of \$0.1886 (2023: \$0.20 to \$0.30) and weighted average remaining contractual life of 1.42 years (2023: 3 years).

The weighted average share price at the date of exercise for share options exercised in 2024 was \$0.20 (2023: \$0.20).

Directors, employees and consultants' expenses

The expenses recognised for directors, employees and consultants during the year is shown in the following tables:

	2024	2023
	\$	\$
Expenses arising from equity-settled share-based transaction	1,425,000	274,034
Total expenses arising from share-based payment transactions	1,425,000	274,034

Note 22 Group entities

	Country of Incorporation	Ownership interest	
		2024	2023
Parent entity			
Venus Metals Corporation Limited			
Subsidiaries			
Redscope Enterprises Pty Ltd	Australia	100%	100%
Oz Youanmi Gold Pty Ltd	Australia	nil	100%
Vanadium Power Corporation Pty Ltd*	Australia	100%	100%
Fortuna Battery Minerals Pty Ltd *	Australia	100%	nil

*Dormant during the year

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 23 Capital commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure as specified by Department of Mines and Petroleum.

	2024	2023
	\$	\$
Contracted for but not provided and payable		
Less than one year	902,192	857,100
Between one and five years	1,038,581	929,736
More than five years	-	-
	1,940,773	1,786,836

Note 24 Financial instruments

Financial risk management

Overview

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

- credit risk
- liquidity risk
- market risk (interest rate risk and other price risk)

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

Risk management framework

The Board of Directors has overall responsibility for the establishing and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies. The policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at end of the reporting period are as follows:

	Carrying amount	
	2024	2023
	\$	\$
Cash and cash equivalents	701,968	3,501,632
Trade and other receivables	226,995	364,724
Financial assets at fair value through profit or loss	-	1,575,000
	928,963	5,441,356

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 24 Financial instruments (continued)

Trade and other receivables

The maximum exposure to credit risk for other receivables at the end of the reporting period by geographic region was as follows:

	Carrying amount	
	2024	2023
	\$	\$
Australia	226,995	364,724

Impairment losses

None of the Group's other receivables are past due (2023: nil).

Cash and cash equivalents

The Group held cash and cash equivalents of \$701,968 as at 30 June 2024 (2023: \$3,501,632), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with a bank which is rated AA-, by S&P Global Ratings.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligation 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 always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following are the remaining contractual maturities at the end of the reporting period of financial liabilities, excluding the impact of netting agreements:

	Carrying amount	Contractual cash flows	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
30 June 2024							
Trade and other payables	306,889	(306,889)	(306,889)	-	-	-	-
Lease liability	50,472	(50,472)	(3,878)	(20,258)	(26,336)	-	-
	357,361	(357,361)	(310,767)	(20,258)	(26,336)	-	-
30 June 2023							
Trade and other payables	299,728	(299,728)	(299,728)	-	-	-	-
Lease liability	-	-	-	-	-	-	-
Amount owing to a joint venture partner	6,697,051	(6,697,051)	(6,697,051)	-	-	-	-
	6,996,779	(6,996,779)	(6,996,779)	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 24 Financial instruments (continued)

Interest rate risk

Profile

At the end of the reporting period the interest rate profile of the Group's interest bearing financial instruments as reported to the management of the Group was as follows:

	2024 \$	2023 \$
Variable rate instruments		
Financial assets	701,968	3,384,962
Financial liabilities	-	-
	701,968	3,384,962

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the end of reporting period would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Equity	
	100bp increase \$	100bp decrease \$	100bp increase \$	100bp decrease \$
30 June 2024				
Variable rate instruments	(7,020)	7,020	(7,020)	7,020
Cash flow sensitivity (net)	(7,020)	7,020	(7,020)	7,020
30 June 2023				
Variable rate instruments	(33,849)	33,849	(33,849)	33,849
Cash flow sensitivity (net)	(33,849)	33,849	(33,849)	33,849

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 24 Financial instruments (continued)

Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors (other than those arising from interest rate risk or foreign currency risk) for commodities.

The Group is also exposed to securities price risk on investments held for trading over the medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations.

