



# Annual Financial Report

**KOONENBERRY GOLD LIMITED**

ABN 17 619 137 576

---

**2022**

## CONTENTS

Corporate Directory .....	3
Directors' Report.....	4
Auditors Independence Declaration.....	25
Consolidated statement of profit or loss and other comprehensive income .....	26
Consolidated statement of financial position .....	27
Consolidated statement of changes in equity.....	28
Consolidated statement of cash flows.....	29
Notes to the consolidated financial statements .....	30
Directors' Declaration.....	60
Independent Auditor's Report .....	61
ASX Additional Information .....	64

## CORPORATE DIRECTORY

### DIRECTORS

Daniel Power	Managing Director
Paul Harris	Non-Executive Chair
Anthony McIntosh	Non-Executive Director
George Rogers	Non-Executive Director

### COMPANY SECRETARY

Ben Donovan

### AUSTRALIAN BUSINESS NUMBER

17 619 137 576

### REGISTERED AND PRINCIPAL OFFICE

Ground Floor, 16 Ord Street  
West Perth WA 6005  
T + 61 8 6245 9869  
E [info@koonenberrygold.com.au](mailto:info@koonenberrygold.com.au)  
W [www.koonenberrygold.com.au](http://www.koonenberrygold.com.au)

### SHARE REGISTRY

Automic Pty Ltd  
Level 5, 126 Phillip Street  
Sydney, NSW 2000

### AUDITORS

Grant Thornton  
Central Park  
Level 43, 152-158 St George's Terrace  
Perth WA 6000

### BANKING

National Australia Bank  
NAB Place  
Level 30, 395 Bourke Street  
Melbourne VIC 3000

### LEGAL ADVISORS

Hamilton Locke  
Level 27 152-158 St Georges Terrace  
Perth WA 6000

### SECURITIES EXCHANGE LISTING

Australian Securities Exchange  
Share Code: KNB

## DIRECTORS' REPORT

The Directors present their report on the Group being Koonenberry Gold Limited ("Koonenberry" or the "Company") and its Controlled Entities for the financial year ended 30 June 2022. In order to comply with the provisions of the Corporations Act, the Directors report as follows:

### *Director Details*

The names, qualifications, and experience of the Company's Directors in office during the financial year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated/

Mr Anthony McIntosh

Mr George Rogers (appointed 28 November 2021)

Mr Paul Harris (appointed 22 August 2022)

Mr Ben Donovan (appointed 28 November 2021, resigned 22 August 2022)

Mr John Elkington (resigned 27 November 2021)

Mr John Hobson (resigned 27 November 2021)

The office of company secretary is held by Mr. Ben Donovan.

### *Principal activities*

The principal activities for the Group during the financial year was to further gold and mineral exploration activities at the Koonenberry Gold Project in New South Wales, Australia on tenements held by the Group with potential for mineralisation.

There have been no significant changes in the nature of these activities during the year.

### *Review of operations and financial results*

#### The Koonenberry Gold Project

The Project covers an area of approximately 1,339 km<sup>2</sup> comprising a total of twelve Exploration Licences. The licences are held by the Company's 100% owned subsidiary, Lasseter Gold Pty Ltd. The Project is located in north-western NSW, approximately 160km northeast of the major mining and cultural centre of Broken Hill and 40km west of the opal mining town of White Cliffs.

The Project lies along the Koonenberry Fault and the region is considered prospective for large scale orogenic gold mineralisation. Early-stage exploration activities were undertaken during the year funded by privately raised capital.

During the 2022 financial year the loss of the Group after providing for income tax amounted to \$(1,650,550) (30 June 2021: \$(1,031,858).

