TEN SIXTY FOUR LIMITED

FINANCIAL REPORT

FOR THE YEAR ENDED

30 JUNE 2024

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CORPORATE DIRECTORY

DIRECTORS

Debra Bakker
Non-Executive Chair

Jonathan Shellabear
Non-Executive Director

William John DeCooman
Non-Executive Director

COMPANY SECRETARY

Karl Schlobohm

EXECUTIVE MANAGEMENT

Simon Theobald
Chief Executive Officer

Raul Conde Villanueva
President Philippines affiliates

Nicola Gill
Chief Financial Officer

James Pingul Llorca
General Manager, Geology & Resources

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AUSTRALIAN BUSINESS NUMBER

ABN 60 099 377 849

STOCK EXCHANGE LISTING

Australian Securities Exchange Limited (ASX)
Trading Code: X64

AUDITORS

Australia:

BDO AUDIT (WA) PTY LIMITED
Mia Yellagonga Tower 2 5 Spring Street
Perth, WA 6000

Philippines:

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LANDCO Building, JP Laurie Ave
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SHARE REGISTRY

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Shareholders who require information about their shareholdings, dividend payments or related administrative matters should contact the Company's share registry.

DIRECTORS' REPORT
for the year ended 30 June 2024

1. DIRECTORS

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

Name	Period of Directorship
Non-Executive Directors:	
Debra Anne Bakker (Chair)	appointed 19 June 2023
William John DeCooman	appointed 19 June 2023
Jonathan Shellabear	appointed 19 June 2023
Andrew Brown	appointed 19 June 2023, resigned 10 November 2023
Executive Directors:	
W. Robertson Milbourne	appointed 19 June 2023, ceased role as Managing Director on 16 November 2023, resigned as a director on 20 December 2023.

2. DIRECTORS' INFORMATION

Debra Anne Bakker

Board Chair (appointed 19 June 2023)

MAppFin, BBus (Fin & Acc), GradDip, GFinSIA, GAICD

Experience and expertise

Debra Anne Bakker is an experienced financier and participant in the resources industry with 10 years' experience working in London, Chicago and New York in senior roles with Barclays Capital and Standard Bank. Subsequently, Ms Bakker established the natural resources team for Commonwealth Bank of Australia and held a number of senior roles over a 10-year period culminating as Head of Mining and Metals Origination. Ms Bakker is also the Australian representative of Auramet Trading LLC.

Other Current Directorships:

- IGO Ltd - NED and Chair of People, Performance and Culture Committee (appointed 14 December 2016)
- Yancoal Australia Ltd (appointed 1 March 2024)

Former directorships (last 3 years)

- Carnarvon Energy Ltd - NED and Chair of Audit Committee (resigned 15 December 2023)
- Transhipment Services Australia Pty Ltd

Special responsibilities

- Chair of the Board

William John DeCooman

Non-Executive Director (appointed 19 June 2023)

BSc (Mineral Economics), MSc (Mineral Economics)

Experience and expertise

William John DeCooman has nearly 30 years' executive leadership and mining finance experience, including the start-up of Sweetwater Royalties as President and CEO, a privately held base and industrial minerals royalty company, from 2020 to 2023. He was Senior Vice President for Business Development and Strategy at SSR Mining where he was responsible for corporate strategy, business development, and investor relations from 2009 to 2020. Prior to these experiences, he has more than fifteen years of mining project finance and advisory responsibilities at Deutsche Banc Alex Brown and Standard Bank and corporate positions in Finance, Business Development and Exploration.

Other current directorships

- Silver Mountain Resources Inc (TSX) (appointed 23 January 2024)

Former directorships (last 3 years)

- None

Special responsibilities

- Chair of the Safety, Health and Environment Committee

2. DIRECTORS' INFORMATION (continued)

Jonathan Shellabear

Non-Executive Director (appointed 19 June 2023)

BSc (Hons) Geology, MBA

Experience and expertise

Jonathan Shellabear has over 30 years' experience in the Australian and international mining industry having worked as a geologist, resources analyst, senior corporate executive and investment banker specialising in the resources sector. Mr Shellabear's senior corporate roles in the industry include Dominion Mining Ltd (Managing Director and Chief Executive Officer), Heron Resources (Managing Director and Chief Executive Officer) and Capricorn Metals (Chief Financial Officer). He has also held senior investment banking positions with NM Rothschild and Sons, Deutsche Bank and Resource Finance Corporation. He has specific experience in operational management, project development, financial management, debt and equity capital markets, mergers and acquisitions, strategic advice, risk management and investor relations.

Other Current Directorships

- Nico Resources Ltd (appointed 3 April 2023)

Former directorships (last 3 years)

- Tempus Resources Ltd (resigned 29 November 2023)

Special responsibilities

- Chair of the Remuneration Committee
- Chair of the Nominations Committee

Andrew Brown

Non-Executive Director (appointed 19 June 2023, resigned 10 November 2023)

BA (Econ) Hons, GAICD

Experience and expertise

Andrew Brown has over 42 years' experience in Australian & selected global equity markets as a buy side (Rothschild, AMP, Prudential) and sell side (County NatWest) analyst, Head of Equities, corporate investor and company Director. He is a past Director of 12 ASX listed companies since 2003 and two other public entities. Mr Brown is a well-known analyst of complex corporate structures and advises on market behaviours and continuous disclosure protocols.

Other Current Directorships

- East 72 Holdings Ltd (appointed 22 April 2016)

Former directorships (last 3 years)

- None

Special responsibilities

- Chairperson of the Audit & Risk Management Committee

2. DIRECTORS' INFORMATION (continued)

Walter Robertson Milbourne

Managing Director (appointed 19 June 2023, ceased his role as Managing Director on 16 November 2023, and resigned as a director on 20 December 2023)

Juris Doctorate

Experience and expertise

Robertson Milbourne is an international mining and natural resources lawyer and executive with 20 years' experience managing assets in all stages of the mineral investment lifecycle across most major jurisdictions and commodities. He is the Managing Director of Mining Standards International, a consultancy in the mining sector focused on governance, sustainability and transparency in mining operations.

Other directorships

- None

Former directorships (last 3 years)

- None

3. COMPANY SECRETARY

Karl Schlobohm (appointed 19 June 2023)

BComm, BEcon, MTax, CA, FGIA

Karl Schlobohm is a qualified Chartered Accountant and a Fellow of the Governance Institute of Australia, with over 30 years' experience across a wide range of businesses and industries. He has extensive listed company experience spanning the ASX, LSE, AIM and TSX exchanges, and has acted as a Director, Company Secretary and / or Chief Financial Officer for a number of publicly listed companies in the resources industry over the past 20 years.

Mr Schlobohm is currently a Director of the Australian Shareholders' Association, and acts as the part-time Company Secretary and Chief Financial Officer of ASX-listed Gold Hydrogen Ltd. He has a keen interest in corporate governance, ethics, and sustainability, as well as stakeholder communications and investor relations.

4. MEETINGS OF DIRECTORS

There was 1 formal Board meeting undertaken during the financial year and no Board Committee meetings. Since entering into administration on 2 July 2023, the powers of the Board have been suspended in accordance with Section 437C(1)(a) of the Corporations Act 2001 (Cth). As a result, all actions taken by the company since this date have been under the direction or delegation of the Administrators and, subsequently, the Deed Administrator.

While the directors have continued to meet periodically, these meetings were not formal Board meetings as the statutory powers and responsibilities of the Board have been transferred to the Administrators. These gatherings of directors served only as informal discussions or consultations to provide input on certain matters or receive updates on the company's affairs, without any decision-making authority.

Name of Director	Board Gatherings		Board Meetings	
	Number	Number	Attended	Attended
Debra Bakker	5	5	1	1
William John DeCooman	5	5	1	1
Jonathan Shellabear	5	5	1	1
W. Robertson Milbourne	-	-	1	1
Andrew Brown	-	-	1	1

Number = Number of meetings held during the time the Director held office during the year.

5. PRINCIPAL ACTIVITIES

The principal activities of the Group during the course of the financial year were mineral exploration and evaluation in Australia, the processing of gold bearing ore for Philsaga Mining Corporation ("PMC") an associate in the Asia Pacific region and investment holding company for 40% direct equity interest in Philsaga Management and Holdings Inc ("PMHI"), including its subsidiary PMC the holder of the Co-O Mine.

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

6. OPERATING RESULTS

The net consolidated loss for the financial year attributable to members of Ten Sixty Four Limited ("X64") after provision of income tax was US$0.01 million (2023: Consolidated loss of US$43.0 million).

Key financial results:

Description	Unit	30 June 2024	30 June 2023	Variance
Revenues	US$	$6.6M	$115.1M	(94%)
NPAT (Loss)	US$	($0.01M)	($43.0M)	-
EPS (basic)	US$/share	($0.001)	($0.189)	97%

The audited Net Profit before tax for the financial year ended 30 June 2024 has been materially impacted by the following:

- The operating results for the financial year ended 30 June 2023 are generated from the operations of the Co-O Mine and the respective sale of production until 13 February 2023, at which point the Co-O Mine was deconsolidated from the Group. Subsequent to this revenue has been earned from the toll-treatment by the gold mill (in which the Reporting Group owns a direct 80% interest) of ore from the Co-O Mine. A reduction in gold ore production of approximately 28% by PMC, and thus ore treated by the gold mill, also impacted the earnings of the Reporting Group.

7. REVIEW OF OPERATIONS (Co-O Mine - X64 40% Indirect Equity Interest)

Description (Reported on 100% Basis)	Unit	30 June 2024	30 June 2023	Variance	(%)
Ore mined	WMT	380,992	535,145	(154,153)	(29%)
Ore milled	DMT	344,337	479,810	(135,473)	(28%)
Gold head grade	g/t	5.31	5.32	(0.01)	(0.1%)
Gold recovery	%	95.5	95.0	0.5%	0.5%
Gold produced	ounces	56,948	78,061	(21,113)	(27%)
All-in-Sustaining Cost	US$/oz	$1,780	$1,593	($187)	(12%)
Gold sold	ounces	61,986	75,747	(13,761)	(18%)
Average gold price received	US$/oz	$2,045	$1,810	$235	13%

PMC produced 56,948 ounces of gold for the year, compared to 78,061 ounces from the previous corresponding period, at an average recovered grade of 5.31 g/t gold (2023: 5.32 g/t gold). The reduction is due to reduced ore being mined and milled as the Co-O Mine accesses levels at depth.

All-in-Sustaining-Costs ("AISC") for the year was US$1,780 per ounce of gold (2023: US$1,593 per ounce) the increase AISC is predominately due to reduced gold production.

A full review and summary information concerning the Group's operations and exploration activities for the financial year and the results of those operations will be available in the Review of Operations section of the Annual Report.

8. EXTERNAL FACTORS AFFECTING GROUP RESULTS

Commodity prices

The Group's operating revenues include proceeds from the sale of gold and to a much lesser degree, silver; these are sold at spot rate and no forward contracts or hedging were utilised. Since February 2023, gold is produced and sold by PMC, in which the Group holds a 40% indirect equity interest.

Foreign exchange

The Group operates in foreign jurisdictions, exposing it to foreign exchange risk from future commercial transactions and recognized assets and liabilities denominated in currencies other than the Group's functional currency. The Group's functional and reporting currency is the United States Dollar (USD, US$). Operations are conducted in Australia and the Philippines, where the local currencies are the Australian Dollar (AUD, A$) and the Philippine Peso (PHP, ₱), respectively.

Mining sector enterprises face many operating risks

In common with other enterprises undertaking business in the mining sector, the Group's mineral exploration, project development, mining and related activities are subject to conditions beyond the Group's control that can reduce, halt or limit production or increase the costs of production.

Exposure to economic, environmental and social sustainability risks

The Group has potentially material exposure to economic, environmental, social and governance risks, including changes in community expectations, and environmental, social and governance.

Stakeholder relationships

The Company holds a direct 40% shareholding in PMHI. In February 2023, a dispute over, amongst other things, the ownership of the 60% of PMHI not held by the Company occurred, and various legal claims were filed in the Filipino Courts ("the Disputes"). The Company is not a party to the Disputes. As 40% shareholder at the PMHI level, the Company has voting and economic rights in respect of PMHI under Philippine law and PMHI's constitutive documents which are not impacted by the Disputes.

The Company awaits the decision of the appropriate Philippine Courts to determine the outcome of the Disputes. However, based on facts currently known to the Board, and independent advice, the Board and the Deed Administrator recognise Mr Villanueva as the appropriate controlling shareholder and President of PMHI.

On 8 April 2024, the Regional Trial Court in Davao City in Case No. R-DVO-23-01736-CV denied an application from Joseph Mahusay for a Writ of Preliminary Injunction against Raul Villanueva, which sought to prevent Mr Villanueva from acting as President and Director of PMHI. This case remains pending and is currently in the trial stage.

On 27 May 2024, the Regional Trial Court in Davao City in Case No. R-DVO-23-04666-CV ("27 May Order") granted an application from Raul Villanueva for a Writ of Preliminary Injunction against Jospeh Mahusay, Ramon Austria, Peter Alphonso and Patrick Warr preventing them, or anyone acting on their behalf or authority, from:

- misrepresenting themselves as PMHI directors and officers to clients and to the public;
- exercising functions and duties of PMHI as its directors and officers;
- asserting rights from the disputed stockholders' and directors' meeting and election purportedly held on 24 February 2023;
- causing further damage to PMHI's business during the pendency of the case; and
- validating any board resolutions or actions executed by the defendants.

The 27 May Order restores the "status quo ante" or the last actual, peaceable and uncontested situation which preceded the controversy between the parties. This case likewise remains pending and is currently in the trial stage.

Notwithstanding that the Company is not a party to the Disputes, there is a risk that if the Disputes are not resolved in Mr Villanueva's favour, the other parties may question the agreements Mr Villanueva (on behalf of PMC) entered into with the Company and MMPRC (e.g., Lease Agreement, Revised Framework Agreement, Memorandum of Agreement).

The Board considers that the agreements entered into should be considered valid corporate acts. If the Disputes were to be resolved in favour of Mr Mahusay and he sought to have these agreements overturned, he would need to do so under the Philippines legal system. The Board, based on independent advice, considers it unlikely that the agreements would be overturned as they have been negotiated in good faith and at arms' length and are beneficial to both sides, in that they provided clarity to each side rather than giving advantage to either party.

8. EXTERNAL FACTORS AFFECTING GROUP RESULTS (continued)

A breakdown in the Company's relationship with its stakeholders, which include the Filipino shareholders of PMHI, local communities and government authorities, may lead to a damage in its reputation, which could jeopardise the Company's social licence to operate, and impact its financial returns and capital management, which is essential to delivering on its purpose and strategy.

Jurisdictional risks

The Company maintains active operations and investments in the Philippines, recognizing the opportunity to engage with the country's dynamic regulatory, legal, and socio-political frameworks. As stipulated by the Philippine Constitution, all natural resources are owned by the State, which may enter into co-production, joint venture, or production-sharing agreements with Philippine citizens or corporations that are at least 60% Filipino-owned. This regulatory framework ensures that the benefits of resource development are equitably shared with the local populace.

In collaboration with the other shareholders of its Philippine associate entity, PMHI, the Company is dedicated to adhering to these constitutional requirements. We have proactively undertaken a thorough review and restructuring of our legal and documentation frameworks to ensure full compliance with local regulations. This initiative underscores our commitment to fostering robust and transparent relationships within the Philippines.

While acknowledging that the complexities of the regulatory environment may have resulted in historical discrepancies under previous Boards and management, we are guided by the Philippine Supreme Court's jurisprudence holding that the ownership of land previously transferred to an alien and subsequently transferred to a Philippine citizen is valid and may no longer be impugned on the basis of the supposed invalidity of the former landowner's (*i.e.,* the alien's) ownership. Although similar jurisprudence specifically concerning mineral rights has yet to be established, our dedication to compliance remains unwavering.

It is noteworthy that numerous Australian companies have investments in the Philippines and operate in harmony with its vibrant business environment. These enterprises, including ours, exemplify the mutual benefits and opportunities that arise from such international partnerships. By fostering understanding and collaboration, we continue to contribute positively to the development and prosperity of both nations.

The Co-O Mine is operated by PMC, a subsidiary of PMHI in which the Company holds 40% of the total issued and outstanding shares. The Company does not directly hold shares in PMC. In the Philippines, shareholders, especially minority shareholders, are afforded various legal protections under the Revised Corporation Code of the Philippines (R.A. 11232), other laws, and jurisprudence. This includes various protection against oppression by majority shareholders such as:

a. Fiduciary Duty of Directors and Officers - Directors and officers must act in the best interest of the corporation (and not of their principals or nominating shareholders).

b. Derivative Suits - In a situation where the officials of the corporation refuse to sue, or are the ones to be sued or alleged to be committing acts against the interest of the corporation, or hold control of the corporation, a shareholder may be permitted to institute a derivative suit on behalf of the corporation in order to protect or vindicate corporate rights. In such actions, the corporation is the real party-in-interest while the suing shareholder, on behalf of the corporation, is only a nominal party.

c. High vote requirements for certain matters - There are certain corporate acts which, under Philippine corporate law, require approval or ratification by shareholders representing at least two-thirds of the corporation's outstanding capital stock (e.g., extension or shortening of corporate term; increase or decrease of capital stock; incurrence, creation or increase of bonded indebtedness; sale, disposition, lease, or encumbrance of all or substantially all of the property or assets of the corporation (except when the sale, lease, disposition or encumbrance is necessary in the usual and regular course of business, or when the proceeds of the sale or disposition are appropriated for the conduct of the corporation's remaining business); investment of corporate funds in another corporation or business; declaration of stock dividends; dissolution of the corporation; merger or consolidation with another corporation; entry into a management contract with another corporation where there are interlocking directors or shareholders).

d. Right to inspect or examine corporate records - Corporate records, regardless of the form in which they are stored, must be open to inspection by any director, trustee, stockholder or member of the corporation in person or by a representative at reasonable hours on business days, and a demand in writing may be made by such director, trustee or stockholder at their expense, for copies of such records or excerpts from said records.

As at the date of this Report, the Company has been in detailed negotiations with the other PMHI shareholder to agree a shareholder's agreement that proposes to contain further shareholder protections for the Company. However, as at the date of this Report, the negotiations are still ongoing and there can be not guarantee that these protections will be agreed between the shareholders.

8. EXTERNAL FACTORS AFFECTING GROUP RESULTS (continued)

Natural Disaster and Environmental Risk

The Company operates and holds investments in regions that are subject to natural disaster risks, including earthquakes, monsoons, and other extreme weather events. These environmental factors have the potential to disrupt operations, damage infrastructure, delay projects, and impact supply chains. The unpredictable nature of such events may pose significant risks to our assets, employees, and overall business continuity.

Modified Audit Opinion

The Company's auditors have issued a modified audit report for the year ended 30 June 2024.

The Company has made significant progress in assessing the impact of the legal dispute and, subsequent to balance date, has executed a number of agreements with PMC. Based on the facts currently known to the Board and independent advice, both the Board and the Deed Administrator recognise Mr. Villanueva as the appropriate controlling shareholder and President of PMHI. The restructuring of inter-company commercial, operational, and financing arrangements, as detailed in Section 12 Significant Changes in State of Affairs, provides a framework for moving forward.

The Company understand the auditor's concerns primarily relate to:

i. Sufficient access to the management and auditors of the PMHI Group. The Memorandum of Agreement executed on 9 January 2025 includes access to specific information from PMC which should address this issue in future reporting periods. However, it is recognised that such access was not fully available during the financial year ended 30 June 2024.

ii. Comparability of current periods figures and corresponding figures. For the financial year ended 30 June 2023, the Company's auditors issued a disclaimer of opinion on the financial report due to several factors, including the fact that the directors signing the financial statements were not in office for the majority of the period and the ongoing legal disputes regarding the control of PMHI.

iii. Uncertainty related to going concern. Going concern is more fully detailed in Note 1(e) Basis of Preparation – Going Concern. Given the Company's current working capital position and cash flow forecast, the effectuation of the DOCA is expected to address this issue.

iv. Emphasis of matter with respect to the Dispute and possible historical discrepancies with the Philippine Constitution outlined above. See additional disclosure in Note 12 (e)(ii) Investment in Associate – Legal Matters.

The Board acknowledges these issues and is actively addressing them through independent reviews and the ongoing restructuring efforts.

The Group's approach to risk management is discussed in more detail in the Group's Corporate Governance Statement and Risk Management Policy which can be found on the Company's website.

9. DIVIDENDS

No dividends were declared or paid during the financial year to the shareholders of the Company (2023: A$0.05 per share A$11.4 million (US$7.3 million)).

10. CAPITAL STRUCTURE

As at 30 June 2024 and 2023 there were 227,798,076 shares on issue and 1,500,000 performance rights.

11. SHARE PERFORMANCE

On 28 February 2023, the Company requested a voluntary suspension of its securities in accordance with ASX Listing Rule 17.2, the share price at that time was A$0.57 per share; the Company's shares remain in suspension as at the date of this report.

12. SIGNIFICANT CHANGE IN STATE OF AFFAIRS

Disputed Ownership of PMHI

The Company holds a direct 40% shareholding in PMHI. In February 2023, a dispute over, amongst other things, the ownership of the 60% of PMHI not held by the Company occurred, and various legal claims were filed in the Filipino Courts ("the Disputes"). The Company is not a party to the Disputes. The Company has voting and economic rights in respect of PMHI under Philippine law and PMHI's constitutive documents and the Disputes do not impact these rights. Similarly, the current operations at Co-O are uninterrupted by the Disputes.

12. SIGNIFICANT CHANGE IN STATE OF AFFAIRS (continued)

There are proceedings underway in the Philippines relating to the Disputes. The Company awaits the decisions of the appropriate Philippine Courts to determine the outcome of the Disputes. Based on facts currently known to the Board, and independent advice, the Board and the Deed Administrator recognise Mr Villanueva as the appropriate controlling shareholder and President of PMHI.