The Group's investments are held in the following sectors at the end of the reporting period:

	2024	2023
	%	%
Mining and minerals	100	100
	100	100

Fair values

Fair value versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the consolidated statement of financial position are as follows:

	30 June 2024		30 June 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
Assets				
Cash and cash equivalents	701,968	701,968	3,501,632	3,501,632
Other receivables	226,995	226,995	364,724	364,724
Other financial assets	-	-	1,575,000	1,575,000
	928,963	928,963	5,441,356	5,441,356
Liabilities				
Trade and other payables	306,889	306,889	299,728	299,728
Lease liability	50,472	50,472	-	-
Other current liabilities	-	-	6,697,051	6,697,051
	357,361	357,361	6,996,779	6,996,779

Financial risk management objectives

The Group's corporate treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including fair value interest rate risk and price risk), credit risk and liquidity risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 25 Contingent liabilities

Royalty payable under the Henderson Nickel-Lithium Project's tenement (E20/520)

- 1% Net Smelter Return royalty payable on minerals, base metals and or precious metals extracted and sold from the tenements.
- This tenement is currently formed part of the Farmin and Joint Venture Agreement with a subsidiary of IGO Limited.

Royalty payable under the Bridgetown Greenbushes Li and Ni-Cu-PGE Project's tenements (E70/5315 & E70/5316)

- 1% Net Smelter Return royalty payable on minerals, base metals and or precious metals extracted and sold from the tenements.
- This tenement is currently formed part of the Farmin and Joint Venture Agreement with a subsidiary of IGO Limited.

Royalty payable under the Penny East Project's tenements (E57/1128)

- 1% Net Smelter Return royalty payable on base metals and precious metals mined, processed or sold from the tenement.

No material losses are anticipated in respect of any of the above contingent liabilities.

Note 26 Parent entity disclosures

As at, and throughout, the financial year ended 30 June 2024 the parent entity of the Group was Venus Metals Corporation Limited.

	2024 \$	2023 \$
Result of parent entity		
Profit / (loss) for the year	29,472,910	(4,798,897)
Other comprehensive income	-	-
Total comprehensive profit / (loss) for the year	29,472,910	(4,798,897)
	2024 \$	2023 \$
Financial position of parent entity at year end		
Current assets	14,779,276	5,541,162
Non-current assets	78,395	284,000
Total assets	14,857,671	5,825,162
Current liabilities	373,571	6,460,628
Non-current liabilities	50,472	-
Total liabilities	424,043	6,406,628
Net assets (Liabilities)	14,433,628	(635,466)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 26 Parent entity disclosures (continued)

Total equity of the parent entity comprising of:

Share capital	37,092,193	38,044,362
Reserves	5,246,873	5,246,873
Accumulated losses ⁽¹⁾	(27,905,438)	(43,926,701)
Total equity	14,433,628	(635,466)

⁽¹⁾ Movement in the accumulated losses comprises \$29,472,910 profit for the year for the parent entity adjusted for dividend \$13,451,647 distributed to shareholders. Also refer to Note 28.

Parent entity contingencies

Other than those disclosed in Notes 23 and 25, the parent entity has no other guarantees, capital commitments and contingent liabilities as at 30 June 2024 (2023: nil).

Note 27 Financial assets at fair value through profit or loss

	2024 \$	2023 \$
At the beginning of year	1,575,000	1,004,167
Revaluation gain/ (loss)	(125,000)	579,166
Investment during the year	-	366,667
Shares sold during the year	-	(375,000)
Classified as Investment in Associate	(1,450,000)	-
At the end of year	-	1,575,000

The Group holds 60,000,000 (30 June 23: 5,000,000) ordinary shares in Rox Resources Limited ("Rox") (ASX: RXL) at reporting date. The fair value of the equity securities until 7 July 2024 was based on the ASX quoted market value. Subsequently the investment balance has been accounted for as an Investment in Associate. Refer to Note 28 below.

Fair Value Hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 27 Financial assets at fair value through profit or loss (continued)

Valuation techniques

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach converts estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach reflects the current replacement cost of an asset at its current service capacity.