Expenditure on exploration activities amounted to \$797,280 (30 June 2021: \$906,144)

#### Exploration Summary

The Koonenberry Gold Project is considered highly prospective for orogenic gold systems analogous to those in the Victorian Goldfields and in particular the Western Victorian Stawell Zone. This prospectivity is based on a number of factors including similar host rocks; similar orogenic and mineralisation events and timing; similar basement and potential source rocks, extensive auriferous quartz vein systems and widespread placer and palaeoplacer mineralisation. The presence of the Koonenberry Fault is believed to be vital in having provided the first-order fluid pathways extending from deep in the crust. Despite these positive geological attributes, the exploration maturity of the Project is considered very low, with little previous gold exploration conducted. The Project therefore represents an exciting greenfields discovery opportunity.

Exploration on the Koonenberry Gold Project during the 2022 financial year has built on the earlier work undertaken by previous explorers in order to advance Prospects to drill ready status. During the year, the Company conducted comprehensive structural geological reviews, soil sampling and desktop studies, interpretation of available geophysical and geochemical data and preparation for drilling programs.

### Soil Sampling

Soil sample programs were designed to infill existing anomalies as well as to extend the regional soil lines into previously untested areas. Excellent results have been obtained which has better defined areas to be prioritised for drill targeting.

Prospects of particular note are the Lucky Sevens Prospect (4.0km x 450m, +5ppb Au, max 1,400ppb Au), Atlantis Prospect (6.5km x 900m, +5ppbAu, max 49.9ppb Au), Four Queens Prospect (4.6km x 750m, +5ppb Au, max 55.9ppb Au), Vegas Prospect (2.0km x 450m, +5ppb Au, max 20.1ppb Au). These results continue to demonstrate the prospectivity of the Project with most of the soil anomaly targets having never been drill tested.