On 8 April 2024, the Regional Trial Court in Davao City in Case No. R-DVO-23-01736-CV denied an application from Joseph Mahusay for a Writ of Preliminary Injunction against Raul Villanueva, which sought to prevent Mr Villanueva from acting as President and Director of PMHI. This case remains pending and is currently in the trial stage.

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- misrepresenting themselves as PMHI directors and officers to clients and to the public;
- exercising functions and duties of PMHI as its directors and officers;
- asserting rights from the disputed stockholders' and directors' meeting and election purportedly held on 24 February 2023;
- causing further damage to PMHI's business during the pendency of the case; and
- validating any board resolutions or actions executed by the defendants.

The 27 May Order restores the "status quo ante" or the last actual, peaceable and uncontested situation which preceded the controversy between the parties. This case likewise remains pending and is currently in the trial stage.

External Administration

Upon taking office on 19 June 2023 the Board commenced a detailed financial analysis of the Company's business. This review identified that circumstances arose prior to their appointment on 19 June 2023 that resulted in a significant uncertainty on the ongoing solvency of the Company, and as such the Directors resolved to appoint PwC's Martin Ford and Simon Theobald as joint voluntary administrators effective 2 July 2023 ("Voluntary Administration").

Following a Second Creditors' meeting of X64 held on 31 October 2023, a Deed of Company Arrangement ("DOCA") was executed by Martin Ford and Simon Theobald (in their capacity as voluntary administrators of X64), KDTL, and the Company pursuant to which the Company ended its voluntary administration and was placed into DOCA ("Deed Administration"). Mr Ford and Mr Theobald were appointed joint Deed Administrators. On 2 January 2024, Mr Simon Theobald resigned as a joint and several Deed Administrator of the Company, due to ceasing as a permanent employee of PricewaterhouseCoopers (PwC). Mr Martin Ford remained as the appointed Deed Administrator of the Company.

KDTL, a wholly owned subsidiary of X64 which was not subject to the voluntary administration process, negotiated and executed the DOCA to return the Company to the X64 Board and its shareholders. Following execution of the DOCA, the management and Board of X64 will continue to work with the Deed Administrators to complete certain conditions precedent prior to completion of the DOCA administration, unless any such conditions precedent were or are waived in accordance with the terms of the DOCA.

The conditions precedent to the completion of the DOCA include:

- receipt of all necessary consents and approvals; resolution of the ownership disputes involving a disputed 60% ownership of PMHI. This is expected to be waived;
- resolution of the various intercompany claims. This will be resolved in line with the Global Intercompany Settlement Deed which was executed on 9 January 2025;
- variation of the Tolling Agreement between MMPRC and PMC. This was completed in March 2024;
- execution of a Management Agreement between MMPRC and X64. This was agreed to be waived;
- directors and officers' liability insurance being placed;
- the conduct of public examinations by the Deed Administrators to investigate any claims which X64 or its members may have against any third parties. This was agreed to be waived; and
- the establishment of a deed fund to pay admitted claims of X64. This is completed and payments have been made.

12. SIGNIFICANT CHANGE IN STATE OF AFFAIRS (continued)

The current sunset date for effectuation of the DOCA is 7 February 2025 but which may be extended by agreement between KDTL and the Deed Administrator. The period under which the Company is under Voluntary Administration or Deed Administration is collectively referred to as External Administration.

Resignation of Directors

- On 10 November 2023 Mr Andrew Brown resigned from the Board of Directors with immediate effect.
- On 20 December 2023 Mr Robertson Milbourne resigned from the Board of Directors with immediate effect.

Appointment and Ceasing of Chief Executive Officer

- On 16 November 2023 the Board of Directors accepted that Robertson Milbourne ended his role as Managing Director of the Company.
- On 15 January 2024 the Company advised that Mr Simon Theobald had been appointed as the Company's Chief Executive Officer, pursuant to a Consultancy Agreement for Executive Services. The material terms of this agreement were also announced.

Restructuring Framework Agreement ("RFA")

Restructuring arrangements between the Company, PMC, MMPRC, KDTL, Mr Raul C. Villanueva and the Deed Administrator were executed and announced to the ASX on 20 March 2024 ("the RFA"). The RFA sets out certain key terms and processes agreed between the parties for achieving a restructuring of certain inter-company commercial, operational and financing arrangements between the Company, KDTL, MMPRC and PMC (referred to as the "Corporate Parties"). The Corporate Parties are in ongoing negotiations to document and give effect to the transactions contemplated under the RFA. The substantive terms together with progress there on are detailed as follows:

(a) Amendments to the Existing Tolling Agreement

PMC and MMPRC have executed and registered an addendum to the existing tolling agreement dated 29 March 2017 between PMC and MMPRC ("Tolling Agreement") in which PMC and MMPRC have agreed to:

- increase the tolling fee from US$17 to US$20 (exclusive of VAT) per dry metric tonne of ore processed by MMPRC for the period from 1 January 2024 to 30 June 2025;
- extend the term of the Tolling Agreement from 26 June 2025 to 30 June 2025; and
- within sixty (60) days before the end of the term under the Tolling Agreement (currently 30 June 2025), negotiate in good faith to agree to an extension of the Tolling Agreement or to enter into a new tolling agreement on terms agreeable to both parties.

(b) Loan agreement between PMC and MMPRC

MMPRC has an outstanding loan owing from PMC pursuant to the terms of a loan agreement entered into in June 2019. On 9 January 2025 MMPRC and PMC agreed to amend the terms of the loan agreement aim at achieving a sustainable ongoing relationship and consistence cash repayments against the loan. This amendment is detailed further at paragraph 13 Events Subsequent to Balance Date.

(c) Commitment to a longer-term land lease

PMC and MMPRC have agreed to extend the term of the original lease agreement which commenced on 1 January 2014 to cover the period from 1 January 2024 to 31 December 2028, with automatic renewal provisions thereafter providing for a further 5 years (unless a party notifies the other party that the lease will not renew for a further term, at least 60 days before the termination date). The addendum to the lease effecting this was executed on 21 June 2024 and payment of the lease rental payments was made for the initial 5 year term in full.

(d) MMPRC dividend policy and simplification of existing MMPRC capital structure

MMPRC has approved a dividend policy, to be effective upon the execution of the Compromise Agreement, whereby it will, at the end of every fiscal quarter, assess its distributable profits and pay a dividend to its shareholders being the Company and PMC.

Separately, in order to simplify its capital structure, subject to certain conditions, MMPRC has also agreed to cancel, redeem or buy back the preference shares it has issued to PMC within twelve (12) months after the date of the Restructuring Framework Agreement on terms satisfactory to PMC, MMPRC and the Company. No progress on this intent was achieved subsequent to the execution of the RFA.

12. SIGNIFICANT CHANGE IN STATE OF AFFAIRS (continued)

(e) Resolution of Certain Intercompany Debts

The Company, KDTL, MMPRC and PMC have agreed relevant standstill agreements and have negotiated and agreed the final form of an intercompany settlement agreement ("Global Intercompany Settlement Deed") which were executed and became effective on 9 January 2025:

- US$4,674,845 (plus interest) payable by KDTL to PMC (refer note 15 of the notes to the consolidated financial statements);
- US$5,217,150 (plus interest) payable by the Company to KDTL (eliminated on consolidation); and
- US$4,100,000 (plus interest) payable by the Company to MMPRC (eliminated on consolidation).

(f) Shareholders' Agreement

The Company and Mr. Villanueva have agreed to negotiate in good faith to seek to agree and enter into a shareholders' agreement in respect of PMHI, which will provide clear guidelines for engagement and foster robust and transparent relationships within the Philippines. At the date of this report these negotiations were ongoing.

Drummond Basin Exploration Project

In September 2023, the Administrators determined to place the Drummond Basin Exploration Project (owned by CQ22 Pty Ltd) into care and maintenance. The review of this project is ongoing. All tenements within the project remain in good standing and are not currently affected by the decision to place these in care and maintenance.

13. EVENTS SUBSEQUENT TO BALANCE DATE

Restructuring Framework Agreement ("RFA")

On 9 January 2025, PMC and MMPRC enter into an agreement ("Agreement") where PMC have agreed to make repayments against the loan through a combination of upfront and ongoing payments and the set off of special dividends ("MMPRC/PMC Loan"). Both MMPRC/PMC have agreed the outstanding balance of US$248 million is recognised by both MMPRC and PMC in line with the Agreement.

The key terms of the Agreement are:

- Repayment of the MMPRC / PMC Loan: repayment by PMC years through a combination of:
  - First Upfront Payment: initial upfront lump sum amortization payment consisting of an upfront cash payment of US$10.5 million, which was paid on 23 January 2025;
  - Second Upfront Payment: further upfront lump sum amortization payment consisting of a cash payment of US$4,662,000;
  - Payments: PMC shall pay the remaining aggregate amount US$124,838,000 in monthly instalments of US$743,083.33 or aggregated quarterly instalments of US$2,229,250 commencing from January 2026;
  - Financially Challenging Months: PMC shall have the option to pay a minimum of fifty percent (50%) of the Monthly Amortization for each financially challenging month; and
  - Special Dividend: MMPRC have committed to the provision of special dividends totalling US$ 108 million in favour of PMC which will be applied against the outstanding balance of the intercompany loan.
- Interest: should PMC pay less than the agreed amortization amount in any quarter (except where it is due to Force Majeure, financially challenging month(s), extraordinary circumstances, or if PMC has made excess payments) interest at the rate of 6% per annum shall accrue on the relevant amortization amount less the actual amortization payment made by PMC during the relevant quarter until such time as such amount is paid in full.
- Quarterly cash sweep: subject to any agreed rights of relaxation, maximum amounts and working capital requirements a cash sweep on any PMC available funds in excess of the aggregate of US$25 million and any unpaid PMC amortization top-up and/or interest obligations as at the date of assessment.
- Non-Acceleration: MMPRC has agreed that it shall not be entitled to any acceleration of the payment of the MMPRC/PMC Loan, even in the court, or mediation, or arbitration.

13. EVENTS SUBSEQUENT TO BALANCE DATE (continued)

Two other documents required to give effect to the RFA were also executed and become effective these being:

- MMPRC Dividend Policy; and
- Global Intercompany Settlement Deed between the Corporate Parties.

Criminal Case for Falsification of Public Documents

On 20 September 2024, the Regional Trial Court of Quezon City, Philippines in relation to criminal case No. R-QZN-23-09238-43-CR ("People of the Philippines v. Jeffery McGlinn, Joseph Mahusay, Ramon S. Austria, Atty. Rosalinda Adriano Montenegro") released an order determining that the prosecution lacked sufficient evidence to convict Jeffery McGlinn, Joseph Mahusay, Ramon S. Austria, and Atty. Rosalinda Adriano Montenegro for the crime of falsification of public documents. On 18 November 2024, private complainants Mr. Villanueva, Ms. Sorila and Mr. Dy filed a Petition for Certiorari before the Court of Appeals seeking to nullify and set aside this order.

External Administration

The sunset date for effectuation of the DOCA was extended to 7 February 2025 but which may be further extended by agreement between KDTL and the Deed Administrator.

Except for the above, subsequent to Reporting Date, there has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and/or unusual nature likely, in the opinion of the directors of the Company, to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

14. FUTURE DEVELOPMENTS, BUSINESS STRATEGIES AND PROSPECTS

The Company expects to exit Administration and continue focus on the on organic growth within its toll milling operation and investment in the Co-O Mine in the Philippines and exploration properties in Queensland, Australia.

15. DIRECTORS' INTEREST

The relevant interest of each current and prior Director during the financial year in the share capital of the Company held directly, indirectly or beneficially at the date of this report is as follows:

Name of Director	No. of fully paid ordinary shares	No. of performance rights over ordinary shares
Debra Bakker	2,500	-
William John DeCooman	-	-
Jonathan Shellabear	-	-
Andrew Brown	-	-
W. Robertson Milbourne	-	-

16. REMUNERATION REPORT (Audited)

The Directors present the FY2024 Remuneration Report for Ten Sixty Four Limited ("X64" or "the Company") which sets out the remuneration information for the Directors and other Key Management Personnel ("KMP") for the year ended 30 June 2024, with comparative information for the year ended 30 June 2023.

On the 19 June 2023, the predecessor Board and Management resigned en-masse. As such, the Directors signing this financial report were not in office for the vast majority of the prior financial year ended 30 June 2023. Whilst every reasonable effort was made, they were unable to obtain all the necessary books and records pertaining to the Group for the period, required declarations in accordance with s295A of the Corporations Act 2001 and KMP declarations and confirmations to support the information contained in this Remuneration Report for the financial year ended 30 June 2023.

The remuneration report for the financial year ended 30 June 2024 has been prepared in accordance with the requirements of the Corporations Act 2001 and its accompanying regulations. However, the Directors are unable to provide assurances that this report fully complies with the Corporations Act 2001 requirements, as it has not been possible to confirm the comparative prior period disclosures for the financial year ended 30 June 2023.

Introduction

This report outlines the Company's approach to remuneration for its Non-Executives and Executives.

The Board recognises that the success of the business depends on the quality and engagement of its people. To ensure the Company continues to succeed and grow, it must attract, motivate and retain skilled Directors, Executives and employees. The Board delegates responsibility in relation to remuneration to the Remuneration Committee to ensure that people and performance are a priority.

(a) Details of Key Management Personnel

Name	Period of Directorship/Engagement
Non-Executive Directors:	
Debra Anne Bakker (Chair)	appointed 19 June 2023
William John DeCooman	appointed 19 June 2023
Jonathan Shellabear	appointed 19 June 2023
Andrew Brown	appointed 19 June 2023, resigned 10 November 2023
Kate George (Chair)	appointed 25 November 2022, resigned 16 June 2023
Andrew Hunt	appointed 16 March 2022, resigned 19 June 2023
Simon Mottram	appointed 11 June 2020, resigned 19 June 2023
Aaron Treyvaud	appointed 2 May 2022, resigned 28 April 2023
Executive Directors:	
Walter Robertson Milbourne	appointed 19 June 2023, ceased as Managing Director on 16 November 2023, ceased to be a director on 20 December 2023.
Jeffery McGlinn	appointed 16 February 2021, subsequently appointed as Executive Chair on 2 May 2022 and then resigned as Executive Chair and appointed as Managing Director on 11 Nov 2022, resigned 19 June 2023.
Executive Officers:	
Simon Theobald	Chief Executive Office appointed 2 January 2024
Raul Villanueva	President of Philsaga Mining Corporation and Mindanao Mineral Processing and Refining Corporation, considered an KMP prior to 13 February 2023
Nicola Gill	Interim Chief Financial Officer appointed 20 June 2023
James Llorca	General Manager, Geology & Resources
Patrick Warr	Chief Financial Officer resigned 19 June 2023

16. REMUNERATION REPORT (Audited) (Continued)

(b) Key Management Personnel remuneration (Consolidated)

The following table provides the details of the remuneration of all Directors and Executive Officers of the Group and the nature and amount of the elements of their remuneration (in US$'s) for the year ended 30 June 2024 and the previous financial year.

Name	Year	Short term benefits					Post-employment benefits	Long-term benefits		Termination benefits	TOTAL	Proportion of remuneration performance related
		Salary / fees	Directors' fees [6]	STI – Cash [1]	STI – PRs [1]	Other [2]	Super	LSL[3]	LTI – PRs [4]			
Directors:												
Non-Executive												
Debra Bakker	2024	-	66,460	-	-	-	-	-	-	-	**66,460**	-
	2023	-	2,769	-	-	7,436	-	-	-	-	**10,205**	-
William John DeCooman	2024	-	66,460	-	-	-	-	-	-	-	**66,460**	-
	2023	-	2,769	-	-	18,013	-	-	-	-	**20,782**	-
Jonathan Shellabear	2024	-	66,460	-	-	-	-	-	-	-	**66,460**	-
	2023	-	2,769	-	-	-	-	-	-	-	**2,769**	-
Andrew Brown [7]	2024	-	16,615	-	-	-	-	-	-	-	**16,615**	-
	2023	-	2,769	-	-	6,412	-	-	-	-	**9,181**	-
Andrew Hunt [11]	2023	-	64,303	-	-	-	-	-	-	-	**64,303**	-
Simon Mottram [11]	2023	-	64,288	-	-	-	-	-	-	-	**64,288**	-
Aaron Treyvaud [9]	2023	-	49,605	-	-	-	-	-	-	-	**49,605**	-
Kate George [10]	2023	-	37,747	-	-	-	-	-	-	-	**37,747**	-
Executive												
W. Robertson Milbourne [8]	2024	169,697	-	-	-	1,876	-	-	-	274,149	**445,722**	-
	2023	107,478	-	-	-	-	-	-	-	-	**107,478**	-
Jeffery McGlinn [11]	2023	429,321	105,556	39,684	-	1,623	32,870	-	-	239,758	**848,812**	5%
Executive Officers:												
Simon Theobald [12]	2024	115,412	-	-	-	11,364	7,615	-	-	-	**134,391**	-
James Llorca	2024	235,933	-	-	-	23,147	18,277	-	-	-	**277,357**	-
	2023	234,797	38,009	-	11,403	25,069	18,189	-	20,172	-	**347,639**	9%
Nicola Gill [13]	2024	200,128	-	-	-	1,833	16,753	-	-	-	**218,714**	-
	2023	10,966	-	-	-	-	-	-	-	-	**10,966**	-
Raul Villanueva [14]	2023	400,000	-	-	35,159	-	-	-	259,467	-	**694,626**	42%
Patrick Warr [11]	2023	221,741	38,365	83,568	11,403	18,665	17,147	-	(87,146)	50,692	**354,435**	2%
Total	**2024**	**721,170**	**215,995**	**-**	**-**	**38,220**	**42,645**	**-**	**-**	**274,149**	**1,292,179**	
	2023	**1,404,303**	**408,949**	**123,252**	**57,965**	**77,218**	**68,206**	**-**	**192,493**	**290,450**	**2,622,836**	

16. REMUNERATION REPORT (Audited) (Continued)

Notes:

(1) Short Term Incentive Plan ("STI") detailed in paragraph 16(e)(v);

(2) Comprises Annual Leave accrued during the year but not paid, non-monetary benefits and director pre-appointment expenses if any;

(3) Comprises Long Service Leave accrued during the year but not paid;

(4) KMP Performance Rights granted under the Long-Term Incentive Plan are expensed over the performance period. Refer LTI Plan detailed in paragraph 16(e)(vi);

(5) Ms Bakker, Mr Brown, Mr Shellabear, Mr DeCooman, and Mr Milbourne were appointed as Directors on 19 June 2023;

(6) Director fees for non-executive directors are set at A$100,000 (US$66,460)per annum for each NED. Directors fees for the period from appointment on 19 June 2023 until the appointment of the external administrator were paid by the Administrator in 2024 financial year. During the period of External Administration, director's fees have accrued but have not been paid other than to compensate NED's for specific tasks requested by the Administrator or the payment of fees and costs prior to the appointment of Administration. Directors' fees accrued at 30 June 2024 amounted to A$258,333 (US$171,766). These will be paid following effectuation of the DOCA unless approved by the Deed Administrator prior.

(7) Mr Brown resigned on 10 November 2023 all claims with respect to Mr Brown's appointment were settled by the Administrator;

(8) Mr Milbourne ceased as Managing Director on 16 November 2023 and ceased to be a director on 20 December 2023. Under the terms of Mr Milbourne's engagement with the Company six month's written notice or payment in lieu of notice, or a combination thereof was required. All claims with respect to Mr Milbourne's engagement were settled by the Administrator;

(9) Mr Treyvaud resigned 1 May 2023;

(10) Ms George was appointed Chair on 11 November 2022, resigned 16 June 2023;

(11) Mr McGlinn, Mr Hunt, Mr Mottram and Mr Warr resigned on 19 June 2023;

(12) Mr Theobald was appointed 2 January 2024;

(13) Ms Gill was appointed on 20 June 2023 fees for the period from 20 June 2023 until the appointment of the external administrator were paid by the Administrator in 2024 financial year; and

(14) X64 recognises Mr Villanueva as President and Chief Executive Officer of PMHI and its subsidiaries. Mr Villanueva is considered a KMP of the Company by virtue of being President of these Philippines entities which were part of the Consolidated Group of X64 prior to 13 February 2023.

16. REMUNERATION REPORT (Audited) (Continued)

(c) Executive Remuneration Governance

The information contained within this section provides an overview of executive remuneration governance at X64 under the prior Board and Management. The Board will review such policies and practices once the Company exits External Administration.

(i) Remuneration Philosophy

The main objective is the retention of a high-quality Board and executive team, to maximise value of the shareholders' investment. Remuneration levels are therefore competitively set to attract, retain and motivate appropriately qualified and experienced Directors and Executives.

In determining the level and make up of remuneration levels for Executives, the remuneration policy has been structured to increase goal congruence between shareholders and Executives and includes the payment of bonuses based on achievement of specific goals related to the performance of the Group and also the issue of incentive options or equity-based instruments to encourage alignment of personal and shareholder interests.

(ii) Remuneration Committee

The Remuneration Committee is a sub-committee of the Board, which operates in accordance with the Remuneration Committee Charter and the requirements of the Corporations Act 2001 and its regulations. Currently the full Board performs the functions of the Remuneration Committee. All of the current Directors are considered to be independent.

No performance or remuneration-related reviews have taken place as the current Board considers this inappropriate at this time. This will be revisited once the DOCA has been effectuated and the Company is no longer under External Administration.

The Remuneration Committee is responsible for making recommendations on:

- The Company's remuneration policy and structure;
- Executive remuneration policy for Key Management Personnel ("KMP");
- Remuneration levels of the Managing Director (if applicable) and KMP;
- Operation of incentive plans and key performance hurdles for KMP;
- Equity based remuneration plans for KMP; and
- Non-Executive Director ("NED") remuneration.

The Remuneration Committee's objective is to ensure remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company. The Remuneration Committee has historically obtained independent remuneration information to ensure NED fees and executive remuneration packages are appropriate and in line with the market.

