

Namibia U308 Pty Ltd

ACN: 674 282 341

Financial report

For the period ended 30 June 2024

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NAMIBIA U308 PTY LTD

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DIRECTOR'S REPORT

The director presents this report together with the financial report of Namibia U308 Pty Ltd, the "company", for the period ended 30 June 2024 and auditor's report thereon.

Directors names

The name of the director in office at any time during or since the end of the period is:

Scott Patrizi Appointed 17 January 2024

The director has been in office since the start of the period to the date of this report unless otherwise stated.

Results

The loss of the company for the period after providing for income tax amounted to \$70,101.

Review of operations

The company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Significant changes in state of affairs

There were no significant changes in the company's state of affairs that occurred during the financial period, other than those referred to elsewhere in this report.

Principal activities

The Company was incorporated on 17 January 2024 for the principal activity of exploration for minerals. No significant change in the nature of these activities occurred during the period.

No significant change in the nature of these activities occurred during the period.

After balance date events

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

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DIRECTOR'S REPORT

Likely developments

The likely developments in the operations of the company and the expected results of those operations in subsequent financial years are as follows:

Namibia U308 Pty Ltd is currently in the process of being acquired by Connected IO through a share sale agreement involving Namibia U308 and its key shareholders. As per the agreement, Connected IO will acquire 100% of the share capital in Namibia U308, thereby gaining an 80% legal and beneficial interest in one granted tenement (EPL 6933) and three tenement applications (EPL 9162, EPL 9705, and EPL 9576) located in Namibia, which are prospective for uranium.

Environmental regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends paid, recommended and declared

No dividends were paid or declared since the start of the period. No recommendation for payment of dividends has been made.

Options

No options over unissued shares or interests in the company were granted during or since the end of the period and there were no options outstanding at the end of the period.

Indemnification of officers

No indemnities have been given or insurance premiums paid, during or since the end of the period, for any person who is or has been an officer of the company.

Indemnification of auditors

No indemnities have been given or insurance premiums paid, during or since the end of the period, for any person who is or has been an auditor of the company.

Proceedings on behalf of the company

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

Disclosure of parent entity accounts

No disclosure of parent entity accounts is applicable, during or since the end of the year.

Rounding of amounts

In accordance with ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191, the amounts in the Directors' report and in the financial report have been rounded to the nearest &1 (where rounding is applicable).

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DIRECTOR'S REPORT

Signed in accordance with a resolution of the director.



Director: Scott Patrizi

Dated this 18th day of July 2024.

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 17 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2024**

	Note	17 January - 30 June 2024 \$
Less: expenses		
Finance costs		(28)
Other expenses	3	<u>(70,073)</u>
		<u>(70,101)</u>
(Loss) before income tax expense		(70,101)
Other comprehensive (Loss) for the period		<u>-</u>
Total comprehensive (Loss)		<u><u>(70,101)</u></u>

The accompanying notes form part of these financial statements.

NAMIBIA U308 PTY LTD
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	June 2024 \$
Current assets		
Cash and cash equivalents	2	<u>91,448</u>
Total current assets		<u>91,448</u>
Total assets		<u>91,448</u>
 Current liabilities		
Payables		<u>12,150</u>
Total current liabilities		<u>12,150</u>
Total liabilities		<u>12,150</u>
Net assets		<u>79,298</u>
 Equity		
Share capital	4	149,399
Retained earnings	5	<u>(70,101)</u>
Total equity		<u>79,298</u>

The accompanying notes form part of these financial statements.

NAMIBIA U308 PTY LTD

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**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 17 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2024**

	Contributed equity \$	Reserves \$	Retained earnings \$	Total equity \$
Balance as at 17 January 2024 (date of incorporation)	-	-	-	-
(Loss) for the period	-	-	(70,101)	(70,101)
Total comprehensive (Loss) for the period	-	-	(70,101)	(70,101)
Transactions with owners in their capacity as owners:				
Contributions	149,399	-	-	149,399
Total transactions with owners in their capacity as owners	149,399	-	-	149,399
Balance as at 30 June 2024	149,399	-	(70,101)	79,298

The accompanying notes form part of these financial statements.