The following tables provide the fair values of the Group's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

30 June 2024				
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Recurring fair value measurements				
<i>Financial assets</i>				
Financial assets at fair value through profit or loss:				
– Australian listed shares	-	-	-	-
Total financial assets recognised at fair value on a recurring basis	-	-	-	-

30 June 2023				
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Recurring fair value measurements				
<i>Financial assets</i>				
Financial assets at fair value through profit or loss:				
– Australian listed shares	1,575,000	-	-	1,575,000
Total financial assets recognised at fair value on a recurring basis	1,575,000	-	-	1,575,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

Note 28 Investment in associate

The Group has 60,000,000 shares, representing approximately 14.74% (2023: 2.23%) of fully paid issued ordinary shares of Rox Resources Limited as at 30 June 2024. The market value of shares in Rox Resources Limited shares at 30 June 2024 is \$ 7,800,000 as of 30 June 2024 (30 June 2023: \$ 1,575,000). The value of the shares on 23 September 2024 is \$8,351,000.

	2024	2023
	\$	\$
At the beginning of year	-	-
Consideration shares received against sale of OZ Youanmi - Note 5	31,900,000	-
Investment during the year at cost	250,000	-
Return of capital	(2,498,129)	-
Dividend distribution to shareholders	(13,451,647)	-
Classified FVTPL investment to Investment in Associate	1,450,000	-
Disposal during the year	(250,000)	-
Share of loss from associate – Note 1 below	(2,251,463)	-
At the end of reporting year	15,148,761	-

Note 1:

Due to unavailability of relevant information relating to losses in stages based on the changes in shareholding throughout the year, share of loss in the Associate has been calculated using the below approach:

- 1) For the period July 2023 - 31 December 2023, information has been obtained from reviewed financial report of Rox Resources Limited for the period ended 31 December 2023 lodged with ASX.
- 2) For the period 1 Jan 2024 - 30 June 2024, information has been obtained from the audited financial report of Rox Resources Limited for the year ended 30 June 2024 lodged with ASX. Losses for the period 1 Jan 2024 - 30 June 2024 have been recalculated and a linear approach has been applied to determine the losses in stages based on the changes in shareholding throughout the year.

(a) Reconciliation of the Group's share of losses in Rox Resources Limited (per audited financial statements of Rox Resources Limited lodged with ASX, rounded to nearest thousand):

	2024	2023
	\$	\$
Total loss for the year	13,699,000	8,763,000
Pre-Acquisition Losses	(37,000)	-
Post-Acquisition Losses	13,662,000	-
Share of loss from associate	(2,251,463)	-

The Group holds 60 million shares 14.74% (2023: 2.23%) in Rox Resources Limited. The Group adopted the accounting of Investment in Associates from 7 July 2023.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

Note 28 Investment in associate (continued)

(b) Summarised Statement of Financial Position as per Rox Resources Limited's audited Financial Statements (per audited financial statements of Rox Resources Limited lodged with ASX, rounded to the nearest thousand):

	2024 \$	2023 \$
Current assets	6,850,000	10,274,000
Non-current assets	50,243,000	12,183,000
Total assets	57,093,000	22,457,000
	2024 \$	2023 \$
Current liabilities	2,898,000	1,836,000
Non-current liabilities	11,587,000	5,869,000
Total liabilities	14,485,000	7,705,000
Net assets	42,608,000	14,752,000

(c) Summarised Statement of Profit or Loss and Other Comprehensive Income as per Rox Resources Limited (per audited financial statements of Rox Resources Limited lodged with ASX, rounded to the nearest thousand):

	2024 \$	2023 \$
Revenue	80,000	4,085,000
Expenses	(10,123,000)	(12,848,000)
Income tax expenses	(3,656,000)	-
Loss for the year	(13,699,000)	(8,763,000)

Note 29 Auditor's remuneration

	2024 \$	2023 \$
Audit services		
<i>Auditors of the Group</i>		
Stantons		
Audit and review of financial statements	69,500	55,468

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

Note 30 Subsequent events

On 26 July 2024, the Group sold three tenements located in the Gascoyne Region relating to Mangaroon Project to Dreadnaught Resources Limited for the consideration of 16 million shares (at a deemed price of 2.5c each), \$50,000 cash and 1% Gross Royalty in respect of all minerals.

On 29 August 2024, the Group sold 350,000 shares in Rox Resources Limited.

Other than the above, there has not arisen 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 affair of the Group, in the future financial years.