The combined NED fee allowance remains unchanged since this review. Executive remuneration is considered by the Remunerations Committee based on the appropriateness of the full package.

(d) Non-Executive Director Remuneration

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain NED of a high calibre.

NED's fees are paid within the aggregate amount approved by shareholders from time to time. Total remuneration for all NED was last approved by shareholders on 18 November 2009, is not to exceed A$400,000 (approximately US$266,000) per annum. The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors has not been reviewed while the Company is in External Administration.

Directors' fees cover all main Board activities and membership of Board Committees. No retirement benefits are provided for any NED's retirement or termination and NED do not receive performance related compensation remuneration.

Director fees for NED's are set at A$100,000 per annum for each NED. During the period of External Administration, director's fees have accrued but have not been paid other than to compensate NED's for specific tasks requested by the Administrator or the payment of fees and costs prior to the appointment of Administration. Directors' fees accrued at 30 June 2024 amounted to A$258,333. These will be paid following the effectuation of the DOCA.

16. REMUNERATION REPORT (Audited) (Continued)

(e) Executive Remuneration

Below is a summary of the key elements the executive remuneration approach and the at-risk remuneration structure.

On 19 June 2023, the full Board of X64 was replaced and on 2 July 2023 Administrators were appointed. The prior Directors had previously reported on the Remuneration Approach as follows, the new Board has not considered the appropriateness of this approach:

(i) Fixed and Total Remuneration Approach

Total Fixed Remuneration ('TFR') acts as a base level reward for a competent level of performance. It includes cash, compulsory superannuation contributions and any non-monetary benefits. TFR will be targeted at the market median (50th percentile) with flexibility based on:

- the size and complexity of the role;
- the criticality of the role to successful execution of the business strategy;
- role accountabilities;
- skills and experience of the individual; and
- market pay levels for comparable roles.

The Total Remuneration Package (being TFR, STI and LTI) is positioned at the median of the market (50^{th} percentile), with the opportunity to earn a total remuneration up to the upper quartile (75^{th} percentile) in the event that both the individual and the business exceed performance targets.

When determining the relevant market for each role, the Company will consider companies which are similar in size, complexity of operations, sector and risk profile from which it sources talent, and to whom it could potentially lose talent.

(ii) Executive Remuneration Framework

The total remuneration package will consist of the following elements of pay.

Remuneration Elements	Purpose	Category	Definition of Pay Category
Total Fixed Remuneration ("TFR")	Pay for meeting role requirements	Fixed pay	Pay linked to the present value or market rate of the role.
Short Term Incentive ("STI")	Incentive for the achievement of annual objectives	Short term incentive pay	Pay for delivering the annual operational plan for the Company. Short Term Incentive pay is linked to the achievement of short term 'line-of-sight' performance goals. It reflects 'pay for short term performance.'
Long Term Incentive ("LTI")	Incentive for achievement of sustained business long term strategies (non-market measures)	Long term incentive pay	Pay for delivering long-term business sustainability for the Company. Long Term Incentive pay is linked to the achievement of long term 'line-of-sight' performance goals. It reflects 'pay for long term performance.'
	Reward for executive performance over the long term (market measures)	Long term reward pay	Pay for creating value for shareholders. Reward pay is linked to shareholder returns. It reflects 'pay for results.'

16. REMUNERATION REPORT (Audited) (Continued)

(iii) KMP Remuneration at Risk in FY24

The relative portions of target remuneration that are linked to performance and those that are fixed are as follows:

Name	Fixed Remuneration	At Risk: Short Term Incentives (STI)	At Risk: Options/Performance Rights (LTI)
Directors:			
Non-Executive -			
Debra Bakker	100%	-	-
William John DeCooman	100%	-	-
Jonathan Shellabear	100%	-	-
Andrew Brown (1)	100%	-	-
Executive -			
W. Robertson Milbourne (2)	100%	-	-
Executive Officers:			
Simon Theobald (3)	100%	-	-
Nicola Gill	100%	-	-
James Llorca	100%	-	-

Notes:

(1) Mr Brown resigned as a director on 16 November 2023;

(2) Mr Milbourne ceased as Managing Director on 16 November 2023 and resigned as a director on 20 December 2023; and

(3) Mr Theobald was appointed 2 January 2024.

(iv) Clawback and other Provisions of Incentive Plans

The Company has a clawback provision that allows the Board, at its absolute discretion, to reduce or clawback unvested and vested entitlements in certain circumstances, including in the case of fraud, dishonest, gross misconduct and breach of obligations to the Group.

Where a participant to a plan ceases employment for a specified reason, including death, disablement or redundancy, the Board may, at its absolute discretion, determine that unvested Performance Rights shall vest.

In a Change of Control Event, the Board may, at its absolute discretion, determine that unvested Performance Rights shall vest to a participant to the Plan.

(v) Short-term Incentive Plan Outline

The Short-Term Incentive Plan was considered as part of the annual business planning process the Board determines the key performance indicators ("KPI's") to reflect targets for the key performance objectives of the business for the following year.

On 19 June 2023, the full Board of X64 was replaced and on 2 July 2023 Administrators were appointed. The Directors do not consider it reasonable in the current circumstances to continue the Short Term Incentive Plan for all executives or make any incentive payments under this Plan.

A specific Short Term Incentives Plan was set for Mr Milbourne. The determination and any payments under this plan were to be at the absolute discretion of the Board. The terms of which was released to the ASX on the appointment of Mr Milbourne, who later ceased to be an executive on 16 November 2023. No KPI's were achieved under this plan during the Financial Year and as such no payment was made.

On the engagement of Mr Theobald, effective from 2 January 2024, the Board set a specific Short Term Incentives Plan for Mr Theobald. The determination and any payments under this plan were to be at the absolute discretion of the Board and no payment was to be made while the Company continued under external administration. The terms of which was released to the ASX on the appointment of Mr Theobald. No KPI's were achieved under this plan during the Financial Year.

16. REMUNERATION REPORT (Audited) (Continued)

No short-term incentive payments were made during the financial year. Under their respective executive service agreements, Mr. Theobald and Mr. Milbourne are, or were, entitled to participate in an incentive plan. No other KMP is a participant to a short-term incentive plan.

Name	Position	Total Opportunity STI US$	Achieved STI (Cash) US$	Opportunity STI (Performance Rights) US$	Vesting Outcome STI (Performance Rights)
Simon Theobald	Chief Executive Officer	212,500		-	n/a
W. Robertson Milbourne	Managing Director and Chief Executive Officer	487,500	-	-	n/a

(vi) Long-term Incentive Plan Outline

On 19 June 2023 the full Board of X64 was replaced, the incoming Directors have not considered the appropriateness of the long-term incentive plan or undertaken any assessment of achievement.

At 30 June 2023 1,500,000 Long Term Performance Rights previously approved by the shareholders of the Company on 24 June 2021, where existing. The performance rights are subject to a number of performance criteria. The Company will assess the achievement of the performance criteria to determine the scoring mechanism and vesting performance rights once all necessary information to do so is available. However, based on preliminary data, it is considered that these Performance Rights will expire unvested following this assessment (refer note 30 – Share Base Payments in the notes to the Financial Statements).

No Long-Term Performance Rights were granted to KMP in the FY24 or FY23 financial year.

Mr Milbourne terms of engagement provided for the provision of 3,000,000 performance rights, subject to shareholder approval, which were to vest on the achievement of various performance and tenure hurdles relating to share price performance and total shareholder returns. Shareholder approval for these rights was not sought. Mr Milbourne vacated the position of Managing Director and Chief Executive Office on 16 November 2023 which forfeited any rights to the performance rights.

(f) Company Performance

The following table illustrates the Company performance indicators over the last five years as required by the Corporations Act:

Metric	Unit	2024	2023 (1)	2022	2021	2020
Net Profit/(Loss) after tax ($'000)	US$'000	(72)	(43,078)	2,823	47,256	29,691
Basic earnings per share (cents)	US¢	(0.1)	(19)	1.20	22.7	14.3
Dividends paid per share (cents)	A¢	-	5.0	2.0	5.0	-
Share price at year end 30 June (cents)	A¢	57(2)	57(2)	69	84	69

Notes:
1. Restated as per Note 1(d) Basis of Preparation Restatement of Comparatives as at 30 June 2023.
2. X64 has been suspended on the ASX since 28 February 2023.

(g) Remuneration options

No options or other equity-based instruments or rights over any of them, were granted by the Company or any entity controlled by the Company, as remuneration during or since the end of the financial year.

(h) Shares issued on exercise of options granted as remuneration

During the financial year, no fully paid ordinary shares were issued on the exercise of options previously granted as remuneration to KMP's.

(i) Option holdings

No options were on issue or held by KMP's at 30 June 2024 or 2023.

16. REMUNERATION REPORT (Audited) (Continued)

(j) Share Holdings

The movement during the year in the number of ordinary shares in X64 held directly, indirectly or beneficially, by each Director and key management personnel, including their personally related entities are as follows:

Name	Balance 1/07/23 /Date of engagement commencing	Compen-sation shares	Shares purchased	Performance Rights vested	Shares sold	Balance 30/06/24 /Date of engagement ending
Directors:						
Non-Executive -						
Debra Bakker	2,500	-	-	-	-	2,500
William DeCooman	-	-	-	-	-	-
Jonathan Shellabear	-	-	-	-	-	-
Andrew Brown(1)	-	-	-	-	-	-
Executive -						
W. Robertson Milbourne(2	-	-	-	-	-	-
Executive Officers:						
Simon Theobald (3)	-	-	-	-	-	-
James Llorca	136,000	-	-	-	-	136,000
Nicola Gill	-	-	-	-	-	-

Notes:
(1) Mr Brown resigned on 10 November 2023;
(2) Mr Milbourne resigned on 20 December 2023; and
(3) Mr Theobald was appointed on 2 January 2024.

(k) Performance Rights

The movement during the year in the number of Performance Rights over ordinary shares in X64 held directly, indirectly or beneficially, by each Executive, including their personally related entities is as follows:

Name	Year Granted	Balance 01/07/23	Rights granted as remuneration	Rights Vested	Rights Forfeited or Expired Unvested	Balance held 30/06/24 (unvested)	Max value yet to vest (1)
Non-executive Directors:							
Debra Bakker		-	-	-	-	-	-
William DeCooman		-	-	-	-	-	-
Jonathan Shellabear		-	-	-	-	-	-
Andrew Brown		-	-	-	-	-	-
Executive Officers:							
Simon Theobald		-	-	-	-	-	-
Raul Villanueva (2)	2021	1,500,000	-	-	-	1,500,000	-
James Llorca		-	-	-	-	-	-
Nicola Gill		-	-	-	-	-	-
W. Robertson Milbourne (3		-	-	-	-	-	-

Notes:
(1) The maximum value of deferred performance rights yet to vest has been determined as the amount of the grant date fair value of the Performance Rights that is yet to be expensed. The value at grant date is calculated in accordance with AASB2 Share Based Payments;
(2) The performance rights issued to Mr Villanueva are subject to a number of performance criteria. The Company will assess the achievement of the performance criteria to determine the scoring mechanism and vesting performance rights once all necessary information to do so is available. However, based on preliminary data, it is considered that these Performance Rights will expire unvested following this assessment (refer note 30 – Share Base Payments in the notes to the Financial Statements); and
(3) Mr Milbourne's executive service agreement provided for the issue of 3,000,000 Performance Rights as a director of the company the issue of these Performance Rights was subject to shareholder approval which was not obtained.

16. REMUNERATION REPORT (Audited) (Continued)

(I) Statutory Remuneration Disclosures

Executive Contracts

Remuneration and other terms of employment for the Executives are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods. Participation in the STI and LTI plans is subject to the Board's discretion. Other major provisions of the agreements relating to remuneration are set out as follows.

Simon Theobald
CEO appointed from 2 January 2024

Contract:	Executive Services Agreement between the Company and Simon Theobald ("Executive").
Term:	Commencement date of 2 January 2024 until employment is terminated.
Services:	The Executive is employed as CEO of the Company and is responsible for managing and overseeing the strategy and direction of the Company's business.
Remuneration:	Fixed remuneration: Base fee A$425,000 (US$282,455) per annum (plus statutory superannuation), subject to review by the Board. During the review, the Board will consider the Executive's performance, progress of the Company and comparable industry standards. Variable remuneration Short Term Incentive: The Executive is eligible to receive up to 50% of the base fee annually on attainment of measurable KPI's as determined by the Board in its absolute discretion. Long Term Incentive: The provision of a Long-Term Incentive will be determined by the Board and is at the absolute discretion of the Board.
Termination:	Termination by the Company: The Employer may terminate the Executive's employment for any reason by giving the Executive 3 month's written notice or payment in lieu of notice, or a combination of notice and payment in lieu of notice. The Company may immediately terminate the agreement in certain circumstances, including if the Executive is in default of obligations and does not remedy that default in addition to other standard default situations. Termination by the Executive: The Executive may terminate the agreement at any time by giving the Company 3 months' written notice or without notice if the Company is in default of obligations and does not remedy that default in addition to other standard default situations.

16. REMUNERATION REPORT (Audited) (Continued)

James Llorca
General Manager, Geology & Resources

Contract:	Employment contract between the Company and James Llorca ("Employee").
Term:	Commencement date of 10 October 2016 until employment is terminated.
Services:	The Employee is employed as General Manager, Geology & Resources and is responsible all matters pertaining to geology in the Company.
Remuneration:	Fixed remuneration: A$382,500 (US$254,210) per annum (inclusive of a superannuation), plus other non-cash benefits elected by the Employee, subject to annual review by the Board. During the review, the Board will consider the Employee's performance, progress of the Company and comparable industry standards. Variable remuneration - Short term incentive ("STI"): The Employee may be entitled to participate in the STI Plan as detailed in this report. Variable remuneration - Long term incentive: The Company may grant the employee share options or performance rights in accordance with Ten Sixty Four's share option and performance rights plans as detailed in this report.
Termination:	Termination by the Company: The Employer may terminate the Employee's employment for any reason by giving the Employee 3 month's written notice or payment in lieu of notice, or a combination of notice and payment in lieu of notice. The Company may immediately terminate the agreement in certain circumstances, including if the Employee is in default of obligations and does not remedy that default in addition to other standard default situations. Termination by the Employee: The Employee may terminate the agreement at any time by giving the Company 3 months' written notice.

Nicola Gill
Interim Chief Financial Officer - appointed on 20 June 2023

Contract:	Undocumented service agreement between the Company and Nicola Gill ("Executive").
Term:	No set term, the agreement will continue until terminated.
Role:	The Executive as Chief Financial Officer is responsible for the day-to-day management of all financial functions of the Group.
Remuneration:	Fixed remuneration: A$1,500 (US$997) per day (plus statutory superannuation) Variable remuneration: The Executive is not entitled to variable remuneration; variable remuneration is at the discretion of the Board.
Termination:	Either party may terminate the engagement at any time for any reason. No notice period is required.

16. REMUNERATION REPORT (Audited) (Continued)

Raul Villanueva
President of Philsaga Mining Corporation and President of Mindanao Mineral Processing and Refining Corporation considered a KMP prior to 13 February 2023

Contract:	Mr Villanueva is engaged under an agreement with both PMC and MMPRC
Role:	The President of Philsaga Mining Corporation (PMC) and President of Mindanao Mineral Processing and Refining Corporation (MMPRC), is responsible for managing the business affairs of PMC and MMPRC, implementing administrative and operational policies, attending to industrial relation matters and any other mining activities and associated complimentary services.
Remuneration:	Fixed remuneration: No remuneration was paid during the financial year by the Company, or any entity controlled by the Company. Variable remuneration - Long term incentive: Mr Villanueva holds 1,500,000 performance rights issued by the Company, which were previously approved by Shareholders on 24 June 2021. The performance rights issued to Mr Villanueva are subject to a number of performance criteria. The Company will assess the achievement of the performance criteria to determine the scoring mechanism and vesting performance rights once all necessary information to do so is available. However, based on preliminary data, it is considered that these Performance Rights will expire unvested following this assessment (refer note 30 – Share Base Payments in the notes to the Financial Statements)
Termination:	Mr Villanueva may terminate the agreement at any time by giving notice or without notice if the Company is in default of obligations and does not remedy that default in addition to other standard default situations.

16. REMUNERATION REPORT (Audited) (Continued)

Walter Robertson Milbourne
Managing Director appointed as executive from 20 June 2023, ceased 16 November 2023

Contract:	Executive Services Agreement between the Company and Walter Robertson Milbourne ("Executive").
Term:	Commencement date of 20 June 2023 until employment is terminated.
Services:	The Executive is employed as the Managing Director of the Company and is responsible for managing and overseeing the strategy and direction of the Company's business.
Remuneration:	<u>Fixed remuneration:</u> Base fee A$650,000 (US$431,990) per annum, subject to review by the Board. During the review, the Board will consider the Executive's performance, progress of the Company and comparable industry standards. <u>Variable remuneration</u> <u>Short Term Incentive:</u> The Executive is eligible to receive up to 75% of the base fee annually on attainment of measurable KPI's as determined by the Board in its absolute discretion. <u>Long Term Incentive:</u> The provision of 3,000,000 performance rights was provided for in the contract of engagement. These performance rights would be subject to shareholder approval prior to issue; such approval was not sought.
Termination:	<u>Termination by the Company:</u> The Employer may terminate the Executive's employment for any reason by giving the Executive 6 month's written notice or payment in lieu of notice, or a combination of notice and payment in lieu of notice. The Company may immediately terminate the agreement in certain circumstances, including if the Executive is in default of obligations and does not remedy that default in addition to other standard default situations. <u>Termination by the Executive:</u> The Executive may terminate the agreement at any time by giving the Company 3 months' written notice or without notice if the Company is in default of obligations and does not remedy that default in addition to other standard default situations.

16. REMUNERATION REPORT (Audited) (Continued)

Board policy in relation to limiting exposure to risk in securities.

Under the Company's Securities Trading Policy, Directors and Executives are prohibited from dealing in financial products issued or created over or in respect of Ten Sixty Four securities (e.g. hedges or derivatives) which have the effect of reducing or eliminating the risk associated with any equity incentives that Ten Sixty Four may offer from time to time (for example, a person may be granted an equity incentive award that vests at a time in the future subject to achieving certain performance goals; certain financial institutions offer products which act as an insurance policy if the performance goals are not met, thereby reducing the "at-risk" element of the person's incentive arrangements).

(m) Related Parties

Related parties:	All Key Management Personnel detailed in this Report
Type of transaction:	Director and Officers Protection Deed ("Deed")
Transaction details:	The Deed entered into by the Company with each of the Directors of the Company, indemnifies the Directors to the extent permitted by law, against any liability, which he may incur whilst carrying out his duties as a Director of the Company and against any costs and expenses incurred in defending legal proceedings brought against him as a Director. The Deed requires the Company to maintain in force Directors' and Officers' Liability Insurance, with an agreed cover level, for the duration of the Directors' term of office and a period of 7 years thereafter. The Deed also provides for the Directors to have access to the Company's documents (including Board papers) for a period of 7 years after he ceases to be a director, subject to certain confidentiality and other requirements being observed.

Apart from the Key Management Personnel related transactions with the Company or its controlled and affiliated entities disclosed in this Report, no Key Management Personnel has entered into a material contract with the Company since the end of the financial year and there were no material contracts involving Management Personnel's' interests subsisting at year end.

Further, there were no loans to Key Management Personnel during the year and there were no transactions or balances with Key Management Personnel, other than those disclosed in this Report.

(n) Voting of Shareholders at Last Year's Annual General Meeting

No Annual General Meeting was held during 2023 and as such there was no vote on adopting the FY2023 Remuneration Report.

End of Remuneration Report

17. INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

Indemnification

The Company has agreed to indemnify Directors and Officers of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors and Officers of the Company and its controlled entities, except where the liability arises out of conduct involving a wilful breach of duty or improper use of information to gain a personal advantage.

No amount has been paid under any of these indemnities during the financial year under review.

Insurance Premiums

The Company had no Directors' and Officers' Liability Insurance policy in place to cover Directors, Company Secretaries and other Officers of the Company and its related entities during the financial year ended 30 June 2024.

18. INDEMNIFICATION OF AUDITORS

X64 has agreed to indemnify its auditors, BDO Audit (WA) Pty Limited ("BDO") to the extent permitted by law, against any claim by a third party arising from X64's breach of their agreement. X64 will meet the full amount of any such liabilities including a reasonable amount of legal costs.

During the financial year, the Company has not paid any premium in respect to any insurance for BDO or a body corporate related to BDO and there were no officers of the Company who were former partners or directors of BDO, whilst BDO conducted audits of the Group.

19. ENVIRONMENTAL REGULATIONS

The Group's operations are subject to a number of environmental regulations in relation to its exploration, mining and processing activities in the Philippines and Australia. Details of these regulations are set out in the Review of Operations, under the section titled Environmental Management and Monitoring in the Annual Report.

The Directors are not aware of any significant breaches of environmental regulations during the financial year.

20. 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.

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

21. NON-AUDIT SERVICES

During the year, affiliated entities of BDO, the Company's auditors, performed certain other services in addition to their statutory duties.

The Board has considered and is satisfied that the provision of non-audit services during the year by the auditor is compatible with and did not compromise, the auditor independence requirements of the Corporations Act for the following reasons:

a) all non-audit services are reviewed and approved by the Audit Committee and Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor;

b) the nature of the non-audit services provided do not compromise the general principles relating to auditor independence as set out in APES 110: Code of Ethics for Professional Accountants (including Independence Standards)set by the Accounting Professional and Ethical Standards Board;

c) The services of the affiliated entities of the BDO Group have not involved reviewing or auditing BDO's own work or acting in a managerial or decision-making capacity within the Group; and

d) There is no reason to question the veracity of BDO's Independence Declaration.

The following fees were paid affiliated entities of BDO for non-audit services provided during the years ended 30 June 2023 and 2024:

Item Description	Unit	2024	2023
Taxation	US$	21,957	37,938
Other General Consulting	US$	-	6,584
Total	**US$**	**21,957**	**44,522**

22. AUDITOR'S INDEPENDENCE DECLARATION

The Lead Auditor's Independence Declaration for the year ended 30 June 2024 has been received and can be found on page 29 of this Report.