NAMIBIA U308 PTY LTD**ACN: 674 282 341****STATEMENT OF CASH FLOWS
FOR THE PERIOD 17 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2024**

	17 January - 30 Note June 2024 \$
Cash flow from operating activities	
Payments to suppliers and employees	<u>(5,241)</u>
Net cash (used in) operating activities	<u>(5,241)</u>
Cash flow from investing activities	
Advance Payment for Acquisition of SPV	<u>(52,710)</u>
Net cash (used in) investing activities	<u>(52,710)</u>
Cash flow from financing activities	
Proceeds from share issue	<u>149,399</u>
Net cash provided by financing activities	<u>149,399</u>
Reconciliation of cash	
Net increase in cash held	<u>91,448</u>
Cash at end of period	<u><u>91,448</u></u>

The accompanying notes form part of these financial statements.

NAMIBIA U308 PTY LTD

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NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD 17 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2024

NOTE 1: BASIS OF PREPARATION

General information

The director has determined that the company is not a reporting entity on the basis that, in the opinion of the director, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy, specifically, all of their information needs. Accordingly, this financial report is a special purpose financial report, which has been prepared for use by the directors and members of the company.

The financial report covers Namibia U308 Pty Ltd as an individual entity. Namibia U308 Pty Ltd is a company limited by shares, incorporated and domiciled in Australia. Namibia U308 Pty Ltd is a for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the director as at the date of the director's report.

The financial report has been prepared in accordance with the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of:

- AASB 101: Presentation of Financial Statements
- AASB 107: Statement of Cash Flows
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors

Historical Cost Convention

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

Accounting policies

The following accounting policies have been applied in the preparation and presentation of the financial report.

(a) Cash and cash equivalents

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

(b) Comparatives

Comparatives are not shown as the Company was incorporated during the period on the 17 January 2024.

**NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD 17 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2024**

NOTE 1: BASIS OF PREPARATION (CONTINUED)

(c) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

Classification of financial assets

Financial assets recognised by the company are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the company irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in AASB 9.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

- (a) the company's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

Classification of financial liabilities

Financial liabilities classified as held-for-trading, contingent consideration payable by the company for the acquisition of a business, and financial liabilities designated at FVtPL, are subsequently measured at fair value.

All other financial liabilities recognised by the company are subsequently measured at amortised cost.

(d) Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

(e) Income tax

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled. Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not recognised if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

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NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD 17 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2024

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

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

NOTE 2: CASH AND CASH EQUIVALENTS

Cash at bank	<u>91,448</u>
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NOTE 3: OTHER EXPENSES

Costs for the acquisition of SPV(i)	64,860
Other Expenses	<u>5,213</u>
	<u>70,073</u>

- (i) During the first half of 2024, Namibia U308 Pty Ltd entered into four deeds of assignment and variation (Assignment Deeds) to acquire 80% of each SPV: Auwanga, Kettu Trading, Ploschad Investments, and SAA Investments (Original Holders), wherein the original holders transferred their interests and obligations from four binding Heads of Agreements (HOAs) to Namibia U308 Pty Ltd.

As of June 30, 2024, Namibia U308 Pty Ltd is not yet the owner of the Tenements. The Tenements were originally applied for by various Namibian parties as detailed below:

- Fillemon Auwanga (Namibian national) was granted exclusive prospecting licence 6933 (EPL 6933) on October 10, 2023.
- Ploschad Investments (Namibian entity) applied for, but has not yet obtained, exclusive prospecting licence 9162 (EPL 9162) on November 17, 2023.
- SAA Investments (Namibian entity) applied for, but has not yet obtained, exclusive prospecting licence 9576 (EPL 9576) on July 13, 2023.
- Kettu Trading (Namibian entity) applied for, but has not yet obtained, exclusive prospecting licence 9705 (EPL 9705) on October 16, 2023.

Each applicant entered into a separate HOA with the aim of:

- a) Incorporating a Namibian entity (each a separate SPV) to hold each Tenement.
- b) Namibia U308 Pty Ltd acquiring an 80% interest in each SPV, with the remaining 20% held by the applicant.
- c) Namibia U308 Pty Ltd's commitment to reimburse the applicants for specific expenses and provide cash and share consideration (HoA Amounts), part of which has already been paid (AUD 64,860).