Consolidated entity disclosure statement

As at 30 June 2024						
Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of business/ country of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) of foreign residents
Venus Metals Corporation Limited	Australian Public Company	-	100	Australia	Australia	-
Redscope Enterprises Pty Ltd	Australian Proprietary Company	-	100	Australia	Australia	-
Vanadium Power Corporation Pty Ltd*	Australian Proprietary Company	-	100	Australia	Australia	-
Fortuna Battery Minerals Pty Ltd*	Australian Proprietary Company	-	100	Australia	Australia	-

*Dormant during the year

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Venus Metals Corporation Limited (the "Company"):
 - (a) The consolidated financial statements and notes, and the Remuneration Report in the Directors' Report are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance, for the financial year ended on that date, and
 - (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;
 - (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and
 - (c) The information disclosed in the consolidated entity disclosure statement is true and correct.
2. The directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Managing Director for the financial year ended 30 June 2024.
3. The consolidated financial statements also comply with International Financial Reporting Standards as disclosed in note 2(a) to the consolidated financial statements.

Signed in accordance with a resolution of the Directors.



Matthew Vernon Hogan
Managing Director

Perth, Western Australia
24 September 2024

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
VENUS METALS CORPORATION LIMITED**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Venus Metals Corporation Limited (the "Company") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- (i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be Key Audit Matters to be communicated in our report.

Key Audit Matters	How the matter was addressed in the audit
<p><i>Divestment of Youanmi Gold Project and accounting for Investment in Rox Resources Limited</i></p> <p>As disclosed in Note 5 and Note 28 of the financial statements, the Group, inter alia, sold its 30% interest in the OYG JV (Youanmi Project) to Rox Resources Limited ("Rox").</p> <p>All conditions precedent to completion of the transaction were satisfied on 7 July 2023 and the Group was issued 110 million Rox shares on that day. The Group then distributed 55 million Rox shares as in-specie distribution to its shareholders on 12 July 2023.</p> <p>The Group has a 14.74% shareholding in Rox as at 30 June 2024.</p> <p>Management have determined that the Group has significant influence over Rox in accordance with AASB 128 <i>Investments in Associates and Joint Ventures</i> (AASB 128) and have recognised the investment in the associate at cost and then applied the equity method of accounting.</p> <p>This is a key audit matter as this divestment had a significant effect on the financial report and required management to use significant judgements to determine:</p> <ul style="list-style-type: none"> the fair value of the consideration received; the subsequent accounting treatment for the Group's investment in Rox; whether significant influence over Rox existed; and the accounting and tax position on capital gains and income tax related liabilities arising from the sale of the Younami project and subsequent in-specie distribution of the Rox shares to the shareholders of the Company. 	<p>Inter alia, our audit procedures included the following:</p> <ol style="list-style-type: none"> Reviewing documents supporting the transaction such as: <ul style="list-style-type: none"> Minutes of the Board meetings; Announcements made by the Group to the ASX; and Asset sale and purchase agreement with the buyer; Assessing the carrying value of the assets disposed assets; Assessing the fair value of the consideration received and verifying to supporting documentation; Reviewed management's calculations for gain on divestment of Youanmi Project; Assessing the tax position relating to income tax and capital gain tax liabilities arising from the sale of the Youanmi Project and subsequent in-specie distribution of the Rox shares to the shareholders of the Company including challenging management's assumptions and calculations used to determine tax positions; Reviewed management's assessment to ascertain whether significant influence exists over Rox and whether the equity method of accounting has been correctly applied under AASB 128; Confirming the number of Rox shares held at the balance date; and Assessing the appropriateness of the disclosures included in the financial statements.

Key Audit Matters	How the matter was addressed in the audit
<p>Valuation of Intangibles – Royalty rights</p> <p>As disclosed in Note 15 of the financial statements, management decided to change the accounting policy for royalty rights from the cost model to the revaluation model subsequent to 31 December 2023.</p> <p>An external expert was engaged by the management to determine the fair value of the royalty rights currently held by the Group.</p> <p>A discounted cash flow approach and a normalized transaction value approach were used to determine the fair value of the royalty rights.</p> <p>This is a key audit matter as this change in accounting policy for valuation of Intangible assets had a significant effect on the financial report and</p> <ul style="list-style-type: none"> i. Requires management to use judgement, key estimates and assumptions as disclosed in Note 15 of the financial statements to arrive at the valuation; ii. The valuation of the royalty rights is sensitive to key assumptions; and iii. The significance of the Intangibles balance, representing 36% of total assets of the Group as at 30 June 2024. 	<p>Inter alia, our audit procedures included the following:</p> <ul style="list-style-type: none"> i. Obtaining an understanding of the underlying transactions and reviewing agreements, minutes of the Board meeting and ASX announcements; ii. Assessing the competency, independence and integrity of the management's expert; iii. Assessing the reasonableness of key assumptions, key estimates and judgements used in arriving at the valuation; iv. Challenging the assumptions used in the valuation of the royalty rights; v. Assessing the accounting treatment and its application in accordance with AASB 138 <i>Intangible assets</i> (AASB 138); and vi. Assessing the appropriateness of the disclosures included in the financial statements.