23. ROUNDING OFF AMOUNTS

The Group is of a kind referred to in ASIC Legislative Instrument 2016/191 and accordingly, amounts in the Financial Report and Directors' Report have been rounded to the nearest $1,000 or in certain cases, to the nearest dollar to reflect where rounding in '000 is not permitted.

Signed in accordance with a resolution of the Board of Directors

Debra Bakker

Non-Executive Chair

Dated at Perth this 31st day of January 2025

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DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF TEN SIXTY FOUR LIMITED

As lead auditor of Ten Sixty Four Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Ten Sixty Four Limited and the entities it controlled during the period.

Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth

31 January 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2024

	Note	Consolidated 2024 US$000	Consolidated 2023 [1] US$000
Revenue	3	6,565	115,110
Cost of sales		(3,533)	(75,701)
Gross Profit		**3,032**	**39,409**
Other income	3	8,488	2,793
Exploration & Evaluation expenses		(465)	(1,954)
Administration expenses		(7,308)	(11,992)
Cost of company acquisition		-	53
Loss on deconsolidation	29	-	(55,941)
Other expenses	4	368	(1,262)
Share of loss from associate	12	(3,677)	-
Profit/(Loss) before income tax expense		**438**	**(28,894)**
Income tax expense	6	(510)	(14,184)
Profit/(Loss) for the year after income tax expense		**(72)**	**(43,078)**
Profit/(Loss) attributable to owners of the parent		(326)	(43,078)
Profit attributable to Non-Controlling Interest		254	-
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Movement in other reserves (net of tax)		-	679
Exchange differences on translation of foreign operations (net of tax)		(349)	(547)
Total comprehensive profit/(loss) attributable to the owners of the parent		**(421)**	**(42,946)**
Basic profit/(loss) per share (US$ per share)	5	(0.001)	(0.189)
Diluted profit/(loss) per share (US$ per share)	5	(0.001)	(0.189)

Notes:

1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2024

	Notes	Consolidated 2024 US$000	Consolidated 2023 [1] US$000
CURRENT ASSETS			
Cash & cash equivalents	7	5,479	7,474
Trade & other receivables	8	2,995	6,176
Inventories	9	515	456
Other current assets		421	387
Loan receivable from associates	10	14,142	-
Total Current Assets		**23,552**	**14,493**
NON-CURRENT ASSETS			
Restricted cash	7	1,564	1,619
Trade & other receivables	8	3,044	3,471
Property, plant & equipment	11	5,077	5,346
Intangible assets		22	36
Deferred tax assets	6(b)	-	-
Right-of-use assets	13	952	1,370
Loan receivable from associates	10	57,178	63,293
Investments in associate	12	65,817	69,494
Total Non-current Assets		**133,654**	**144,629**
Total Assets		**157,206**	**159,122**
CURRENT LIABILITIES			
Trade & other payables	15	6,427	5,415
Provisions	16	240	391
Lease Liabilities	13	384	264
Total Current Liabilities		**7,051**	**6,070**
NON-CURRENT LIABILITIES			
Provisions	16	1,509	1,336
Lease Liabilities	13	326	615
Total Non-current Liabilities		**1,835**	**1,951**
TOTAL LIABILITIES		**8,886**	**8,021**
NET ASSETS		**148,320**	**151,101**
EQUITY			
Issued capital	17	114,362	114,362
Reserves	18	107	1,955
Retained profits	19	33,028	32,498
		147,497	148,815
Non-controlling interest	20	823	2,287
TOTAL EQUITY		**148,320**	**151,102**

Notes:

1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes. Some figures have been rounded.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2024

	Share capital ordinary	Retained profits	Share based payment reserves	Other reserves	Foreign currency translation reserve	**Total attributable to equity holders of the Company**	Non-controlling interest	**Total Equity**
	US$'000	US$'000	US$'000	US$'000	US$'000	**US$'000**	US$'000	**US$'000**
CONSOLIDATED								
Balance at 1 July 2022	**114,348**	**82,819**	**1,346**	**(558)**	**6,882**	**204,837**	-	**204,837**
Net profit/(loss) after tax [1]	-	(43,078)	-	-	-	**(43,078)**	-	**(43,078)**
Other comprehensive profit	-	-	-	679	(547)	**132**	-	**132**
Total comprehensive profit for the financial year	-	(43,078)	-	679	(547)	**(42,946)**	-	**(42,946)**
Transactions with owners, in their capacity as owners, and other transfers								
Share buy back	(193)	-	-	-	-	**(193)**	-	**(193)**
Performance rights expensed	-	-	409	-	-	**409**	-	**409**
Transfer from option reserve	207	49	(256)	-	-	**-**	-	**-**
Dividend paid		(7,292)	-	-	-	**(7,292)**	-	**(7,292)**
De-recognised on deconsolidation/Recognition of non-controlling interest	-		-	(2,287)	(3,713)	**(6,000)**	2,287	**(3,713)**
Balance at 30 June 2023 [1]	**114,362**	**32,498**	**1,499**	**(2,166)**	**2,622**	**148,815**	**2,287**	**151,102**
Balance at 1 July 2023 [1]	**114,362**	**32,498**	**1,499**	**(2,166)**	**2,622**	**148,815**	**2,287**	**151,102**
Net profit/(loss) after tax	-	(326)	-	-	-	**(326)**	254	**(72)**
Other comprehensive profit	-	-	-	-	(349)	**(349)**	-	**(349)**
Total comprehensive profit for the financial year	-	(326)	-	-	(349)	**(675)**	-	**(421)**
Transactions with owners, in their capacity as owners, and other transfers								
Performance rights net amount (credited)/expensed	-	-	(643)	-	-	**(643)**	-	**(643)**
Transfer from option reserve	-	856	(856)	-	-	**-**	-	**-**
Dividend paid to non-controlling interest	-	-	-	-	-	**-**	(1,718)	**(1,718)**
Balance at 30 June 2024	**114,362**	**33,028**	**-**	**(2,166)**	**2,273**	**147,497**	**823**	**148,320**

Notes:

1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.
2. Other reserve includes a remeasurement reserve and reserve to recognised initial recognition of non-controlling interest.

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes. Some figures have been rounded.

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 June 2024

	Note	Consolidated 2024 US$000	Consolidated 2023 US$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		5,818	115,110
Payments to suppliers & employees		(6,442)	(69,187)
Payments for exploration & evaluation activities		(465)	(2,122)
Other income		60	1,190
Interest received		127	230
Income tax paid		(342)	(5,753)
Net cash (used in)/provided by operating activities	7(b)	**(1,244)**	**39,468**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment	11	(720)	(12,829)
Payment for development activities		-	(21,329)
De-recognition of cash on deconsolidation of PMHI Group	29	-	(45,096)
Net cash used in investing activities		**(720)**	**(79,254)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for lease liabilities	13	(185)	(265)
Payments for share buy backs	17	-	(193)
Payments for dividends	21	-	(7,292)
Receipts from bank loans		-	5,027
Net cash used in financing activities		**(185)**	**(2,723)**
Net increase/(decrease) in cash held		**(2,149)**	**(42,509)**
Cash and cash equivalent at the beginning of the year		9,093	50,658
Exchange rate adjustment		99	944
Cash and cash equivalent at the end of the year	7	**7,043**	**9,093**
Less: Restricted Cash	7(d)	1,564	1,619
Unrestricted cash and cash equivalent at the end of the year		**5,479**	**7,474**

The above Consolidated Statement of Cash Flows should be used in conjunction with the accompanying notes. Some figures have been rounded.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 30 June 2024

1. BASIS OF PREPARATION

Ten Sixty Four Limited ("**X64**" or the "**Company**"), is a company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange (currently suspended).

A description of the nature of operations and principal activities of X64 and its subsidiaries (collectively, the "**Group**") is included in the Directors Report, which is not part of these financial statements.

The financial statements were authorised for issue in accordance with a resolution of the Directors on 31 January 2025.

The financial report is a general-purpose financial report which:

- has been prepared on historical costs basis except for assets and liabilities and share based payments which are required to be measured at fair value. The basis of measurement is discussed further in the individual notes;
- is presented in US dollars ("**USD**", "**US$**") with all values rounded to the nearest thousand dollars ($'000), unless otherwise stated, in accordance with ASIC instrument 2016/191; and
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of X64 and effective for reporting periods beginning on or after 1 July 2023.

(a) Statement of compliance

This general purpose interim financial report is not in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, including Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") due to:

(i) The Company is unable to confirm that the comparative information for the financial year ended 30 June 2023 as being prepared in compliance with Australian Accounting Standards and therefore the Corporations Act 2001. Despite reasonable efforts to verify the comparatives, compliance could not be confirmed.

On 19 June 2023 the predecessor Board resigned from the Company and on 2 July 2023, the Company was placed into voluntary administration. Following the appointment of the administrators, the powers of the directors and officers of Ten Sixty Four Limited were suspended and the administrators assumed control of the Company's business, property and affairs.

Due to these circumstances, the directors signing this financial report were not able to provide representations that the 30 June 2023 financial report was prepared in accordance with Corporations Act 2001.

Consequently, the Profit and Loss statement for the financial year, which in part is based on these comparatives, cannot be fully confirmed. Except as disclosed in the Restatement of Comparative Figures to the financial statements at note 1 paragraph (d) Restatement of Comparatives the comparative figures reported remain unchanged from the financial report for the year ended 30 June 2023, as approved by the directors on 27 September 2024; and

With the exception of this matter detailed above the Directors consider that the consolidated financial statements and notes of Ten Sixty Four Limited give a true and fair view of its financial position as at 30 June 2024 and of its performance during the period. However, as the Company is unable to confirm the comparative information, it is unable to confirm that the financial statements are entirely free from material misstatements. While every effort has been made to ensure the accuracy of the information presented, the company cannot provide absolute assurance as to the factual accuracy of the comparative information or any movements therefrom.

(b) Principles of Consolidation

The Group's financial statements consolidate those of the Parent Company and all of its subsidiaries as at 30 June 2024. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

(c) Key Estimates and Judgements

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates of future events. Judgement and estimates which are material to the financial report are found in the following notes:

Note 6.	Income Tax and Deferred Tax Assets	Note 14.	Impairment of Non-Current Assets
Note 8.	Trade & Other Receivables	Note 16.	Provisions
Note 10.	Loan Receivable	Note 29.	Deconsolidation of PMHI Group
Note 12.	Investment in associate	Note 30.	Share Based Payments
Note 13.	Leases		

(d) Restatement of Comparatives

Deferred Tax Asset

The Company identified a material error in the recognition of the Deferred Tax Asset ("DTA") for the financial year ended 30 June 2023 wherein the Company determined to recognise a write-down of the DTA amounting to US$12.108M leaving a carrying value of the DTA, amounting to US$4.358 million. The Company has reassessed the evidence to support recoverability and determined that such evidence was insufficient. The Company concluded that the recognition of this asset was not appropriate under AASB 112 Income Taxes and as such should have been written down in full.

Justification for Correction

The correction arises from the identification of a material error in the recognition of the DTA as at 30 June 2023. Under AASB 112 Income Taxes, a deferred tax asset can only be recognized to the extent that it is probable that sufficient taxable profit will be available to utilise the deductible temporary differences or carryforward of unused tax losses and credits.

The Company has reassessed the recoverability of the DTA and determined that the evidence previously considered to support its recognition was insufficient to meet the "probable" threshold required under AASB 112. Specifically:

- Insufficient Future Taxable Profit: The Company concluded that the projected future taxable profits were not sufficiently reliable to justify the recognition of the full DTA.
- Appropriateness of Recognition: On reassessment, the Company determined that recognizing the DTA amounting to US$4.358 million was not appropriate due to the lack of convincing evidence supporting recoverability within the foreseeable future.
- Alignment with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors: The error has been corrected to ensure that the financial statements present a true and fair view of the Company's financial position, consistent with the principles of retrospective restatement for material errors.

Restatement of Loan Receivable from Associate

The Company has determined to restate the loan receivable from PMHI in line with the present value of future cash flows calculated under the memorandum of agreement agreed between MMPRC and PMC as announced on the 13 December 2024. The fair value of this loan was previously assessed based on minimum repayments attributable under the RFA agreed.

Justification for Correction

The restatement of the loan receivable from PMHI is necessary to align the financial statements with the requirements of AASB 9 Financial Instruments, which mandates that financial assets be measured at amortised cost or fair value based on the present value of future cash flows.

Initially, the fair value of the loan receivable was determined based on minimum repayments attributable under the terms of the RFA. However, subsequent to the year-end, the Memorandum of Agreement (MOA) between MMPRC and PMC, announced on 13 December 2024, provided revised terms, including a definitive schedule for future cash flows which provided additionally clarity to the expected repayment terms, though were materially inline with the proposed terms of the RFA

The restatement reflects:

- Improved Evidence of Conditions Existing at Reporting Date: The MOA provides additional information about the terms under negotiation at the reporting date, which were not finalized but were substantially agreed upon.

- Alignment with Economic Substance: The MOA represents the best estimate of the recoverable amount of the loan as of the reporting date, and it supersedes the terms of the RFA.
- Compliance with AASB 110 Events after the Reporting Period: The MOA constitutes an adjusting subsequent event as it provides further evidence about conditions existing at the reporting date.

The restatement ensures that the loan receivable is reported at its fair value based on the revised terms, consistent with the accounting framework's principle of providing users with relevant and reliable financial information.

Restatement of Investment in Associate

The Company has determined the value of investment in PMHI reported as at 13 February 2023 and reported in the financial statements for the year ended 30 June 2023 was based on the information available at that time. The Company has determined to restate the fair value of its investment in PMHI as at 13 February 2023 with the availability of additional information and clarity now obtained as a result the following adjustments have been made:

- Additional information has suggested that the value of the Co-O Mine be amended as at 13 February 2023;
- The restatement of the Loan Receivable from Associate noted above; and
- Revaluation of the gold on hand as at 13 February 2023, the gold had previously been valued at cost rather than at fair value on deconsolidation.

<u>Justification for Correction</u>

The restatement of the fair value of the Company's investment in PMHI as at 13 February 2023 is necessary to comply with the requirements of AASB 13 Fair Value Measurement and other relevant standards. The adjustments were made to reflect new information and correct material errors identified in the previously reported values. The corrections are justified as follows:

- Adjustment to the Value of the Co-O Mine:
  Under AASB 110 Events after the Reporting Period, subsequent information that provides evidence of conditions existing as at the reporting date must be considered in the financial statements. The reassessment of the Co-O Mine value reflects additional evidence that became available after the reporting date, indicating that the previously estimated fair value required adjustment.
- Restatement of the Loan Receivable from Associate:
  As noted above, the loan receivable was restated to reflect the present value of future cash flows based on the revised terms under the MOA. This adjustment affects the fair value of the Company's investment in PMHI, as the valuation must include all relevant financial assets and liabilities. The correction aligns with AASB 9 Financial Instruments and AASB 128 Investments in Associates and Joint Ventures.
- Revaluation of Gold on Hand:
  Gold on hand as at the date of deconsolidation was previously measured at cost; however, is required to be measured at its fair value less costs to sell. The correction to measure the gold at fair value on deconsolidation reflects the application of the appropriate accounting policy and provides a more accurate representation of the inventory's recoverable value as at that date.

These corrections are classified as adjustments for material prior-period errors under AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The restatements ensure that the financial statements accurately reflect the fair value of the investment in PMHI as at 13 February 2023, providing users with relevant and reliable financial information.

Right of Use Assets and Site Rehabilitation Asset

The Company has determined that the Site Rehabilitation Asset should be reported with the Right-of-Use Asset ("ROU").

<u>Justification for Correction</u>

In accordance with the Australian Accounting Standards Board (AASB), the restatement of a rehabilitation asset as a ROU asset is necessitated by the following considerations:

- Alignment with AASB 16 – Leases

  AASB 16 requires entities to recognise a ROU asset and a corresponding lease liability for lease agreements. When rehabilitation activities are inherently linked to leased premises, the obligation to rehabilitate arises directly from the use of the leased asset. As such, the associated rehabilitation cost should be capitalized as part of the ROU asset.
- Integration of Rehabilitation Costs with Lease Premises

  Under paragraph 24 of AASB 16, costs that are directly attributable to bringing the leased asset to the condition necessary for its intended use should be included in the initial measurement of the ROU asset. Rehabilitation obligations, being a contractual requirement over lease premises, represent a direct cost of using the leased asset and should therefore be integrated into the ROU asset's value.

Impact on Financial Statements

The errors have been corrected retrospectively, as required under AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The opening balances of assets, liabilities, and equity for the earliest comparative period presented (1 July 2023) have been restated as follows:

Line Item	As Previously Reported US$000	Adjustment US$000	Restated US$000
Assets			
Deferred Tax Asset	4,358	(4,358)	-
Loan Receivable from Associate	40,697	22,596	63,293
Investments in Associates	113,818	(44,324)	69,494
Equity			
Retained Earnings	58,582	(26,084)	32,498

Restatement of Comparative Figures

The comparative figures in the financial statements have been restated to reflect the correction of these errors. The key adjustments are as follows:

(i) Statement of Financial Position (as at 30 June 2023):

- Total assets have been reduced by US$26.084 million.
- Retained earnings have been adjusted to reflect the derecognition of the DTA and the revised loss on deconsolidation of PMHI.

(ii) Statement of Profit or Loss and Other Comprehensive Income (for the year ended 30 June 2023):

- The write-down of the DTA recognised for the financial year ended 30 June 2023 of US$12.108 million should have been US$16.466 million.
- The loss on deconsolidation of PMHI of $31.744 million should have been $55.941 million.
- Financial income on the accretion of the loan receivable between 13 February 2023 and 30 June 2023 was not recorded but should have been $2.470 million.

(iii) Statement of Changes in Equity (for the year ended 30 June 2023):

- Opening retained earnings as at 1 July 2023 have been restated to account for the amendment to the DTA write-down, adjusted loss on deconsolidation and fair value gain on the loan receivable.

Disclosures of Restated Amounts

The financial statements include a reconciliation of previously reported amounts to restated amounts for each affected line item in the Statement of Financial Position and the Statement of Changes in Equity.

Line Item	As Previously Reported US$000	Adjustment US$000	Restated US$000
Total Assets	185,207	(26,085)	159,122
Total Equity	177,187	(26,085)	151,102

Impact on Future Periods

The correction of these errors does not affect the financial performance or position of the Company for the full year ended 30 June 2024, other than adjustments to opening balances.

(e) Going Concern

The financial statements have been prepared on a going concern basis, which assumes the continuity of normal business activities, the realisation of assets and the settlement of liabilities in the ordinary course of business. The directors note that there is uncertainty regarding the assumptions on which this is based.

For the year ended 30 June 2024, the Group recorded a loss of $0.01 million (2023: loss $43.1 million) and experienced net cash outflows from operating activities of $1.2 million (2023: inflow $39.5 million). At 30 June 2024, the Group had a positive working capital balance of $16.5 million, of which $14.1 million is attributed to the loan receivable from PMC (2023: positive $8.4 million).

On 23 January 2025 $10.5 million of the loan balance was paid providing a significant cash injection into the Group which will enable the Company to clear its outstanding debts and move towards the effectuation of the Deed of Company Arrangement ("DOCA"). However, as at the date of this report the Company remains under external administration.

Upon taking office on 19 June 2023 the Board commenced a detailed financial analysis of the Company's business. This review identified that circumstances arose prior to their appointment on 19 June 2023 that resulted in a dispute concerning the alleged transfer of ownership of a 60% interest in the Company's subsidiary Philsaga Management and Holding, Inc ("PMHI") who holds a 100% interest in Philsaga Mining Company ("PMC") ("the Dispute").

Following the onset of the Dispute, the relationship between the Company and PMC became strained, creating uncertainty regarding the continuity of income from PMC to support the Company's operations. In these circumstances, having regard to the interests of the Company's stakeholders and the future prospects of the business the Board determined that Administration was necessary. As a result, the Board appointed PwC's Marin Ford and Simon Theobald as Voluntary Administrators effective 2 July 2023.

Following a Second Creditors' meeting of X64 held on 31 October 2023, a DOCA was executed by Martin Ford and Simon Theobald (in their capacity as Voluntary Administrators of X64), Komo Diti Traders Limited ("KDTL"), and the Company.

KDTL, a wholly owned subsidiary of X64 which was not subject to the Voluntary Administration process, negotiated and executed the DOCA to return the Company to the X64 Board and its shareholders. Following execution of the DOCA, the management and Board of X64 has worked with the Deed Administrators, to complete certain conditions precedent prior to completion of the DOCA administration.

The conditions precedent to the completion of the DOCA outstanding as at the date of this report are:

- resolution of the ownership disputes involving a disputed 60% ownership of PMHI. This is expected to be waived;
- resolution of the various intercompany claims. This will be resolved in line with the Global Intercompany Settlement Deed which was executed on 9 January 2025;
- execution of a Management Agreement between Mindanao Mineral Processing and Refining Corporation ("MMPRC") and the Company. This was agreed to be waived;
- Directors' and Officers' liability insurance being placed; and
- the conduct of public examinations by the Deed Administrators to investigate any claims which X64 or its members may have against any third parties. This was agreed to be waived.

The Directors and the Deed Administrator believe there are reasonable grounds to conclude that the conditions precedent will either be fulfilled or waived, enabling the successful effectuation of the DOCA.

The Company has made significant progress to understand the impact of the Dispute, and to agree key terms and processes including the restructuring of certain inter-corporate commercial, operational and financing arrangements, providing a framework for the ongoing working and financial relationship between the Company, MMPRC and PMC. The Directors are of the opinion that with these agreements now in place and, once the DOCA is effectuated, the Company will be solvent, as creditors' claims (other than excluded creditors) will have been paid in full and the Company will have an ongoing source of income with which to meet its future trading expenses. As such the Directors consider there are reasonable grounds to consider the Company will have, or have access to, sufficient funding to pay its debts as and when they become due and payable for the foreseeable future, and at least the next 12 months, as such the financial statements have been prepared on a going concern basis.