Namibia U308 Pty Ltd also has the option to acquire additional interests:

- An additional 10% in the Auwanga, SAA, and Kettu SPVs, for approximately A\$200,000 each, under their respective HOAs.
 - An additional 20% in the Ploschad SPV, for approximately A\$400,000, under the Ploschad HOA
- As of the execution date, each SPV has not yet been incorporated under its respective Heads of Agreement. Therefore, as of June 30, 2024, Namibia U308 Pty Ltd does not yet hold an 80% interest in

NAMIBIA U308 PTY LTD**ACN: 674 282 341****NOTES TO FINANCIAL STATEMENTS****FOR THE PERIOD 17 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2024**

each of the SPVs, and consequently does not hold an 80% interest in the Tenements.

NOTE 4: SHARE CAPITAL

Issued and paid-up capital

180,001 fully paid Ordinary Shares (a) 149,399

	June 2024	
	Number	\$
(a) Ordinary		
Opening balance	-	-
Shares issued:		
17 January 2024	1	1
22 May 2024	<u>180,000</u>	<u>149,398</u>
	180,001	149,399
	-	-
At reporting date	<u>180,001</u>	<u>149,399</u>

Rights of each type of share

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

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

Capital management

When managing capital, management's objective is to ensure the company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. This is achieved through the monitoring of historical and forecast performance and cash flows.

NOTE 5: RETAINED EARNINGS

Net (loss)	<u>(70,101)</u>
	<u>(70,101)</u>

NAMIBIA U308 PTY LTD**ACN: 674 282 341****NOTES TO FINANCIAL STATEMENTS****FOR THE PERIOD 17 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2024****NOTE 6: COMMITMENTS AND CONTINGENT LIABILITIES**

During the year, Namibia U308 Pty Ltd entered into four deeds of assignment and variation (Assignment Deeds) to acquire 80% of each SPV: Fillemon Auwanga, Kettu Trading, Ploschad Investments, and SAA Investments (Original Holders), wherein the original holders transferred their interests and obligations from four binding Heads of Agreements (HOAs) to Namibia U308 Pty Ltd. Estimates of the maximum amounts that may become payable:

SPV	Cash payment (AUD)	Performance Rights
Fillemon Auwanga (EPL 6933)	137,800	None
Ploschad Investments (EPL 9162)	20,510	The issue of 404,225 performance rights, each vesting and converting to one fully paid ordinary share in ultimate shareholder of the purchaser upon the satisfaction of the performance milestone (Class C performance rights)
Kettu Trading (EPL 9705)	11,070	The issue of 1,738,385 performance rights, each vesting and converting to one fully paid ordinary share in ultimate shareholder of the purchaser upon the satisfaction of the performance milestone (Class A performance rights)
SAA Investments (EPL 6933)	11,070	The issue of 1,738,385 performance rights, each vesting and converting to one fully paid ordinary share in ultimate shareholder of the purchaser upon the satisfaction of the performance milestone (Class B performance rights)

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE

There has been no matter or circumstance, which has arisen since 30 June 2024 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2024, of the company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2024, of the company.

NOTE 8: COMPANY DETAILS

The registered office of the company is:

Namibia U308Pty Ltd
Suite 23, 513 Hay Street Subiaco WA, 6008
Subiaco WA 6008

NAMIBIA U308 PTY LTD
ACN: 674 282 341

DIRECTORS' DECLARATION

The director has determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The director of the company declares that:

1. The financial statements and notes, as set out on pages 4 - 12 presents fairly the company's financial position as at 30 June 2024 and performance for the period ended on that date of the company in accordance with the accounting policies outlined in Note 1 to the financial statements.
2. In the director's opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Director: Scott Patrizi

Dated this 18 July 2024

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF NAMIBIA U308PTY LTD****Report on the Audit of the Financial Report***Opinion*

We have audited the financial report, being a special purpose financial report of Namibia U308 Pty Ltd, "the Company", which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period 17 January 2024 (date of incorporation) to 30 June 2024 then ended, and notes to the financial statements, including material accounting policy information, and the director's declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Company as at 30 June 2024, and its financial performance and its cash flows for the period 17 January 2024 (date of incorporation) to 30 June 2024 then ended in accordance with the financial reporting requirements of Corporation Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* "the Code" that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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.

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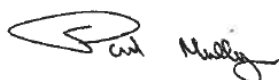
**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF NAMIBIA U308PTY LTD**

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

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

We communicate with the director 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.

Pitcher Partners BA&A PTY LTD
PITCHER PARTNERS BA&A PTY LTD



PAUL MULLIGAN
Executive Director
PERTH, 18 July 2024