Key Audit Matters	How the matter was addressed in the audit
<p>Going Concern</p> <p>The financial statements have been prepared on a going concern basis as discussed in Note 2(b). Historically the Group has been able to raise capital to fund its exploration and administrative operations.</p> <p>As of 30 June 2024, the Group had cash and cash equivalents of \$701,968. The net operating cash outflows for the year ended amounted to \$2,767,825.</p> <p>The going concern assumption is considered to be a key audit matter as the Group is reliant on existing cash reserves, assets and future capital raisings to cover operations including exploration and operating expenditure.</p>	<p>Inter alia, our audit procedures included the following:</p> <ul style="list-style-type: none"> i. Assessing the cash flow requirements of the Company and the Group based on budgets and forecasts; ii. Understanding what forecast expenditure is committed and what could be considered discretionary; iii. Considering the liquidity of existing assets on the balance sheet; and iv. Reviewing the financial report to ensure adequate disclosure in the notes regarding the going concern basis of preparation.

Key Audit Matters	How the matter was addressed in the audit
<p>Share-based payments</p> <p>As disclosed in Note 6, 20 and Note 21 to the financial statements, the Company granted shares, performance rights to the directors and employees of the Company. Share-based payment expense recognized for the year ended 30 June 2024 amounted to \$1,425,000.</p> <p>The Company accounted for these shares and performance rights in accordance with its accounting policy and the accounting standard AASB 2 <i>Share-based Payments</i> (AASB 2).</p> <p>Furthermore, the Company issued 9,150,000 Performance Rights to directors and employees of the Company. These Performance Rights were ascribed a Nil value, as the vesting conditions were unlikely to have been met.</p> <p>Measurement of share-based payments is a key audit matter due to estimates used in determining the fair value of the equity instruments granted, the grant date, vesting conditions and vesting periods.</p>	<p>Inter alia, our audit procedures included the following:</p> <ul style="list-style-type: none"> i. Obtaining an understanding of the underlying transactions, reviewing agreements, minutes of the Board meeting and ASX announcements; ii. Verifying the terms and conditions of the share-based payments including the vesting period and other key assumptions used in valuing these share-based payments; iii. Challenging the key assumptions used for the valuation; iv. Testing the mathematical accuracy of the calculations; v. Assessing the accounting treatment and its application in accordance with AASB 2; and vi. Assessing the appropriateness of the disclosures included in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, 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 opinion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* (other than the consolidated entity disclosure statement); and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of :
 - i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
 - ii) the consolidated entity disclosure statement that is true and correct and is free from misstatement whether due to fraud and error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control.

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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We 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 obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. 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, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these

matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Venus Metals Corporation Limited for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
24 September 2024

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 12 September 2024.

1. Voting Rights

Ordinary Share

All issued ordinary shares carry voting rights on a one-for-one basis.

Unquoted Options:

There are no voting rights attached to unquoted options.

Unquoted Performance Rights:

There are no voting rights attached to unquoted performance rights.

There are no other classes of equity securities.

2. Substantial Shareholders

Ordinary Shareholders	Fully paid ordinary shares Number	Percentage
QGOLD PTY LTD	37,409,403	19.72%
PAZIFIK PTY LTD <PAZIFIK A/C>	20,000,000	10.54%

3. Distribution of Holders of Ordinary Shares

Category	No of holders	No of ordinary shares	Percentage
1 – 1,000	187	32,014	0.02%
1,001 – 5,000	281	971,539	0.51%
5,001 – 10,000	223	1,853,985	0.98%
10,001 – 100,000	461	16,843,697	8.88%
100,001 and over	177	170,027,448	89.62%
Total	1,329	189,728,683	100.00%

The number of shareholders holding less than a marketable parcel of ordinary shares (market value less than \$500) is 550.