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- the external administration and DOCA process has provided the Company with the opportunity to extinguish all claims by creditors, and facilitated an agreement to settle various intercompany debts between MMPRC, PMC, KDTL and the Company;
- following the end of the reporting period, the Company received a dividend of $4 million from MMPRC ($3.4 million net of withholding tax) and expects to receive a further dividend of $10 million ($8.5 million net of withholding tax) shortly;
- An agreed Dividend Policy between the shareholders of MMPRC will provide for the future flow of dividends;
- by virtue of executing an extension to the existing lease agreement for the gold mill owned by MMPRC, the Company has certainty over tenure and the associated tolling revenue stream, which has also re-negotiated and agreed with PMC;
- by virtue of the execution of a Memorandum of Agreement between MMPRC and PMC following the end of the reporting period, the Company now has a clearly documented basis on which to progressively realize $140 million in cash payments from PMC (refer Note 31 for details). The first of these payments (being $10.5 million) was received on 23 January 2025; and
- the Company holds a 100% interest in a suite of gold-prospective tenements in Queensland, Australia which – if required – could be the subject of a sale, a farm-in or some other form of value realisation.

Management have prepared a cash flow forecast, which indicate that the Group will have sufficient cash to meet all commitments and working capital requirements for at least 12 months from the date of singing this financial report without the need to raise further funding. Based on this the Directors have reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and the Directors consider the going concern basis of preparation to be appropriate for these financial statements.

However, while the Company remains subject to a DOCA, there exists a material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern. Notwithstanding this uncertainty, the Directors and the Deed Administrator are of the opinion that there are reasonable grounds to believe that the DOCA will be successfully effectuated. Upon its completion, this material uncertainty is expected to be resolved.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differs from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded assets or liabilities that may be necessary if the Group is unable to continue as a going concern.

PERFORMANCE FOR THE YEAR

This section of the notes includes segment information and provides further information on key line items relevant to the financial performance of the Group. It includes relevant accounting policies, key judgements and estimates relevant to understanding these items.

2. SEGMENT INFORMATION

(a) Identification of Reportable Segments

The Group has identified its reportable operating segments based on the internal management reports that are reviewed by the chief operating decision maker and the executive management team in assessing performance and in determining the allocation of resources.

The Group segments are structured as Mining and Processing, Exploration and Other. Mining and Processing refers to the Co-O Mine and Milling operation. The Co-O Mine is held within the PMHI Group which has been deconsolidated from the Group from 13 February 2023, the Co-O Mill is held by MMPRC which forms part of the consolidated Group. Other incorporates the Parent Entity's activities.

(b) Segment Result, Segment Assets and Segment Liabilities

The measurement of segment results is in line with the basis of information presented to management for internal management reporting purposes;

- Segment Result is based on the net of revenues and expenditure corresponding to the specific segment;
- Segment Revenues represent gold and silver sales at spot prices, and Tolling fees charged by MMPRC; and
- Segments Assets are allocated to segments based on their nature and physical location;

Segment Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Segment Liabilities include trade and other payables; and

The following items of revenue, expenses, assets and liabilities are not allocated to operating segments, as they are not considered part of the core operations of any segment:

- income tax expense;
- gain/(loss) on disposal of assets;
- deferred tax assets and liabilities;
- interest revenue; and
- intercompany receivables and payables.

12 months to June 2024:	Operations US$000	Philippines Exploration US$000	Australian Exploration US$000	Other US$000	Total US$000
Segment Revenue & Other Income					
Reconciliation of segment revenue to group revenue	238	-	-	-	238
add:					
Finance income	8,301	-	-	127	8,428
Tolling income	6,327	-	-	-	6,327
Other income	-	-	-	60	60
Group revenue & other income	14,866	-	-	187	15,053
Segment Result					
Reconciliation of segment result to group result:	24	-	(481)	(11,983)	(12,440)
add back:					
Forex realised	-	-	-	188	188
Forex unrealised	-	-	-	(75)	(75)
Finance income	8,301	-	-	127	8,428
Depreciation	915	-	8	21	944
Amortisation	48	-	-	149	197
Other write off	161	-	-	-	161
Share based expenses net of amounts reversed	-	-	-	(642)	(642)
Income tax expense	-	-	-	(510)	(510)
Share of loss from associate	3,677	-	-	-	3,677
Group profit/(loss) after income tax expense	**13,126**	**-**	**(473)**	**(12,725)**	**(72)**
Segment Assets					
Reconciliation of segment assets to group assets:	154,691	-	51	2,464	157,206
plus: Deferred tax assets	-	-	-	-	-
Total group assets	154,691	-	51	2,464	157,206
Segment Liabilities					
Reconciliation of segment liabilities to group liabilities:	6,746	-	22	2,118	8,886
plus: Deferred tax liabilities	-	-	-	-	-
Total group liabilities	6,746	-	22	2,118	8,886

Revenue & non-current assets by geographical region:	Australia US$000	Philippines US$000	Hong Kong US$000	Total US$000
12 months to June 2024:				
Segment Revenue (i)	-	6,327	238	6,565
Non-Current Assets (ii)	659	10,071	-	10,730

In accordance with AASB 8 Operating segments disclosure requirements:

(i) Revenue figures reported by geographical region exclude non-operating income, including interest income and other financial or peripheral gains not directly related to the core operating activities of the entity.

(ii) Non-Current Assets shown in geographical information include tangible and intangible assets but exclude financial instruments (including loans), deferred tax assets, post-employment benefit assets, rights arising under insurance contracts and investment in associates.

12 months to June 2023[1]:	Operations US$000	Philippines Exploration US$000	Australian Exploration US$000	Other US$000	Total US$000
Segment Revenue & Other Income					
Reconciliation of segment revenue to group revenue	112,008	-	-	-	112,008
add:					
Finance Income	2,470	-	-	276	2,746
Tolling income	3,102	-	-	-	3,102
Other income	-	-	-	47	47
Group revenue & other income	117,580	-	-	323	117,903
Segment Result					
Reconciliation of segment result to group result:	18,458	(2,122)	(1,795)	(158,368)	(143,827)
add back:					
Forex realized	-	-	-	(147)	(147)
Forex unrealized	-	-	-	972	972
Finance income	2,469	-	-	275	2,744
Depreciation	3,218	-	5	15	3,238
Amortisation	16,653	-	-	210	16,863
Exploration write off	-	1,954		-	1,954
Impairment of deferred taxes	-	-	-	16,466	16,466
Other write off	418	-	-	-	418
Share based expense	-	-	-	409	409
Retirement expense	15	-	-	-	15
Income tax expense	-	-	-	2,282	2,282
Asset write off	(395)	-	-	(11)	(406)
Loss on deconsolidation	-	-	-	55,941	55,941
Group profit/(loss) after income tax expense	**40,836**	**(168)**	**(1,790)**	**(81,956)**	**(43,078)**
Segment Assets					
Reconciliation of segment assets to group assets:	152,400	-	130	6,592	159,122
plus: Deferred tax assets	-	-	-	-	-
Total group assets	152,400	-	130	6,592	159,122
Segment Liabilities					
Reconciliation of segment liabilities to group liabilities:	6,350	-	20	1,651	8,021
plus: Deferred tax liabilities	-	-	-	-	-
Total group liabilities	6,350	-	20	1,651	8,021

Notes:
1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.

All gold and silver sales have been produced from the Co-O Mine in the Philippines and are recognised in the mining and processing segment as there has been no active trading of gold in the current year. Sales revenues in the mining and processing segment represent sales of refined product from the Co-O Mine, refined and sold in Hong Kong.

The Group sold its gold on the spot market. Selection of a customer is at the Group's discretion and there is no commitment to exclusive sales to any particular customer. During the financial year to 13 February 2023, all of the Group's revenues were derived from sales to a single customer; post 13 February 2023 Group revenue was derived from the toll treating of ore from PMC (2022:100% from single customer). The Group ceased to sell gold and silver from the Co-O Mine from 13 February 2023.

Revenue & non-current assets by geographical region:	Australia US$000	Philippines US$000	Hong Kong US$000	Total US$000
12 months to June 2023:				
Segment Revenue (i)	-	3,102	112,008	115,110
Non-Current Assets (ii)	973	10,869	-	11,842

In accordance with AASB 8 Operating segments disclosure requirements:

(i) Revenue figures reported by geographical region exclude non-operating income, including interest income and other financial or peripheral gains not directly related to the core operating activities of the entity.

(ii) Non-Current Assets shown in geographical information include tangible and intangible assets but exclude financial instruments (including loans), deferred tax assets, post-employment benefit assets, rights arising under insurance contracts and investment in associates.

3. REVENUE AND OTHER INCOME

	Consolidated 2024 US$000	Consolidated 2023[1] US$000
Operating activities:		
Gold and silver sales	238	112,008
Tolling income	6,327	3,102
Total operating revenue	6,565	115,110
Non-operating activities:		
Interest income	127	276
Financial income	8,301	2,470
Other income	60	47
Total non-operating revenue	8,488	2,793
Total revenue and other income	15,053	117,903

Notes:
1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.

(a) Recognition and Measurement

Sale of refined gold & silver

Revenue is recognised when control of the goods has passed to the buyer based upon agreed delivery terms.

The Company's metal sales represent sales of refined gold and silver, when control passes to the customer which is when legal title to the refined metal transfers to the customer. The sales price is based on prevailing market metal prices.

Judgement is required to determine when transfer of control occurs relating to the sale of the goods to customers. Management based its assessment on a number of indicators of control, which include, but are not limited to whether the Company has the present right of payment, and whether the control and legal title have transferred to the customer.

Revenue from Toll Treating

Revenue is recognised over time on a monthly basis following the completion of toll milling activities and the physical tonnages are agreed between PMC and MMPRC in line with the toll milling agreement between the parties.

Judgement is required to determine the tonnes milled by MMPRC which is based on physical weights, assessment of moisture and reconciliation of production.

Financial Income

Financial income includes the accretion of the net present value (NPV) of cash flows on loan receivable from associate, recognised using the effective interest method. This represents the unwinding of the discount over the life of the receivable, reflecting the time value of money in accordance with applicable financial reporting standards.

	Consolidated	
	2024	2023[1]
	US$000	US$000
4. EXPENSES		
Profit/(loss) before income tax expense/(income) has been determined after charging/(crediting) the following items:		
Depreciation & amortisation:		
- Depreciation expense	944	3,238
- Amortisation expense	53	16,337
- Mine rehabilitation and right of use assets amortization	144	526
Total depreciation & amortization	1,141	20,101
Employee benefits expense	1,720	13,785
Interest expense & unwinding of discount on provisions	504	241
Cost of company acquisition	-	(53)
Loss on Deconsolidation [(2)]	-	55,941
Other expenses:		
- VAT impairment	161	418
- Forex realized	113	(147)
- Forex unrealized	-	972
- Defined benefit plans	-	15
- Share-based payment expense net of reversal	(642)	409
- Gain on disposal of assets	-	(405)
Total other expenses	(368)	1,262

Notes:
1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.
2. Loss on Deconsolidation - The Reporting Group deconsolidated PMHI and its subsidiaries including PMC which owns and operates the Co-O Mine from 13 February 2023. On deconsolidation of PMHI a loss of US$55.9 million was recorded. Refer note 29.

(a) Recognition and Measurement

(i) Depreciation

Plant and equipment (excluding the Co-O Operations) is depreciated applying the straight-line method over their estimated useful lives, commencing from the time the asset is held ready for use.

Depreciation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only.

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

Class of fixed asset	Depreciation method	Depreciation rate (%)
Plant and equipment (excluding Co-O Mine)	Straight line	20.0% to 33%
Office furniture and fittings	Straight line	7.5% to 20%
Building	Straight line	5.0% to 20%

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 profit or loss.

Capital works in progress is included in Property, Plant and Equipment. Depreciation of the asset is applied when construction is completed, and the asset is ready for use.

(ii) Amortisation

The Group uses the unit-of-production basis when amortising life-of-mine specific assets which results in an amortisation charge proportionate to the depletion of the anticipated remaining life-of-mine production. Each item's economic life, which it assesses annually, has due regard for both its physical life limitations and to present assessments of the available reserve of the mine property at which it is located.

(iii) Exploration and Evaluation Expenses

Exploration and Evaluation expenditure incurred by or on behalf of the Group is reported separately for each area of interest. Such expenditure comprises direct costs and does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest.

The Group expenses all costs incurred in respect of the acquisition of exploration and evaluation activities and ongoing exploration activities in the period in which they are incurred.

5. EARNINGS PER SHARE

(a) Earnings/(Loss) per Share

	Consolidated	
	2024	**2023** [1]
	US$000	US$000
Profit/(Loss) used to calculate basic and diluted EPS	(326)	(43,078)
Weighted average number of ordinary shares used in the calculation of the basic earnings per share.	227,798,076	227,651,382
Weighted average unlisted options & performance rights outstanding	1,500,000	1,500,000
Weighted average of ordinary shares diluted as at 30 June	229,298,076	229,151,387

Notes:
1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.

(b) Recognition and Measurement

Basic earnings per share ("EPS") is calculated by dividing the net profit or loss attributable to members of the Company for the reporting period, after excluding any costs of servicing equity (other than ordinary shares and converting preference shares classified as ordinary shares for EPS calculation purposes), by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

If a profit is recognised the diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after-tax effect of financing costs associated with potential ordinary shares and the effect on revenues and expenses of conversion to ordinary shares associated with potential ordinary shares, by the weighted average number of ordinary shares and potential ordinary shares adjusted for any bonus issue. Where a loss is recorded no dilution is recognised.

6. INCOME TAX

(a) Income Tax Expense

	2024	2023 [1]
	US$000	US$000
(i) The components of tax expense comprise:		
Current tax expense/(benefit)	510	(2,282)
Deferred tax expense/(benefit)	-	16,466
Prior year adjustment	-	-
	510	14,184
(ii) The prima facie tax on profit before income tax is reconciled to the income tax as follows:		
Operating profit/(loss) before income tax	438	(28,894)
Prima facie tax expense/(credit) at 30% (2023: 30%) on operating profit	131	(7,397)
Adjusted for - tax effect of:		
foreign withholding tax deducted	342	-
other taxable/non-deductible items	199	(6,581)
other non-taxable/deductible items	(38)	(83)
differences in effective foreign income tax rates	(124)	(911)
derecognition of deferred taxes	-	16,466
loss on deconsolidation	-	12,690
Income tax expense	510	14,184

Notes:
1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.

(b) Deferred Tax

	Opening balance	Forex on translation	Credit/(charged) to income	De-recognised on Deconsol-idation	Closing balance
	US$000	US$000	US$000	US$000	US$000
Consolidated Group					
30 June 2024					
Deferred tax assets					
Carried forward tax losses	-	-	-	-	-
Mining and exploration timing differences	-	-	-	-	-
Total deferred tax asset	-	-	-	-	-
30 June 2023					
Deferred tax liability					
Mining and exploration timing differences	469	-	-	(469)	-
Total deferred tax liability	469	-	-	(469)	-
Deferred tax assets					
Carried forward tax losses	1,346	-	(1,346) [1]	-	-
Mining and exploration timing differences	22,472	-	(15,120) [1]	(7,352)	-
Total deferred tax asset	23,818	-	(16,466) [1]	(7,352)	-

Notes:
1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.

Deferred tax assets not brought to account, the benefit of which will only be realised if the conditions for deductibility set out in Note 6(c) occur:

	2024 US$000	2023 US$000
Temporary differences	50,638	50,466
Australian tax losses	5,657	5,657
Total	56,295	56,123

(c) Recognition and Measurement

The income tax expense/(credit) for the year comprises current income tax expense (credit) and deferred tax expense/(credit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantively enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

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

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled, and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

The deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

The benefit of tax losses will only be obtained if:

- The Group derives future assessable income of a nature and of an amount sufficient to enable the benefit to be realised;
- The Group continues to comply with the conditions for deductibility imposed by the relevant laws; and
- No changes in tax legislation adversely affect the Group in realising these benefits.

(d) Key Estimates and Judgements

Significant judgement is required in determining deferred tax assets and liabilities. There are many transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain.

In addition, deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future forecast taxable profits are available to utilise those temporary differences and losses, and the tax losses continue to be available having regard to the relevant tax legislation associated with their recoupment.

The Group has not recognised a deferred tax asset at 30 June 2024.

OPERATING ASSETS & LIABILITIES

This section of the notes shows cash generation, the assets used to generate the Group's trading performance and the liabilities incurred as a result. Liabilities relating to the Group's financing activities are addressed in the Capital Structure, Financial Instruments and Risk Section.

7. CASH AND CASH EQUIVALENTS

(a) Reconciliation of cash:

For the purposes of the Statement of Cash Flows, cash includes cash on hand and short-term deposits at call, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	Consolidated	
	2024	**2023**
	US$000	US$000
Cash at bank	5,479	7,474
Unrestricted cash and cash equivalents	5,479	7,474
Restricted Cash (Note 7(d))	1,564	1,619
Total cash assets	7,043	9,093

(b) Reconciliation of profit /(loss) after income tax to net cash provided by operating activities:

	2024	2023
Loss after income tax add/(less) -	(72)	(43,078)
Non-cash items:		
- Depreciation/amortisation	997	19,574
- Mine rehabilitation amortisation	144	526
- Exploration written off	465	1,954
- Retirement Benefit	(60)	17
- Gain on asset disposal	-	(405)
- Recognition of share-based expenses	(643)	409
- VAT write off	161	418
- Impairment gain/(loss)	-	16,466
- Loss on deconsolidation	-	55,941
- Financial Income	(8,301)	(2,470)
- Share of loss from associate	3,677	-
- Foreign exchange (gain) / loss	113	826
- Profit attributable to non-controlling interest	254	-
Total non-cash items	(3,265)	50,176
Changes in assets & liabilities		
- (increase)/decrease in trade & other receivables	1,890	15,327
- (increase)/decrease in prepayments	(34)	307
- (increase)/decrease in inventories	(59)	30,203
- (decrease)/increase in trade & other payables	224	(24,266)
- (increase)/decrease in deferred taxes assets	-	12,290
- increase/(decrease) in deferred taxes liabilities	-	651
- movement in retirement benefit liability	-	(2,915)
- De-recognised on deconsolidation	-	(42,305)
Total changes in assets and liabilities	2,021	(10,708)
Net cash provided by/(used in) operating activities	(1,244)	39,468

(c) Non-cash Investing and Financing activities

	Consolidated 2024 US$000	2023 US$000
- Performance Rights issued (refer note 30)	140	409
- Additions to the right -of-use assets	199	458

(d) Restricted Cash

The Group's total cash assets mentioned above include restricted bank accounts held as follows:

(i) in a rehabilitation fund of US$1,521,548 (2023: US$1,521,548) to be used at the end of life of mine for environmental rehabilitation; and

(ii) the parent entity has cash backed bank guarantees for its head office premised of US$97,639 (2023: US$97,639)

(e) Recognition and Measurement

For the purpose of the Statement of Cash Flows, cash and cash equivalents include:

- cash on hand and at call deposits with bank or financial institutions, net of bank overdrafts; and
- investments in money market instruments with less than 30 days to maturity.

These amounts are convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

8. TRADE AND OTHER RECEIVABLES

	2024	2023
Current		
GST/VAT receivables	1,921	1,446
Trade / Other receivables	1,074	4,730
Total current receivables	2,995	6,176
Non-Current		
GST/VAT receivables	3,044	3,471
Total non-current receivables	3,044	3,471

(a) Recognition and Measurement

Trade and other receivables are initially measured at the transaction price and subsequently measured at amortised cost less an allowance for uncollectable amounts. Uncollectable amounts are determined using the expected loss impairment model. Collectability and impairment of trade receivables is assessed on a regular basis.

In the current year, the expected credit loss on trade receivables is considered insignificant as trade receivables represents tolling fees owing from PMC which were paid in full subsequent to year end.

(b) Key Estimates and Judgements

The Group has $5 million of VAT receivables that comprises tax credit certificates ("TCC") and VAT claimable for cash and offsets. The current asset portion of VAT $1.9 million comprises amounts that are estimated to be utilised within the current period. The non-current amount of VAT receivable of $3.0 million represents the estimated amount utilised in future periods against tax liabilities.

Management judgement has been used to determine a provision for Philippine VAT Receivables not recoverable in future and is based on historical and estimated amounts in future.

9. INVENTORIES

	Consolidated	
	2024	**2023**
	US$000	US$000
Consumables - net realisable value	515	456
Total inventories	515	456

(a) Recognition and Measurement

Consumables are valued at the lower of cost and net realisable value. Any allowance for obsolescence is determined by reference to stock items identified.

10. LOAN RECEIVABLES

	2024	2023
Opening Balance	63,293	-
Loan principle recognised on the deconsolidation of PMHI (refer note 29)	-	251,263
Less – Present value and expected credit loss provision	-	(190,440) [1,2]
	-	60,823
Financial income	8,301	2,470[1]
Movement in the principle amount receivable	(274)	-
	71,320	63,293[1]
Current	14,142	-
Non-current	57,178	63,293
Total loan receivables at net realisable value	71,320	63,293[1]

Notes:
1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.
2. $108 million of the expected credit loss recognised was settled by MMPRC recording a special dividend on 9 January 2025 in accordance with the MOA executed between MMPRC and PMC.

(a) Recognition and Measurement

On June 5, 2019, the MMPRC executed a loan agreement with PMC whereby the latter acknowledges its outstanding payable to the Company amounting to US$325.4 million at that date.

The MMPRC has not imposed interest on the loan in 2024 or 2023.

Subsequent to balance date on 9 January 2025, MMPRC and PMC agreed an memorandum of agreement ("MOA") to recognise the outstanding debt at US$248 million and outline the repayment terms, the refer note 31.

The loan is split between current and non-current receivable based on the terms of the agreement between MMPRC and PMC. The carrying value of the loan receivable is valued at the net present value of expected future repayments under the agreed MOA using a discount rate of 12%.

(b) Key Estimates and Judgements

Recoverability

Pursuant to the terms and conditions of the agreement between MMPRC and PMC, MMPRC and PMC agree to the loan amount at US$248 million on the condition, amongst other things, that PMC will make two initial repayments of US$10.5 million, received on 23 January 2025, and US$4.7 million and then monthly or quarterly instalment payments commencing from January 2026 and that MMPRC will MMPRC will issued and declared a special preference dividend totaling one hundred and eight million US Dollars (US$108 million) to PMC which will be applied against the Loan, thus reducing the balance to US$140 million.

The Company has considered and adjusted for the expected credit losses on this loan, considering both the credit risk associated with the borrower and the time value of money. The credit risk assessment requires certain assumptions to be made in order to assess the recoverability of the loan receivable from PMC, including the ability of PMC to meet the payment obligations of the loan which are dependent on continuing operations and future cash flows of PMC.

The Company notes that should a dispute arise between MMPRC and PMC then recovery of the outstanding loan would be subject to mediation and if not successfully resolved, legal action in the Philippines; as such the timing and amount recoverable would be uncertain.

(c) Restatement of Loan Receivable from Associate

The Company has determined to restate the loan receivable from PMC in line with the present value of future cash flows calculated under the Memorandum of Agreement (MOA) between MMPRC and PMC and executed on 9 January 2025. The fair value of this loan was previously assessed based on minimum repayments attributable under the RFA agreed.

The fair value previously reported at 30 June 2023 was determined based on minimum repayments attributable under the terms of the RFA. However, subsequent to the year-end, the MOA between MMPRC and PMC provided revised terms, including a definitive schedule for future cash flows which provided additionally clarity to the expected repayment terms, though were materially inline with the proposed terms of the RFA

The restatement reflects:

- Improved Evidence of Conditions Existing at Reporting Date: The MOA provides additional information about the terms under negotiation at the reporting date, which were not finalized but were substantially agreed upon.
- Alignment with Economic Substance: The MOA represents the best estimate of the recoverable amount of the loan as of the reporting date, and it supersedes the terms of the RFA.
- Compliance with AASB 110 Events after the Reporting Period: The MOA constitutes an adjusting subsequent event as it provides further evidence about conditions existing at the reporting date.

(d) Loan Classification

The loan has been classified as a Stage 1 performing loan in accordance with AASB 9 Financial Instruments, as it has been recently agreed under the terms on the MOA and initial payments have been received (refer note 31) and is not considered to have experienced a significant increase in credit risk since its renegotiation. Expected credit losses are measured on a 12-month basis.

11. PROPERTY, PLANT & EQUIPMENT

	Consolidated	
	2024	**2023**
	US$000	US$000
Plant & equipment:		
At cost	80,786	216,338
less - provision for impairment	(75,180)	(132,065)
less - accumulated depreciation	(1,259)	(77,578)
less - de-recognised on deconsolidation	-	(1,839)
Total plant & equipment at net book value	4,347	4,856
Capital works in progress:		
At cost	720	33,649
less - de-recognised on deconsolidation	-	(33,187)
Total capital works in progress at net book value	720	462
Furniture & fittings:		
At cost	136	1,481
less - provision for impairment	-	(254)
less - accumulated depreciation	(126)	(1,003)
less - de-recognised on deconsolidation	-	(196)
Total furniture & fittings at net book value	10	28
Total carrying amount at end of year	5,077	5,346

	Consolidated 2024 US$000	Consolidated 2023 US$000
Reconciliations:		
Plant & equipment:		
Carrying amount at beginning of year	4,856	3,738
plus – additions	300	4,390
plus - net transfer from capital works in progress	117	915
less - forex differences on translation	-	890
less - de-recognised on deconsolidation	-	(1,839)
less – disposal	-	-
less – depreciation	(926)	(3,238)
Carrying amount at end of year	4,347	4,856
Capital works in progress:		
Carrying amount at beginning of year	462	25,704
plus – additions	375	8,859
less - net transfer to plant and equipment	(117)	(914)
less - de-recognised on deconsolidation	-	(33,187)
Carrying amount at end of year	720	462
Furniture & fittings:		
Carrying amount at beginning of year	28	170
plus – additions	-	61
plus - net transfer from capital works in progress	-	-
less – depreciation	(18)	(7)
less - de-recognised on deconsolidation	-	(196)
Carrying amount at end of year	10	28
Total carrying amount at end of year	5,077	5,346

(a) Recognition and Measurement

Each class of Property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

12. INVESTMENT IN ASSOCIATE

	Consolidated	
	2024	**2023** [1]
	US$000	US$000
Carrying value at the beginning of the period	69,494	-
Fair value of investment on initial recognition	-	69,494
Share of attributable loss [2]	(3,677)	-
Total investment in associate	65,817	69,494

Notes:

1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.
2. The Group has determined not to recognise any adjustment to the value of its investment in PMHI from a share of the attributable profit or loss from PMHI for the period 13 February to 30 June 2023; as the information on which the reported result from the PMHI Group is based is subject to uncertainty.

The Group accounted for its 40% equity investment in PMHI as an equity accounted associate based on it's economic rights in respect of PMHI under Philippine law and PMHI's constitutive documents from 13 February 2023 following the deconsolidation of the PMHI Group (refer note 29). On deconsolidation, the Company could exert significant influence, but not control, over PMHI through the ability to exercise voting rights attached to its 40% equity interest. The PMHI Group includes PMC which operates the Co-O Mine under a Mineral Production and Sharing Agreement with the Republic of the Philippines.

Equity Interest as at 30 June 2024 (unchanged from 30 June 2023 (vi))	Date of incorporation	Country of Incorporation	Equity interest	Voting
Philsaga Management and Holding Inc ("PMHI") (i)	29 May 2003	Philippines	40% Direct	40%
Phsamed Mining Corporation ("Phsamed") (ii)	23 Apr 2003	Philippines	40% Indirect	-
Philsaga Development Corporation Inc ("PDC") (ii)	08 May 2003	Philippines	40% Indirect	-
Philsaga Mining Corporation ("PMC") (iii)	17 May 2001	Philippines	40% Indirect	-
Apmedoro Mining Corporation ("Apmedoro") (iv)	8 Feb 2007	Philippines	28% Indirect	-
Sursur Mining Corporation ("Sursur") (v)	3 Mar 2008	Philippines	32% Indirect	-
Agpan Projects Corporation ("Agpan") (v)	17 Apr 2015	Philippines	40% Indirect	-

Note:

(i) The Company holds a direct equity interest in PMHI.
(ii) Phsamed and PDC are wholly owned subsidiaries of PMHI.
(iii) PMC is a wholly owned subsidiary of PDC.
(iv) Apmedoro is a subsidiary of Phsamed. Phsamed hold 70% of the issued capital.
(v) Agpan and Sursur are subsidiaries of PMC, Agpan is a wholly owned subsidiary and PMC holds 80% of the issued capital of Sursur.
(vi) Apmedoro, Agpan and Sursur were omitted in prior periods. These entities do not hold active operations, tenements or real property.

(a) Financial Information for the period

Financial Performance for the period i	2024 $'000	2023 $'000
Revenue (100%)[1]	130,293	57,040
Profit/(Loss) after Income Tax (100%)[2]	(3,677)	3,551
Assets and Liabilities as at 30 June		
Total Assets	160,226	163,756
Liabilities (excluding loan owing to MMPRC)	23,089	30,969
Loan owing to MMPRC (refer note 10)	71,320 [3]	63,293
Total Liabilities	94,409	94,262
Dividends declared or paid	NIL	NIL

Note:

1. Revenue and Profit after Income Tax is reported for 2023 for the period from 13 February 2023 to 30 June 2023.
2. The Group accounted for its interest based on it's economic rights, rather than its proportional shareholding, in PMHI under Philippine law and PMHI's constitutive documents.
3. Loan owing by PMC to MMPRC is recognise at the carrying value (refer note 10). The principle was restated to US$248 million subsequent to balance date refer note31.

(b) Commitments

PMC has a contract of lease with equipment rental companies for certain machineries and equipment to be used for mining purposes.

	2024 US$'000	2023 US$'000
Lease Payments:		
Within 1 year	762	433
Within 1 to 5 years	2,857	-
Beyond 5 years	-	-
Total undiscounted lease payments	3,619	433

(c) Contingent liabilities

PMC, a subsidiary of the associate, operates the Co-O mine which is subject to various legal, regulatory, and environmental obligations. As with all mining operations, there are inherent risks that may give rise to potential contingent liabilities, including but not limited to:

Regulatory and Environmental Compliance

PMC is subject to environmental and rehabilitation obligations under local applicable laws. Future regulatory changes or unforeseen environmental incidents could result in additional compliance costs, fines, or penalties. At this stage, the extent of any potential liability cannot be reliably estimated.

Litigation and Claims

PMC is involved in ongoing discussions with regulatory bodies, landowners, and other stakeholders regarding potential claims relating to land access, environmental impact, and royalty payments. While no formal legal proceedings have been initiated, there is a possibility that claims may arise, which could have a material impact.

Mine Closure and Rehabilitation Costs

PMC has recognised a provision for mine rehabilitation; however, actual costs may exceed estimates due to unforeseen changes in environmental standards, regulatory requirements, or site conditions. Additional obligations may arise should regulatory authorities impose further requirements upon mine closure.

Community and Indigenous Agreements

PMC has agreements with local communities and Indigenous groups, which may be subject to renegotiation or claims for additional compensation. PMC maintains good relations with stakeholders, there is a risk that disputes may arise, leading to financial obligations not currently recognised.

Operational and Financial Risks

Uncertainties related to commodity prices, geological conditions, and operational disruptions (e.g., natural disasters, labor disputes) may impact the mine's profitability and, in turn, expose PMC to potential liabilities, including contractual disputes with suppliers and service providers.

At present, no provision has been recognised by PMC in relation to these matters, as the likelihood and timing of any outflows remain uncertain.

(d) Recognition and Measurement

The initially recognised investment in PMHI was measured to its fair value. As at 30 June 2023, the Company considered that the carrying value of its investment in PMHI was $69.5 million based on an assessed value attributable to the Company's economic rights rather than its proportional shareholding, under Philippine law and PMHI's constitutive documents from the Co-O Mine, Cash, Bullion and other assets and liabilities of the PMHI Group.

The Group has determined not to recognise any adjustment to the value of its investment in PMHI from a share of the attributable profit or loss from PMHI for the 13 February 2023 to 30 June 2023; as the information on which the reported result from the PMHI Group is based is subject to uncertainty. This uncertainty is due to:

- The adoption of differing historical accounting treatments and policies between the PMHI Group and X64; and
- Limitations in the access to information from 13 February 2023 to 30 June 2023.

(e) Key Estimates and Judgements

(i) Recoverability of investment in associate

In determining the value of its investment, the Company has exercised diligence and integrity, in making a series of well-considered assumptions and estimations. The assumptions used are subject to validation over time, influenced by various risks, including geological, political, economic, counterparty, legal, regulatory and mining/operational risk factors.

(ii) Legal matters

As of 30 June 2024, the carrying amount of the Group's investment in PMHI stands at $65.8 million. The Company is pleased to note that the current structure through which the Co-O Mines, the PMHI Group's principal asset, is held is deemed compliant with regulatory requirements in the Philippines. However, it is acknowledged that historical structures employed under previous Boards and management may potentially be deemed not fully compliant. As a result, entities within the PMHI Group could face exposure to potential penalties if historical non-compliance with Philippine regulations is determined following due legal process. Such penalties may include the dissolution of the relevant entity or forfeiture of mineral rights, both of which could materially impact the value of the Company's 40% ownership stake in PMHI.

The Directors believe that the risk of forfeiture of mineral rights due to a potential historical breach is unlikely. The Philippine Supreme Court has provided a favourable precedent in property matters, stating that "[i]f land is invalidly transferred to an alien who subsequently becomes a citizen or transfers it to a citizen, the flaw in the original transaction is considered cured and the title of the transferee is rendered valid." Although there are no applicable jurisprudential precedents concerning mineral rights that declare the "curing" of past or historical Anti-Dummy Law (ADL) violations would prevent forfeiture or absolve individuals or corporations from liability, the Directors remain confident in their compliance efforts.

In February 2023, a dispute over, amongst other things, the ownership of the 60% of PMHI not held by the Company occurred, and various legal claims were filed in the Filipino Courts ("the Disputes"). The Company is not a party to the Disputes. As 40% shareholder at the PMHI level, the Company has voting and economic rights in respect of PMHI under Philippine law and PMHI's constitutive documents which are not impacted by the Disputes.

The Company awaits the decision of the appropriate Philippine Courts to determine the outcome of the Disputes. However, based on facts currently known to the Board, and independent advice, the Board and the Deed Administrator recognise Mr Villanueva as the appropriate controlling shareholder and President of PMHI. Notwithstanding that the Company is not a party to the Disputes, there is a risk that if the Disputes are not resolved in Mr Villanueva's favour, the other parties may question the agreements Mr Villanueva (on behalf of PMC) entered into with the Company and MMPRC (e.g., Lease Agreement, Revised Framework Agreement, Memorandum of Agreement) which will impact the premise on which the recoverable amount is assessed.

The Board considers that the agreements entered into should be considered valid corporate acts. If the Disputes were to be resolved in favour of Mr Mahusay and he sought to have these agreements overturned, he would need to do so under the Philippines legal system. The Board, based on independent advice, considers it unlikely that the agreements would be overturned as they have been negotiated in good faith and at arms' length and are beneficial to both sides, in that they provided clarity to each side rather than giving advantage to either party.

A breakdown in the Company's relationship with its stakeholders, which include the Filipino shareholders of PMHI, local communities and government authorities, may lead to a damage in its reputation, which could jeopardise the Company's social licence to operate, and impact its financial returns and capital management, which is essential to delivering on its purpose and strategy.

The Directors are committed to maintaining a rigorous approach to managing these assumptions and ensuring the continued integrity and value of the Company's investments.

(iii) Significant Influence

Estimates and judgements are required by the Group to consider the existence of significant influence over PMHI. The Group has considered its investment in PMHI and the rights and obligations contained within the

- The Articles of Incorporation of PMHI; and
- The rights of shareholders as governed by the Revised Corporations Code of the Philippines.

The Group has conclude that it's 40% equity interest gives significant influence, even where the 60% interest is held directly and indirectly by a single individual, based on these rights.

(f) Net Investment in Associate

	2024 $'000	2023 $'000
Investment in associate	65,817	69,494
Loan receivable from associate	71,320	63,293
Total net investment in associate	137,137	132,787

The investment in associate represents the Company's equity holdings in PMHI.

The loan receivable from associate is classified as financial assets and assessed under AASB 9 Financial Instruments. As at the reporting date, this loan has been classified as Stage 1 performing loans, as they have not experienced a significant increase in credit risk. Expected credit losses are measured on a 12-month basis. The loan is considered part of the Group's net investment in PMHI and are assessed for impairment at each reporting date.

13. LEASES

Nature of leasing activities

The Group also leases a property, and the lease contracts provide for payments to increase each year by a fixed percentage.

	Consolidated		
	Land & buildings	Plant & equipment	Total
	US$000	US$000	US$000
Right-of-use assets			
Balance at start of year	1,370	-	1,370
Additions	199	-	199
Amortisation	(617)	-	(617)
As at 30 June 2024	952	-	952
Balance at start of year	624	750	1,374
Additions	986	-	986
Amortisation	(240)	(250)	(490)
As at 30 June 2023	1,370	-	1,370

Right-of-use assets are included in the Consolidated Statement of Financial Position as Leased Assets.

	Consolidated	
	2024	2023
	US$000	US$000
Lease Liabilities		
Balance at start of year		
Current	384	527
De-recognised on deconsolidation	-	(263)
Total current	384	264
Non-Current	326	1,131
De-recognised on deconsolidation	-	(516)
Total non-current	326	615
As at 30 June	710	879

The following amounts have been included as an expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income during the financial year:

	Consolidated	
	2024	2023
	US$000	US$000
Interest expense (included in Interest expense)	20	60

The Group's total cash outflow for leases in the year ended 30 June 2024 was US$184,831 (2023: US$264,736).

(a) Recognition and Measurement

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.

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 consolidated entity'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.

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.

(b) Key Estimates and Judgements

Leases - determining the lease term.

The Group has in place a number of leases of property with terms that can be renewed or extended, or, where no formal extension or renewal option exist, there is a practice of renewing or extending the lease.

In determining the lease term, management is required to determine:

- Whether there is an actual or implied extension or renewal option. An implied extension or renewal option will exist if both the lessee and lessor would incur a more than insignificant penalty if the lease were not extended or renewed; and
- Whether the Group is reasonably certain to exercise any actual or implied extension options, taking into account all facts and circumstances relating to the lease.

Estimates:

Leases - determining the incremental borrowing rate.

Where the interest rate implicit in a lease is not known, the Group is required to determine the incremental borrowing rate, being the rate of interest, the Group would have to pay to borrow a similar amount, over a similar term, with similar security to obtain an asset of similar value in a similar economic environment.

As this information may not be readily available, the Group is required to estimate its incremental borrowing rate using such information as is available and making adjustments to reflect the particular circumstances of each lease.

14. IMPAIRMENT OF NON-CURRENT ASSETS

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use i.e. discounted cash flows, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed in profit or loss.

Impairment testing is performed annually for intangible assets. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When indicators of impairment exist, a formal estimate of the recoverable amount is made.

The key assumptions used in the 30 June 2024 carrying value assessments are provided in the notes listed and table below.

Note 6.	Income Tax and Deferred Tax Assets	Note 10.	Loan Receivable
Note 8.	Trade & Other Receivables	Note 12.	Investment in associate

	Consolidated	
	2024	2023
	US$000	US$000
15. TRADE & OTHER PAYABLES		
Trade creditors[1]	4,689	4,602
Accruals	1,093	411
Withholding tax	639	495
Income tax payable	-	83
Other creditors	6	5
De-recognised on deconsolidation	-	(181)
Total creditors	6,427	5,415

Notes:

1. Trade creditors include an amount owing by KDTL to PMC of US$4,674,845 which is subject to interest at the rate of 4.55%pa.

(a) Recognition and Measurement

Trade and other payables are initially measured at the value of the invoice received from the supplier and subsequently measured at amortised cost. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of these purchases of the goods and services. The amounts are unsecured and generally paid within 30 days of recognition.

16. PROVISIONS

	Consolidated 2024 US$000	Consolidated 2023 US$000
Current provisions:		
Employee benefits	234	303
Retirement benefit	6	88
Total current provisions	240	391
Non-Current provisions:		
Rehabilitation	1,509	1,336
Retirement benefit	-	-
Total non-current provisions	1,509	1,336
Retirement benefit		
Amounts recognised in profit or loss in respect of these defined benefit plans are as follows:		
Current service cost	12	12
Net interest on obligation	8	8
Total provisions	20	20

The amount included in the statements of financial position arising from the entity's obligation in respect of its defined benefit plans is as follows:

	Consolidated 2024 US$000	Consolidated 2023 US$000
Present value of defined benefit obligation	5	88
Total	5	88
Movements in the present value of the defined benefit obligation in the current period were as follows:		
Opening balance	88	(395)
Current service cost	9	12
Net interest costs	5	8
Benefits/contributions paid	(33)	-
Actuarial gain/(loss)	-	(15)
De-recognised	(60)	-
Foreign exchange gain/(loss)	(4)	244
less - de-recognised on deconsolidation	-	234
Closing balance	5	88

(a) Recognition and Measurement

Rehabilitation

	2024	2023
Carrying amount at beginning of the year	1,336	1,340
(less)/plus - in provision	173	(4)
Carrying amount at end of year	1,509	1,336

(i) Employee benefits

This provision is made for the Group liability for employee benefits arising from services rendered by employees to the reporting date. Employee benefits expected to be settled within 12 months together with entitlements arising from wages, salaries and annual leave which will be settled after 12 months, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs.

Other employee benefits payable later than 12 months have been measured at the present value of the estimated future cash outflows to be made for those benefits. Contributions are made by the Group to several employee superannuation funds and are charged as expenses when incurred.

(ii) Retirement Benefit Fund

In respect of defined benefit plans, the cost of providing the benefits is determined using the projected unit credit method. Actuarial valuations are conducted every two years, with valuations performed on an annual basis. Consideration is given to any event that could impact the funds up to the end of the reporting period where the interim valuation is performed at an earlier date.

The amount recognised in the Statement of Financial Position represents the present value of the defined benefit obligations adjusted for any unrecognised actuarial gains and losses and unrecognised past service costs less the fair value of the plan's assets. Any asset recognised is limited to unrecognised actuarial losses, plus the present value of available refunds and reductions in future contributions to the plan.

Actuarial gains and losses are amortised over the expected average remaining working lives of the participating employees in the plan. Gains or losses on the curtailment or settlement of a defined benefit plan are recognised in the profit or loss when the Group demonstrates commitment to the curtailment or settlement. Past service costs are recognised when incurred to the extent that benefits are vested and are otherwise amortised on a straight-line basis over the vesting period.

The Group has a funded non-contributory retirement plan for employees in the Philippines. The cost of providing benefits is determined using the Projected Unit Credit Method which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries.

The retirement benefit obligation recognised in the Statement of Financial Position represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of plan assets.

The funding policy is to contribute an amount based on the actuarial valuation report which is carried out at regular intervals.

(iii) Rehabilitation Costs

Rehabilitation costs that are expected to be incurred are provided for as part of the cost of the exploration, evaluation, development, construction or production phases that give rise to the need for restoration. Accordingly, these costs are recognised gradually over the life of the facility as these phases occur. The costs include obligations relating to reclamation, waste site closure, plant closure and other costs associated with the rehabilitation of the site.