ASX ADDITIONAL INFORMATION

4. Distribution of Holders of Unquoted Options

Category	No of holders	No of unquoted options	Percentage
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	21	1,232,703	6.91%
100,001 and over	31	16,617,297	93.09%
Total	52	17,850,000	100.00%

5. Distribution of Holders of Unquoted Performance Rights

Category	No of holders	No of unquoted performance rights	Percentage
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	1	100,000	0.06%
100,001 and over	12	15,550,000	99.40%
Total	4	16,650,000	100.00%

6. Twenty Largest Holders of Quoted Equity Securities

Name	Number	Percentage
Qgold Pty Ltd	37,409,403	19.72%
Pazifik Pty Ltd <Pazifik A/c>	20,000,000	10.54%
IGO Limited	9,000,000	4.74%
Investment Securities Nominees <Accumulation A/c>	9,000,000	4.74%
Helmsdale Investments Pty Ltd	6,000,000	3.16%
Investment Holdings Pty Ltd <Investment Holdings Unit A/c>	5,310,000	2.80%
Mr Matthew Vernon Hogan	3,500,000	1.84%
St Clair Resources Pty Ltd	3,875,000	1.52%
Sancoast Pty Ltd	2,500,000	1.32%
Mr Barry Fehlberg	2,400,000	1.26%
Bazco Pty Ltd	2,250,000	1.19%
Invia Custodian Pty Limited <Mrs Marisa Mackow A/c>	2,212,962	1.17%
HD Mining & Investment Pty Ltd	2,000,000	1.05%
NDPM Pty Ltd <Morris Family Super Fund A/c>	1,940,000	1.02%
BNP Paribas Nominees Pty Ltd <IB Au Noms Retail Client >	1,799,828	0.95%
HSBC Custody Nominees (Australia) Limited	1,642,384	0.87%
GGW Super Pty Ltd (Walker Super Fund A/c>	1,512,000	0.80%
Yafco Pty Ltd <3 Bears Super Fund No 1 A/c>	1,500,000	0.79%
Mr Selvakumar Arunachalam <Sai Jayam Family A/c>	1,500,000	0.79%
Balthazar Pty Ltd <Balthazar P/L Exec S/F A/c>	1,475,000	0.78%
Top 20 Total	116,826,577	61.58%

7. On-Market Buy-Back

There is currently no on-market-buy back.

ASX ADDITIONAL INFORMATION

8. Schedule of Tenements

Project	Tenement ID	% interest
Youanmi	E57/986*	90% All metals except Gold
Youanmi	E57/985*	90% All metals except Gold
Currans Well	E57/1011-I*	90% All metals except Gold
Pincher Well	E57/1018*	100% All metals except Gold
Pincher Well	E57/1019-I*	100% All metals except Gold
Youanmi	E57/1023-I*	100% All metals except Gold
Youanmi (Deep South)	E57/1078*	100% All metals except Gold
Currans Find JV	M57/641*	45% All metals
Pincher's JV	M57/642*	45% All metals
Youanmi (Penny East)	E57/1128	100%
Youanmi (Manindi)	E57/983	100%
Bellchambers/Sandstone	E57/984	90%
Bridgetown East	E70/5315**	100%
Bridgetown East	E70/5316**	100%
Bridgetown East	E70/5620**	100%
Bridgetown East	E70/6009**	100%
Bridgetown South	E70/5712**	100%
Henderson	E30/519	100%
Henderson	E30/520	100%
Henderson North	E29/1112	100%
Henderson North	E29/1120	100%
Henderson North	E29/1121	100%
Marvel Loch East	E15/1796	100%
Marvel Loch East	E15/1946	100%
Curara Well	E52/3069-I	100%
Copper Hills	E45/6437	100%

Note:

*Venus and Rox Resources Limited have entered into a binding agreement in March 2023. The Transaction completed on 7 July 2023. The % of interest in these tenements changed from July 2023 (refer ASX announcement dated 7 July 2023).

**Bridgetown-Greenbushes Exploration Project Farm-in and Joint venture agreements with IGO Limited's subsidiary (refer ASX announcement dated 27 June 2022).