These estimates of the rehabilitation obligation are based on anticipated technology and legal requirements and future costs, which have been discounted to their present value. Any changes in the estimates are adjusted on a progressive basis. In determining the rehabilitation obligations, the entity has assumed no significant changes will occur in the relevant Federal, State or foreign legislation in relation to rehabilitation of such minerals projects in the future. At the reporting date, the group does not consider it has any significant unsatisfied obligations in respect to rehabilitation costs.

Key estimates - Rehabilitation Provision

The determination of the provision requires significant judgement in terms of the best estimate of the future costs of performing the work required, the timing of the cash flows and the appropriate discount rate.

In relation to estimating the costs of performing the work required, significant judgement and estimates are required in relation to estimating the extent of rehabilitation activities, including area to be rehabilitated, technological changes, regulatory changes, timing of cash flows and appropriate discount rates.

When these estimates change or become known in the future, such differences will impact the mine rehabilitation provision on the period in which they change or become known.

A change in any, or a combination of, the key estimates used to determine the provision could have a material impact on the carrying value of the provision.

CAPITAL STRUCTURE, FINANCIAL INSTRUMENTS & RISK

	2024 Shares	2024 US$000	2023 Shares	2023 US$000
17. ISSUED CAPITAL				
Ordinary shares fully paid	227,798,076	114,362	227,798,076	114,362
Ordinary shares				
Balance at beginning of year	227,798,076	114,362	227,820,301	114,348
Ordinary shares issued during the year:				
Share Buy Backs [(i)]	-	-	(459,225)	(193)
Issue of Shares to Key Management Personnel	-	-	437,000	207
Balance after cancellation of share buy backs	227,798,076	114,362	227,798,076	114,362

Note:

(i) Share buy backs were recorded and advised to the ASX as follows:

- 21 December 2022 – 125,529 shares
- 22 December 2022 – 48,227 shares
- 28 December 2022 – 9,500 shares
- 29 December 2022 – 141,314 shares
- 30 December 2022 – 134,655 shares

(a) Ordinary shares

Ordinary shares are classified as equity and transaction costs directly attributable to the issue of shares recognised as a deduction from equity, net of any related income tax effects.

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value.

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

(b) Capital Management

Management controls the capital of the Group by monitoring performance against budget to provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's liabilities and capital includes ordinary share capital, options/performance rights and financial liabilities, supported by financial assets.

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.

	Consolidated	
	2024 US$000	2023 [1] US$000
Capital for the reporting period under review is summarised as follows:		
Total equity	148,320	151,102
Cash and cash equivalents	(7,043)	(9,093)
Total	141,277	142,009
Total equity	148,320	151,102
Borrowings	-	-
Overall financing	148,320	151,102
Capital-to-overall financing ratio	95%	94%

Notes:

1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.

	Consolidated 2024 US$000	Consolidated 2023 US$000
18. RESERVES		
Share-based payment reserve	-	1,499
Other reserve	(2,166)	(2,166)
Foreign currency translation reserve	2,273	2,622
Total Reserves	107	1,955

(a) Share-based payment reserve

The share-based payment reserve records items recognised as expenses on valuation of share-based payments.

Performance Rights:

Under the Performance Rights plan for long term incentives, which was approved by shareholders, eligible employees are granted performance rights (each being an entitlement to an ordinary fully paid share), subject to the satisfaction of vesting conditions and on the terms and conditions as determined by the Board.

Under the short-term incentive plan for executives, agreed annually with the Board, a predetermined amount of the award is settled in Performance Rights. Eligible employees are granted performance rights (each being an entitlement to an ordinary fully paid share), subject to the satisfaction of vesting conditions and on the terms and conditions as determined by the Board.

Performance Rights issued under these plans carry no voting or dividend rights and are issued for no consideration.

(b) Foreign Currency Translation Reserve

The foreign currency translation reserve for the group records exchange differences arising on translation of foreign controlled subsidiaries.

(c) Other Reserves

Remeasurement gains and losses arising from changes in actuarial assumptions relating to retirement benefits are recognised in the period in which they occur, directly in other comprehensive income. They are included in Other Reserves in the Statement of Changes in Equity.

	Consolidated 2024 US$000	Consolidated 2023[1] US$000
19. RETAINED PROFITS AND ACCUMULATED LOSSES		
Retained profit at start of year	32,498	82,819
Net loss attributable to members of Company	(326)	(43,078)
Transfer from share option reserve	856	49
Dividend paid	-	(7,292)
Retained profits at the end of year	33,028	32,498

Notes:

1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.

	Consolidated	
	2024	**2023**
	US$000	US$000

20. NON-CONTROLLING INTEREST

A non-controlling interest in MMPRC being related to the holding by PMC, which was deconsolidated from the reporting group at 13 February 2023, was accounted for as an equity transaction resulting in the following:

	2024 US$000	2023 US$000
Balance at beginning of the year	2,287	-
Increase in the amount attributable to non-controlling interest	254	-
Dividend paid to non-controlling interest	(1,718)	-
Recognised on deconsolidation	-	2,287
Balance at the end of the year	823	2,287
PMC hold preference shares in MMPRC which represent 20% of the issued capital. The preference shares carry no voting rights and a preference dividend equating to PhP 12 million per annum (approximately US$220,000)	20%	20%

(a) Recognition and Measurement

The Group recognises non-controlling interests at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

For the non-controlling interests in MMPRC, the Group elected to recognise the non-controlling interests at its proportionate share of the net identifiable assets, being the net present value of the expected preference dividend payable to PMC.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively. Non-controlling interest was initially recognised in MMPRC on 13 February 2023 upon the deconsolidation of the PMHI Group.

21. DIVIDENDS PAID AND PROPOSED

	2024 US$000	2023 US$000
No dividend was paid for the year ended 30 June 2024 (2023: 5 cents per fully paid share).	-	7,292
Total dividend paid during the financial year	-	7,292

On 5 September 2022, the Directors declared a final unfranked dividend for the year ended 30 June 2022 of 5 cents per ordinary share, which was paid on 20 October 2022.

No dividends were proposed or paid for the financial year ending 30 June 2024.

(a) Recognition and Measurement

Provision is made for any declared dividend, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period. A provision for dividends is not recognised as a liability unless the dividends are declared on or before the reporting date.

22. FINANCIAL RISK MANAGEMENT

(a) Financial Risk Management Policies

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

The main purpose of non-derivative financial instruments is to raise finance for Group operations.

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

(i) **Treasury risk management**

Senior executives of the Group regularly analyse financial risk exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.
The Group's overall risk management strategy is outlined in the Corporate Governance Statement.

(ii) **Financial risk exposures and management**

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

(iii) **Interest rate risk**

Interest rate risk is managed by investing cash with major financial institutions in both cash on deposit and term deposit accounts. Interest rates on major deposits that are re-invested, are at a fixed rate on a monthly basis.

(iv) **Price risk**

The Group has previously sold gold produced at spot rate and no forward contracts or hedging were utilised. Since February 2023, gold is produced and sold by PMC, in which the Group holds a 40% indirect interest. The Group is cognisant of its exposure to fluctuations in the gold price. The Board's risk management policy acknowledges that as market factors are dynamic in nature all risk positions are monitored to ensure that the Groups' activities are consistent with the approach and strategy approved by the Board. The Board therefore regularly reviews the spot price of gold to consider whether it should adopt any measures to mitigate risk.

(v) **Liquidity risk**

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

(vi) **Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss to the Company. Credit risk arises from the financial assets of the Company, which comprise trade and other receivables and deposits with banks and financial institutions.

The Company manages its credit risk on trade receivables and financial instruments by predominantly dealing with counterparties with an investment grade credit rating. Customers who wish to trade on unsecured credit terms are subject to credit verification procedures. Receivable balances are monitored on an ongoing basis. As a result, the Company's exposure to bad debts is not significant. X64's maximum credit risk is limited to the carrying amount of its financial assets.

The credit risk associated with the loan receivable is detailed at note10 0.

At 30 June 2024 the Company had a provision for credit loss of nil (2023: nil). Subsequent to 30 June 2024, 100% (2023: 100%) of the trade receivables balance has been received. Credit risk from balance with banks is managed by placing funds with reputable financial institutions with strong investment grade credit ratings.

(vii) **Foreign currency risk**

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk can be measured by performing a sensitivity analysis that quantifies the impact of different assumed exchange rates on the Group's forecast cash flows.

Whilst the Group is aware of its exposure to fluctuations in foreign currency, the current policy of the Board is not to hedge.

(b) Financial instrument composition and maturity analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the Statement of Financial Position.

Consolidated Group	Weighted avg Effective interest		Floating interest rate		Within 1 Year		Within 1 to 5 Years		Non-Interest Bearing		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	(%)						(US$000)					
Financial Assets:												
Cash & cash equivalent	0.26	0.30	3,706	1,983	-	-	-	-	3,338	7,111	7,043	9,094
Trade receivables	-	-	-	-	-	-	-	-	1,074	4,730	1,074	4,730
Loans receivable	-	-	-	-	-	-	-	-	250,990	251,263	250,990	251,263
Total Financial Assets			3,706	1,983	-	-	-	-	255,402	263,104	259,107	265,087
Financial Liabilities:												
Financial liabilities at amortised cost												
Lease Liabilities - Current	5.35	5.35	-	-	384	265	-	-	-	-	384	265
Lease Liabilities - Non-Current	5.35	5.32	-	-	-	-	326	615	-	-	326	615
Trade & sundry payables	-	-	-	-	-	-	-	-	5,953	5,414	5,953	5,414
Tota Financial Liabilities			-	-	384	265	326	615	5,953	5.414	6,663	6,294

	Consolidated 2024 US$000	Consolidated 2023 US$000
Trade and sundry payables are expected to be paid as follows:		
Less than 6 months	6,426	5,415

As at 30 June 2024 and 2023, all receivables were neither past due nor impaired

(i) Net fair values

The fair value of cash and cash equivalents and non- interest bearing monetary financial assets and liabilities approximates their carrying value. The fair value of financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

(ii) Sensitivity analysis

The Group has performed sensitivity analysis relating to its exposure to interest rate risk, foreign currency risk and price risk at the reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity, which could result from a change in these risks.

(iii) Interest Rate Sensitivity Analysis

As at 30 June 2024, the effect on profit or equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	2024	2023
Change in profit/(loss) before income tax/equity:		
- increase in interest rate by 100 basis points	54	37
- decrease in interest rate by 100 basis points	(54)	(37)

(iv) Foreign currency risk sensitivity analysis

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the consolidated entity's functional currency.

The consolidated entity operates internationally and is exposed to foreign exchange risk arising from the United States dollar. No programs for hedging foreign exchange risk were implemented by the consolidated entity in the 2023 and 2024 financial years.

The following table shows the foreign currency risk on the financial assets and liabilities of the Groups operations denominated in currencies other than the functional currency of the operations.

Consolidated	Net Financial Assets/(Liabilities) in US$000 AUD	PHP	USD	TOTAL
2024				
Functional currency of Group Entity				
Australian Dollar	-	-	1,646	1,646
US Dollar	-	3,610	-	3,610
Philippine Peso	-	-	-	-
Total	-	3,610	1,646	5,256
2023				
Functional currency of Group Entity				
Australian Dollar	-	-	5,334	5,334
US Dollar	-	1,665	-	1,665
Philippine Peso	-	-	-	-
Total	-	1,665	5,334	6,999

	Consolidated 2024 US$000	Consolidated 2023 US$000
Change in profit/(loss) before income tax/equity:		
- strengthening of A$ to US$ by 5%	(78)	(254)
- strengthening of Philippine Peso to US$ by 5%	3	1
Total	(75)	(253)
- weakening of A$ to US$ by 5%	78	254
- weakening of Philippine Peso to by 5%	(3)	(1)
Total	75	253

(v) **Price risk sensitivity analysis**

The above interest rate, foreign exchange rate and price risk sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

OTHER INFORMATION

This section of the notes includes other information that must be disclosed to comply with accounting standards and other regulatory pronouncements but are not considered critical in understanding the financial performance or position of the Group.

	Consolidated 2024 US$	Consolidated 2023 US$
23. AUDITORS' REMUNERATION		
Remuneration received or due and receivable by the Company's Auditors, BDO Audit (WA) Pty Limited for:		
• Auditing or reviewing the financial reports	65,125	178,726
• other services provided by related entities of auditor:		
Taxation	21,957	37,938
Other	-	6,584
Total remuneration of the Company's auditors	87,082	223,248
Remuneration of other auditors of the Company's Philippines and Hong Kong subsidiaries for:		
• auditing or reviewing the financial reports	21,316	84,771
• other services provided by related practice of auditor - taxation & compliance	-	1,939
Total remuneration of other auditors of the Company's Philippines subsidiaries	21,316	86,710

24. OTHER CONTRACTUAL COMMITTMENTS

(a) Head Office Premises Leased

The Group has entered into a lease agreement for office premises at 1209 Hay Street, West Perth. The Group recognises a right-of-use asset and a corresponding lease liability in relation to this lease. The commenced on 1 October 2022 and has an expiry date of 30 September 2027 lease payments are subject to annually indexation at the rate of 3.25% pa.

	2024 US$	2023 US$
Lease Payments:		
Within 1 year	107,520	104,581
Within 1 to 5 years	241,542	347,381
Beyond 5 years	-	-
Total undiscounted lease payments	349,062	451,962

25. CONTINGENT LIABILITIES

(b) Bank guarantees for Head Office Premises

The parent entity has bank guarantees of AUD$83,630 (US$55,580) with the Commonwealth Bank of Australia for its head office premises. In the event that they are unable to fulfil its rental obligation with the landlords, the bank shall release the funds for settlement.

(c) Co-O Mine Tailings

MMPRC, a subsidiary of the Company, operates a milling facility that processed ore supplied by PMC. The tailings generated from the milling process were deposited in storage facilities adjacent to the mill within the area for approve mining under the Mineral Production Sharing Agreement between the Government of the Philippines and PMC. MMPRC had disputed these claims. Subsequent to year end PMC has provided confirmation that it shall no longer pursue the claims against MMPRC and further undertakes, warrants and represents to MMPRC that it shall not at any time institute any kind of action, whether administrative, civil or criminal of any nature and kind whatsoever in any jurisdiction, which it had, or may now have or hereafter may have against MMPRC arising out of or in connection with the PMC Claim.

Given the uncertainty surrounding regulatory interpretation and the allocation of responsibility, the Company may face financial exposure for remedial or compliance-related costs should the regulator determine that responsibility lies, in whole or in part, with MMPRC as the operator of the milling facility. The Company is not aware of any remedial action or compliance related actions being instigated by any regulatory body against either MMPRC or PMC. As such it is not possible to reliably estimate the financial impact, if any, associated with the tailings storage facilities on MMPRC or the Company.

26. RELATED PARTIES

Related parties' transactions of Ten Sixty Four Limited fall into the following categories:

(a) Key Management Personnel related parties

The following were key management personnel of the Group at any time during the reporting period or prior reporting period and unless otherwise indicated were key management personnel for the entire period.

Name	Period of Directorship/Engagement
Non-Executive Directors:	
Debra Anne Bakker	appointed 19 June 2023
Jonathan Shellabear	appointed 19 June 2023
William John DeCooman	appointed 19 June 2023
Andrew Brown	appointed 19 June 2023, resigned 10 November 2023
Kate George	appointed 11 November 2022, resigned 16 June 2023
Andrew Hunt	resigned 19 June 2023
Simon Mottram	resigned 19 June 2023
Aaron Treyvaud	resigned 1 May 2023
Executive Directors:	
Walter Robert Milbourne (Managing Director)	appointed 19 June 2023, resigned 20 December 2023
Jeffery McGlinn (Managing Director)	resigned 19 June 2023
Executive Officers:	
Raul Villanueva (President of PMC and MMPRC)	not considered an executive of the company from 13 February 2023 upon the deconsolidation of PMHI from the reporting group
Simon Theobald (Chief Executive Officer)	appointed 2 January 2024
Nicola Gill (Interim Chief Financial Officer)	appointed 20 June 2023
James Llorca (General Manager, Geology & Resources)	
Patrick Warr (Chief Financial Officer)	resigned 19 June 2023

Details of Key Management Personnel's remuneration, shareholdings and option/performance rights holdings are set out in the Remuneration Report section of the Directors' Report.

	Consolidated 2024 US$000	Consolidated 2023 US$000
Key Management personnel compensation:		
Short term employee benefits	975	2,014
Post-employment benefits	43	68
Long-term benefits	-	-
Equity settled share-based payments	-	250
Termination benefits	274	290
Total	1,292	2,622

Detailed remuneration disclosures are provided in the remuneration section of the Directors' report.

(b) Associated Entities

Equity Interest as at 30 June 2024 (unchanged from 30 June 2023 (vi))	Date of incorporation	Country of Incorporation	Equity interest	Voting
Philsaga Management and Holding Inc ("PMHI") (i)	29 May 2003	Philippines	40% Direct	40%
Phsamed Mining Corporation ("Phsamed") (ii)	23 Apr 2003	Philippines	40% Indirect	-
Philsaga Development Corporation Inc ("PDC") (ii)	08 May 2003	Philippines	40% Indirect	-
Philsaga Mining Corporation ("PMC") (iii)	17 May 2001	Philippines	40% Indirect	-
Apmedoro Mining Corporation ("Apmedoro") (iv)	8 Feb 2007	Philippines	28% Indirect	-
Sursur Mining Corporation ("Sursur") (v)	3 Mar 2008	Philippines	32% Indirect	-
Agpan Projects Corporation ("Agpan") (v)	17 Apr 2015	Philippines	40% Indirect	-

Note:
(i) The Company holds a direct equity interest in PMHI.
(ii) Phsamed and PDC are wholly owned subsidiaries of PMHI.
(iii) PMC is a wholly owned subsidiary of PDC.
(iv) Apmedoro is a subsidiary of Phsamed. Phsamed hold 70% of the issued capital.
(v) Agpan and Sursur are subsidiaries of PMC, Agpan is a wholly owned subsidiary and PMC holds 80% of the issued capital of Sursur.
(vi) Apmedoro, Agpan and Sursur were not disclosed in prior periods in error. These entities do not hold active operations, tenements or real property.

(c) Income from Associate (PMC)

During the year ended 30 June 2024, the Company recognised income from associates as follows:

Associate Name: Philsaga Mining Corporation

Nature of Transaction: Tolling Fees

Amount Recognised: US$6,326,730 (2023: US$3,102,245 from 13 February 2023, US$8,156,770 full year)

The terms are reflective of the ongoing relationship between MMPRC and PMC. The rate was renegotiated effective 1 January 2024 in accordance with the RFA. The balances outstanding at the reporting date with the associate are US$1,613,881 (2023:US$4,207,329).

(d) Owing to Associate (PMC)

The Company recognises an outstanding amount payable to PMC by KDTL for unpaid settlement under Sale and Purchase Agreement for gold dore as follows:

Associate Name: Philsaga Mining Corporation

Nature of Transaction: Settlement of Gold Dore

The Sale and Purchase Agreement between KDTL and PMC was originally executed on 15 March 2017; though considered to be, documentation to confirm this being on an arm's length basis was not available.

The balances outstanding at the reporting date with the associate are US$4,674,846 plus interest (2023:US$4,674,846plus interest). Interest has been applied on the outstanding balance based on the secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York.

(e) Loan to Associate (PMC) (refer note 10)

The details of the loan are as follows:

Loan Amount: US$248 million (as per the Memorandum of Agreement ("MoA") executed subsequent to year end, refer note 31)

No interest has been charged on the loan during the financial year (2023: nil)

Loan Term: at least 15 years

Repayment Schedule: Initial repayments of US$10.5 million (which was received on 23 January 2025) and US$4,662,000, the remaining aggregate amount US$124,838,000 in monthly installments of US$743,083 or aggregated quarterly installments of US$2,229,250 for a period of fourteen (14) years commencing from November 2025, for a total cash repayment of US$140 million. US$108 million has been settled by a preference share dividend recognised by MMPRC subsequent to year end.

Amount Outstanding at Year-End: US$250,986,242, restated to US$248 million on the execution of the MoA

The loan is provided on agreed terms following negotiations between MMPRC and PMC and is unsecured. The terms are reflective of the ongoing relationship between MMPRC and PMC.

The balances with the associate are classified as current and non-current based on the repayment terms.

(f) Dividend paid to Associate (PMC)

On 15 January 2024, MMPRC declared a preference dividend to PMC of PHP96 million (equivalent to US$1.718 million). PMC is the holder of preference shares which are entitled to a preference dividend of PHP12 million per annum which had been unpaid for 8 years.

Total Amount of Dividends Paid: PHP 96 million (US$1.718 million)

Date of Payment: The dividend was applied against the unpaid portion of the preference shares once declared with the balance payable subsequent to year end. At 30 June 2024 US$201,732 remained owing in regard to this dividend which is to be paid in the December 2024 quarter.

Impact on Financial Position: The payment of dividends has resulted in a decrease in retained earnings by US$1.718 million

The preference dividend is paid in line with the requirements of the preference shares as detailed MMPRC's articles of incorporation.

(g) Land lease paid to Associate (PMC)

On 19 June 2024 MMPRC and PMC agreed to a continuation of a land lease in respect of the two parcels of land on which the gold treatment facility operates which expired on 31 December 2018.

The term of the amended lease agreement covers the period from 1 January 2024 to 31 December 2028, with automatic renewal provisions thereafter providing for a further 5 years (unless a party notifies the other party that the lease will not renew for a further term, at least 60 days before the termination date).

Lease fee of US$2,000 per month from 1 January 2024 to 31 December 2028, escalating by 10% on extension in the absence of any other negotiation. MMPRC made payment of the initial 5 year term in full of US$120,000 on 24 June 2024.

The lease payments are reflective of the ongoing relationship between the Company and PMC.

27. PARENT COMPANY INFORMATION

	2024 US$000	2023 US$000
Parent Entity:		
Current Assets	1,833	5,685
Total Assets	83,655	90,991
Current Liabilities	10,814	10,105
Total Liabilities	11,434	11,067
Net Assets	72,221	79,924
Issued capital	114,362	114,362
Option premium reserve	-	1,499
Foreign exchange reserve	11,894	11,894
Accumulated losses	6,675	12,879
Dividends paid	(60,710)	(60,710)
Total Equity	72,221	79,924
Profit/(Loss) for the year	(6,204)	60,042[1]
Total Comprehensive Profit/(Loss)	(6,204)	60,042[1]

Notes:

1. Includes the revaluation of the investment in associate to fair value upon deconsolidation of PMHI.

The Company has entered into a lease agreement for office premises at 1209 Hay Street, West Perth in respect to this lease commitments are detailed in note 24(a) and contingent liabilities in note 25(b).

28. CONTROLLED ENTITIES OF TEN SIXTY FOUR LIMITED

The following companies are controlled entities of Ten Sixty Four Limited as at 30 June 2024 and 2023:

	Date of incorporation	Country of Incorporation	% equity interest 2024	2023
Mindanao Mineral Processing and Refining Corporation ("MMPRC") [1,2]	03 Nov 2005	Philippines	Direct = 80% Indirect = 8%	Direct = 80% Indirect = 8%
Komo Diti Traders Limited ("KDTL")	23 Jan 2017	Hong Kong	Direct = 100%	Direct = 100%
CQ22 Pty Ltd ("CQ22")	24 Feb 2022	Australia	Direct = 100%	Direct =100%

Note:

1. The Company holds 100% of the voting shares in MMPRC and an 80% equity interest. PMC holds the balance of the equity interest being 20%. The Company holds a 40% indirect equity interest in PMC.,

(a) Non-Controlling Interest in Subsidiaries

A 20% non-controlling interest in Mindanao Mineral Processing and Refining Corporation is directly held by Philsaga Mining Corporation ("PMC"), a subsidiary of the Companies associate PMHI (refer note 12). PMC holds preference shares which are entitled to a 12% pa preference dividend equating to PhP 12M per annum cumulating dividend and carry no voting rights. As at 30 June 2024 the Group recognised a non-controlling interest attributable to this holding of $822,997 (2023: $2,287,064).

29. DECONSOLIDATION OF PMHI GROUP

The Company holds a direct 40% equity interest in PMHI (refer note 12). The PMHI Group includes PMC who own and operate the Co-O Mine in the Philippines. In February 2023, a dispute over, amongst other things, the ownership of the 60% equity of PMHI not held by the Company occurred, and various legal claims were filed in the Filipino Courts ("the Dispute"). The Company is not a party to any of these claims.

In February 2023, the Dispute resulted in the inability of the Company's personnel to access the physical operations, financial systems or operating bank accounts for PMC. On analysis of the relevant facts, it is considered that there was insufficient evidence that the Company had the ability to effect control over the operations or finances of entities within the PMHI Group.

The Board and Management of X64 has reviewed the facts of the situation and its effect on the application of AASB 10 *Consolidated Financial Statements.* It was determined that in accordance with AASB 10, a loss of control event occurred regarding X64's control of the PMHI Group on 13 February 2023. As a result, the Company has deconsolidated the PMHI Group as at 13 February 2023.

The Financial Information relating to PMHI at this date is set out below:

(i) Financial Performance	**2023 $'000**
Revenues	80,693
Expenses	(66,320)
Profit/(Loss) before Income Tax	**14,373**
Income Tax	2,694
Profit/(Loss) after Income Tax	**17,067**
Cashflows from De-consolidated Operations	
Cashflows from Operating Activities	44,232
Cashflows from Investing Activities	(34,157)
Cashflows From Financing Activities	(2,251)
De-recognition of cash on deconsolidation	(45,096)
Net decrease in cash	**(37,272)**

(ii) Carrying amounts of assets and liabilities at the date of de-recognition and fair value of investment in PMHI	**$'000**
Current Assets	95,360
Non-Current Assets	119,127
Total Assets	**214,487**
Current Liabilities	17,393
Non-Current Liabilities (note 29(a)(i))	69,517
Total Liabilities	**86,910**
Net Assets of PMHI	**127,577**
Foreign exchange currency translation reserve realised on de-consolidation	**(2,142)**
	125,435
Fair value of investment in PMHI (note 12 and 29(a)(ii))[1]	69,494
Loss on de-consolidation of net assets of PMHI	**55,941**

Notes:

1. Restated as per Note 1(d) Restatement of Comparatives as at 30 June 2023.

(a) KEY JUDGEMENT

The financial information above relating to the PMHI Group on 13 February 2023 was prepared using the best available financial information and data.

(i) The fair value of the amount owing from PMC to MMPRC at 13 February 2023 is included in non-current liabilities above (also refer note 10). The estimate of fair value is based on the net carrying value of future repayments expected to be made under the agreed structure which was executed subsequent to year end (refer note 31). However, if repayment is not made as agreed then recovery of the outstanding loan may be subject to legal action in the Philippines, and as such the timing and amount recoverable would be uncertain.

(ii) The fair value of investment in PMHI (also refer note 12) is based on an assessed value attributable to the Company from the Co-O Mine, Cash, Bullion and other assets and liabilities of the PMHI Group. In assessing the fair value, the Company has made a number of assumptions and estimations, which with the fullness of time may or may not prove to be reasonable.

30. SHARE-BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2024:

(a) Issued 24 June 2021 – Long Term Performance Rights

On 24 June 2021 the shareholders of the Company approved the issue of 1,500,000 Long Term Performance Rights to Mr R Villanueva. Under the terms of the issue Mr Villanueva is required to remain in employment of the Company for a three-year vesting period until 1 January 2024.

The terms and conditions of the long-term performance rights include the following:

Long Term Incentive Measures	Weighting Total PR issued	Targets Range of growth/change	Targets Percentage allocation of weighting	Score mechanism
Financial measure: Earnings per share growth	20%	• Negative • 0 to 5% per annum growth • 5 to 10% per annum growth pro rata • Greater than 10% per annum growth	Zero Pro rata 0% to 40% Pro rata 40% to 100% 100%	EPS calculation to exclude non-recurring items and measured as the cumulative annual growth rate over a 3- year period
Company growth: Increase in ore reserves	10%	• Negative • Depletion replacement to 20% growth • 20% to 40% growth • Greater than 40%	Zero Pro rata 0% to 40% Pro rata 40% to 100% 100%	Based on JORC compliant reports 2020 and 2023
Long-term Infrastructure target: Decline development	20%	• < 70% of decline developed • 70% to 85% • >85% of decline	Zero Pro rata 0% to 100% 100%	Based on the achievement of programmed Tigerway Decline Project development. 1st year – 10% 2nd year – 15% 3rd year – remaining 75%
Relative total shareholder returns: Measure of Company return compared to peer group.	10%	• Below 50th percentile • At 50th percentile • 50th to 75th percentile • Greater than 75th percentile	Zero 50% Pro rata 50% to 100% 100%	Measured against Peer Group based on 30-day VWAP at the relative measure points at grant and three year anniversary
Absolute total shareholder return: Measure of Company return	10%	• Below 20% • Between 20 to 50% • Greater than 50%	Zero Pro rata 50% to 100% 100%	Measured based on 30-day VWAP at the relative measure points at grant and three year anniversary
Safety: Total Injury frequency rate	30%	• Negative • 20% improvement • 20 – 40% improvement • Greater than 40% improvement	Zero Pro rata 0% to 40% Pro rata 40% to 100% 100%	Measured by comparison of rates for lost time and non-lost time injuries over the vesting period

The Company will assess the scoring mechanism once the 2023 JORC Ore Resources is available. However, it is considered that these Performance Rights will expire unvested following this assessment.

Each Performance Right is a right to acquire one share in the Company for nil consideration.

The value at the grant date of Performance Rights granted as part of remuneration is calculated in accordance with AASB2 Share Based Payments. The value for a Performance Right granted has been calculated as $0.59 each.

The fair value of the non-market vesting conditions has been based on the share price of the Company at the grant date.

Non-market vesting conditions are included in assumptions about the number of Performance Rights that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each reporting period, the Company revises its estimates of the number of Performance Rights (and options) that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to the original estimates, if any, in profit and loss, with a corresponding adjustment to equity.

The fair value of market vesting conditions has been determined at grant date by using the Monte Carlo Simulations pricing model that considers the exercise price, the term of the performance right, the share price at grant date, expected price volatility of the underlying share and the risk-free rate for the term of the performance right. The expected price volatility is based on historic volatility (based on the remaining life of their performance right).

Included in the valuation of relative total shareholder returns is measurement of the Company to Peer companies in the gold industry

Model inputs for market performance rights valued using the Monte Carlo Simulations model granted during the year include:

- Grant date - 24 June 2021
- Life - 3 years
- Share price at grant date - 85.0 cents (Australian)
- Share price volatility - 55%
- Risk free rate - 0.20%
- Dividend Yield - Nil
- 30 day VWAP - 87.8 cents (Australian)
- Fair Value - relative return 59.9 cents, absolute return 44.7 cents

(b) Expenses Arising from Share-Based Payments

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expenses were as follows:

	Consolidated 2024	Consolidated 2023
	US$000	US$000
Performance Rights - expensed	140	409
Performance Rights – credited	(782)	-
Total share-based payment expense	(642)	409

Performance Rights	2024 Number of performance rights	2024 Weighted average share price at grant (A$)	2023 Number of performance rights	2023 Weighted average share price at grant (A$)
Outstanding at start of year	1,500,000	0.8500	6,017,000	0.5925
Granted	-	-	-	-
Forfeited	-	-	570,000	0.7182
Expired	-	-	3,510,000	0.4450
Vested	-	-	437,000	0.7300
Outstanding at year end	1,500,000	0.8500	1,500,000	0.8500

The performance rights outstanding at 30 June 2024 (all of which are unlisted) had a share price of A$0.85 at grant. The performance rights are subject to a number of performance criteria for which the Company has not had access to the required information to assess the achievement of the performance criteria to determine the scoring mechanism and vesting performance rights. The Company will assess this once all the necessary information to do so is available. However, based on preliminary data, it is considered that these Performance Rights will expire unvested following this assessment. At 30 June 2024 the performance rights had no remaining contractual life.

Included under administration expenses in the Statement of Profit or Loss and Other Comprehensive Income is a credit of US$139,544 (2023: US$409,028), which relates entirely to equity-settled share-based payment transactions for employees.

As at 30 June 2024, upon reassessing the relevant conditions, the Company determined that certain Performance Rights were unlikely to vest. Consequently, the Company reversed $782,167 of previously recognised share-based payment expenses related to these Performance Rights.

(c) Recognition and Measurement

The fair value of share-based payment transactions measured at the grant date is recognised as an employee expense with a corresponding increase in equity over the period during which the employees become unconditionally entitled to the instruments.

If the employee does not meet a non-market condition, such as a service condition or internal KPI, any cumulative previously recognised expense is reversed.

The fair value of the share-based payment transactions granted are adjusted to reflect market vesting conditions at the time of grant date and not subsequently adjusted. Non-market vesting conditions are included in assumptions about the number of instruments that are expected to become exercisable and are updated at each reporting date. The impact of the revision to the original estimates for non-market conditions, if any, is recognised in the income statement with a corresponding adjustment to equity. Changes as a result of market conditions are not adjusted after the initial grant date.

(d) Key Estimates and Judgements

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model or a Monte Carlo Simulation model, considers the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

The following companies were identified by the Company to comprise the Peer Group prior to the appointment of the new Board. The Board may choose to either include or exclude gold mining organisations available on this list to reflect changes in the industry:

Company	ASX code
Austral Gold Limited	AGD
Emerald Resources Limited	EMR
Kingsrose Mining Limited	KRM
Ramelius Resources Limited	RMS
Pantoro Limited	PNR
Perseus Mining Limited	PRU
Red 5 Limited	RED
Resolute Mining Limited	RSG

31. EVENTS SUBSEQUENT TO REPORTING DATE

Restructuring Framework Agreement ("RFA")

On 9 January 2025, PMC and MMPRC enter into an agreement ("Agreement") where PMC have agreed to make repayments against the loan through a combination of upfront and ongoing payments and the set off of special dividends ("MMPRC/PMC Loan"). Both MMPRC/PMC have agreed the outstanding balance of US$248 million is recognised by both MMPRC and PMC in line with the Agreement.

The key terms of the Agreement are:

- Repayment of the MMPRC / PMC Loan: repayment by PMC years through a combination of:
  - First Upfront Payment: initial upfront lump sum amortization payment consisting of an upfront cash payment of US$10.5 million, which was received on 23 January 2025;
  - Second Upfront Payment: further upfront lump sum amortization payment consisting of a cash payment of US$4,662,000;
  - Payments: PMC shall pay the remaining aggregate amount US$124,838,000 in monthly instalments of US$743,083.33 or aggregated quarterly instalments US$2,229,250 commencing from January 2026;
  - Financially Challenging Months: PMC shall have the option to pay a minimum of fifty percent (50%) of the Monthly Amortization for each financially challenging month; and
  - Special Dividend: MMPRC have committed to the provision of special dividends totalling US$108 million in favour of PMC which will be applied against the outstanding balance of the intercompany loan.

- Interest: should PMC pay less than the agreed amortization amount in any quarter (except where it is due to Force Majeure, financially challenging month(s), extraordinary circumstances, or if PMC has made excess payments) interest at the rate of 6% per annum shall accrue on the relevant amortization amount less the actual amortization payment made by PMC during the relevant quarter until such time as such amount is paid in full.
- Quarterly cash sweep: subject to any agreed rights of relaxation, maximum amounts and working capital requirements a cash sweep on any PMC available funds in excess of the aggregate of US$25 million and any unpaid PMC amortization top-up and/or interest obligations as at the date of assessment.
- Non-Acceleration: MMPRC has agreed that it shall not be entitled to any acceleration of the payment of the MMPRC/PMC Loan, even in the court, or mediation, or arbitration.

Two other documents required to give effect to the RFA were also executed and become effective these being:

- MMPRC Dividend Policy; and
- Global Intercompany Settlement Deed between the Corporate Parties.

Criminal Case for Falsification of Public Documents

On 20 September 2024 the Regional Trial Court of Quezon City, Philippines in relation to criminal case No. R-QZN-23-09238-43-CR (“People of the Philippines v. Jeffery McGlinn, Joseph Mahusay, Ramon S. Austria, Atty. Rosalinda Adriano Montenegro”) released an order determining the prosecution lacked sufficient evidence to convict that Jeffery McGlinn, Joseph Mahusay, Ramon S. Austria and Atty. Rosalinda Adriano Montenegro for the crime of falsification of public documents. On 18 November 2024, private complainants Mr. Villanueva, Ms. Sorila and Mr. Dy filed a Petition for Certiorari before the Court of Appeals seeking to nullify and set aside this order.

PMC Claim

PMC has provided formal written confirmation that it shall no longer pursue the claims against MMPRC in respect of tailings from the Co-O Mine (“PMC Claim”). PMC further undertakes, warrants and represents to MMPRC that it shall not at any time institute any kind of action, whether administrative, civil or criminal of any nature and kind whatsoever in any jurisdiction, which it had, or may now have or hereafter may have against MMPRC arising out of or in connection with the PMC Claim.

External Administration

The sunset date for effectuation of the DOCA was extended to 7 February 2025 but which may be further extended by agreement between KDTL and the Deed Administrator.

Except for the above, subsequent to Reporting Date, there has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and/or unusual nature likely, in the opinion of the Directors of the Company, to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

32. SUMMARY OF OTHER SIGNIFICANT ACCOUNTING POLICIES

Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency is the currency of the primary economic environment in which a company operates. It is the currency in which a company generates and expends cash. The functional currency of the parent entity, Ten Sixty Four Limited and CQ22 Pty Ltd is Australian dollar; Komo Diti Traders Limited and Mindanao Mineral Processing and Refining Corporation is United States dollar.

The reason for using the US dollar as the presentation currency is that the US dollar is the primary currency used in the global gold market.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction.

Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Exchange differences arising on the translation of monetary items are recognised in the profit before income tax in the Statement of Profit or Loss and other Comprehensive Income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period where this approximates rate at the transaction date; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in the foreign currency translation reserve in the Statement of Financial Position. These differences are reclassified from equity to profit or loss (as a reclassification adjustment) in the period in which the operation is disposed.

33. Reconciliation with Appendix 4E

The financial information presented in the audited financial statements for the year ended 30 June 2024 is consistent with the financial information disclosed in the Appendix 4E Preliminary Final Report which will be released concurrently with these Financial Statements.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

The consolidated entities of the reporting group are:

	Type of Entity	Country of Incorporation	Date of incorporation	Trustee, Partner or Participant in Joint Venture	**% of share capital held**	**Australian foreign resident in accordance with the ITAA 1997**	**Jurisdiction of any foreign residency**
Ten Sixty Four Ltd ("X64")	Body Corporate	Australia	05 Feb 2002	-	N/A	Australia	N/A
Mindanao Mineral Processing and Refining Corporation ("MMPRC")	Body Corporate	Philippines	03 Nov 2005	-	Direct = 80% Indirect = 8%	Foreign	Philippines
Komo Diti Traders Limited ("KDTL")	Body Corporate	Hong Kong	23 Jan 2017	-	Direct = 100%	Australia	Hong Kong
CQ22 Pty Ltd ("CQ22")	Body Corporate	Australia	24 Feb 2022	-	Direct = 100%	Australia	N/A

Basis of Preparation:

Entities listed here are those that are part of the consolidated entity at the end of the financial year. Entities disposed of during the year, or where the entity has lost control by the reporting date, are not included here. This means that entities listed could be different to the 'Interests in subsidiaries' note contained in the notes to the financial statements.

The definitions of 'Australian resident' and 'foreign resident' in the ITAA 1997 are mutually exclusive. This means if an entity is an 'Australian resident' it cannot be a 'foreign resident' for the purposes of the public company disclosures in the consolidated entity disclosure statement.

DIRECTOR'S DECLARATION

for the year ended 30 June 2024

In the opinion of the Directors of Ten Sixty Four Limited:

a) Except for the potential impact of the matters disclosed within Note 1 paragraph (a), Statement of Compliance, regarding the comparative information, the financial statements and notes set out on pages 35 to 80 are in accordance with the Corporations Act 2001, including:

   i. Complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

   ii. Giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date

b) The ongoing solvency of Ten Sixty Four Limited is dependent on the Deed of Company Arrangement ("DOCA") as detailed in the Note 1, Basis of Preparation paragraph (e) Going Concern of the financial statements being successfully completed; and there are reasonable grounds to believe that Komo Diti Traders Limited will be able to successfully complete the DOCA with creditors; and therefore there are reasonable grounds to believe that Ten Sixty Four Limited will be able to pay its debts as and when they become due and payable.

c) The Consolidated Entity Disclosure Statement on page 81 is true and correct.

d) Note 1(a), Statement of Compliance, confirms that the consolidated financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board, except for the potential impact of the matters disclosed within Note 1(a), Statement of Compliance, regarding the comparative information.

e) The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2024.

Signed in accordance with a resolution of the Directors

Debra Bakker

Non-Executive Chair

Dated the 31st day of January 2025

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INDEPENDENT AUDITOR'S REPORT

To the members of Ten Sixty Four Limited

Report on the Audit of the Financial Report

Qualified opinion

We have audited the financial report of (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 financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, except for the effects of the matter described in the *Basis for qualified opinion* section of our report, 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 ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for qualified opinion

Equity accounted investment in PMHI Group

The Group's equity accounted investment in PMHI Group which operates the Co-O Mine is carried at US$65.8m (2023 $69.5m) as described in Note 12 following the deconsolidation and loss of control in February 2023 as described in Note 29. We were not provided with sufficient access to management and the auditor's of PMHI Group, including their documentation to enable us to obtain sufficient appropriate audit evidence in relation to the amounts reported in the financial statements. As a result, we were unable to determine if any adjustments were necessary in respect of the carrying value of the investment in associate in the consolidated statement of financial position as at 30 June 2024 and the share of attributable loss from associate in the consolidated statement of profit or loss and other comprehensive income for the year ending 30 June 2024.

Comparability of current periods figures and corresponding figures

As disclosed in the Note 1(a), Statement of Compliance to the financial statements, the group is unable to confirm the comparative information as on 19 June 2023 the predecessor board resigned from the Company and on 2 July 2023, Ten Sixty Four Limited was placed into voluntary administration.

Due to the circumstances, the directors signing the financial report for the year ended 30 June 2023 were not in office during the year then ended and were not able to provide written representations that the 30 June 2023 financial report was prepared in accordance with Corporations Act 2001. This matter was included in our report for the year ended 30 June 2023. Our opinion on the current period's financial report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

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

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

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

Material uncertainty related to going concern

We draw attention to Note 1(e) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Emphasis of matter

We draw attention to Note 12(e)(ii) in the financial report which describes potential non-compliance with regulatory requirements relating to historical structures to which Co-O mine assets were held and various legal claims and disputes regarding control of the PMHI Group.

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. In addition to the matter described in the *Basis for qualified opinion* section, we have determined there are no other key audit matters to be communicated in our report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

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

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

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

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 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 of misstatement, whether due to fraud or 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor’s report.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 26 of the directors’ report for the year ended 30 June 2024.

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.

Basis for qualified opinion on the Remuneration Report

As disclosed in the Remuneration Report, on 19 June 2023 the predecessor board resigned from the Company and on 2 July 2023, Ten Sixty Four Limited was placed into voluntary administration. Following the appointment of the administrators, the powers of the directors and officers of Ten Sixty Four Limited were suspended and the administrators assumed control of the Company's business, property and affairs.

Due to the circumstances, the directors signing the annual report for the year ended 30 June 2023 were not in office during the year then ended and were not able to provide written representations that the 30 June 2023 remuneration report was prepared in accordance with Corporations Act 2001. This matter was reported in our basis for disclaimer for the year ended 30 June 2023. Our opinion on the current period's remuneration report is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

Qualified opinion on the Remuneration Report

In our opinion, except for the effect(s) on the Remuneration Report of the matter(s) referred to in the preceding paragraph, the Remuneration Report of Ten Sixty Four Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

BDO

J Prue

Jarrad Prue

Director

Perth, 31 January 2025