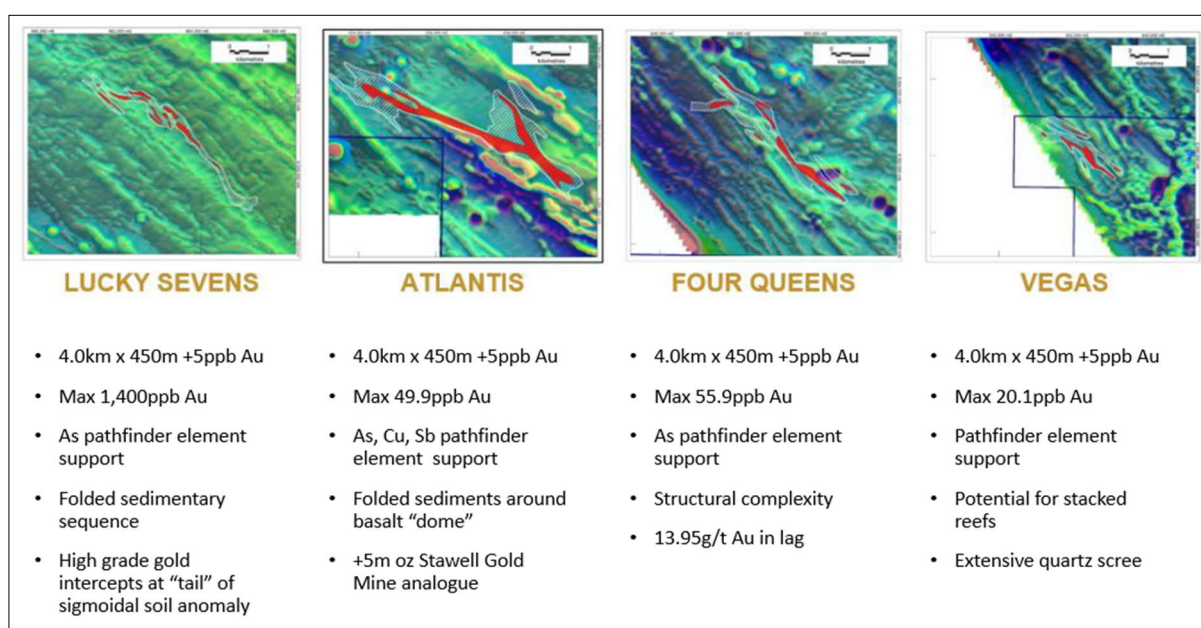


Figure 1. Koonenberry Project Prospect highlights

The Atlantis Prospect is the strongest, most coherent soil anomaly discovered so far within the Koonenberry Gold tenement package. Previous soil sampling returned a maximum of 49.9ppbAu along broadly spaced (~400m) sample lines. New infill sampling closed overall line spacing within the main part of the anomaly to 150 – 250m, and in the vicinity of previous high values returned maxima of 17.5ppbAu and 24.8ppbAu. The Atlantis anomaly is now traceable along strike for approximately 6.5km, is in places up to 850m wide and extends into EL8950. The anomaly is situated in an interpreted fold closure, is surrounded by mafic rocks of the Brittles Tank Volcanics and is associated with strong patchy silicification and weak pervasive hematite alteration. Visible copper mineralisation is noted in places.

No previous exploration has been undertaken in the vicinity of the Atlantis Prospect and the area has never been drill tested.



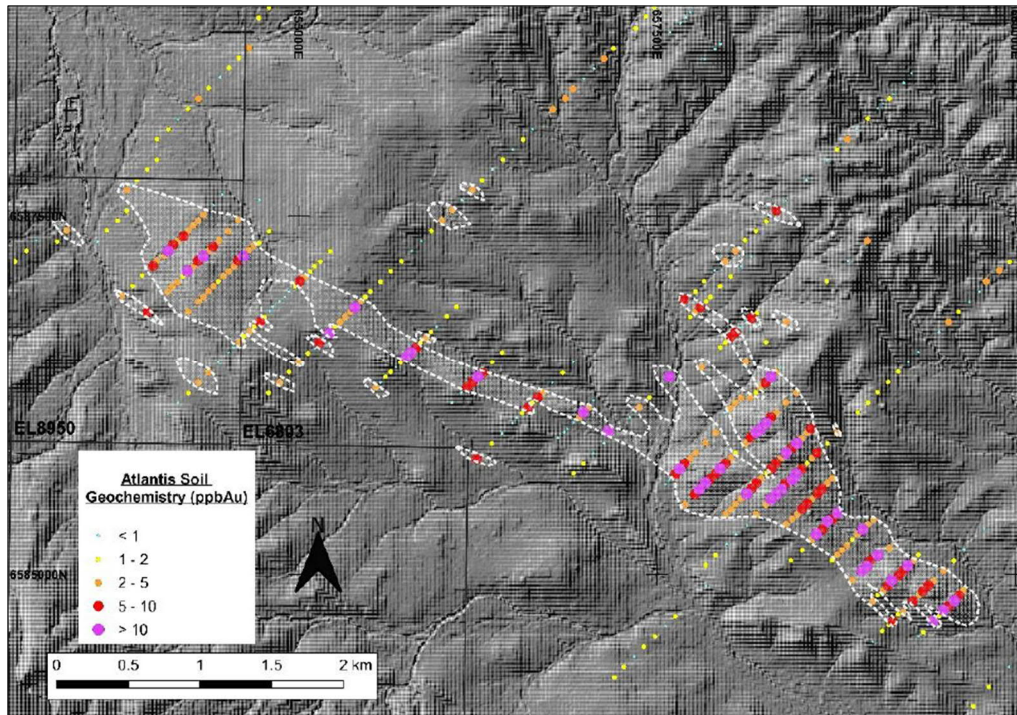


Figure 2. Atlantis Prospect gold in soil geochemistry on 5m DEM. White polygon defines +2ppb Au.

#### Multielement Soil Analysis

A total of 3,062 historical residual soil pulps, covering predominantly high priority target areas at Lucky Sevens, Lasseters, Atlantis, Vegas, Four Queens, Crystal Palace, Belagio, Longhorn, Monte Carlo, Marina Bay and Goodfellows were submitted for analysis during the period.

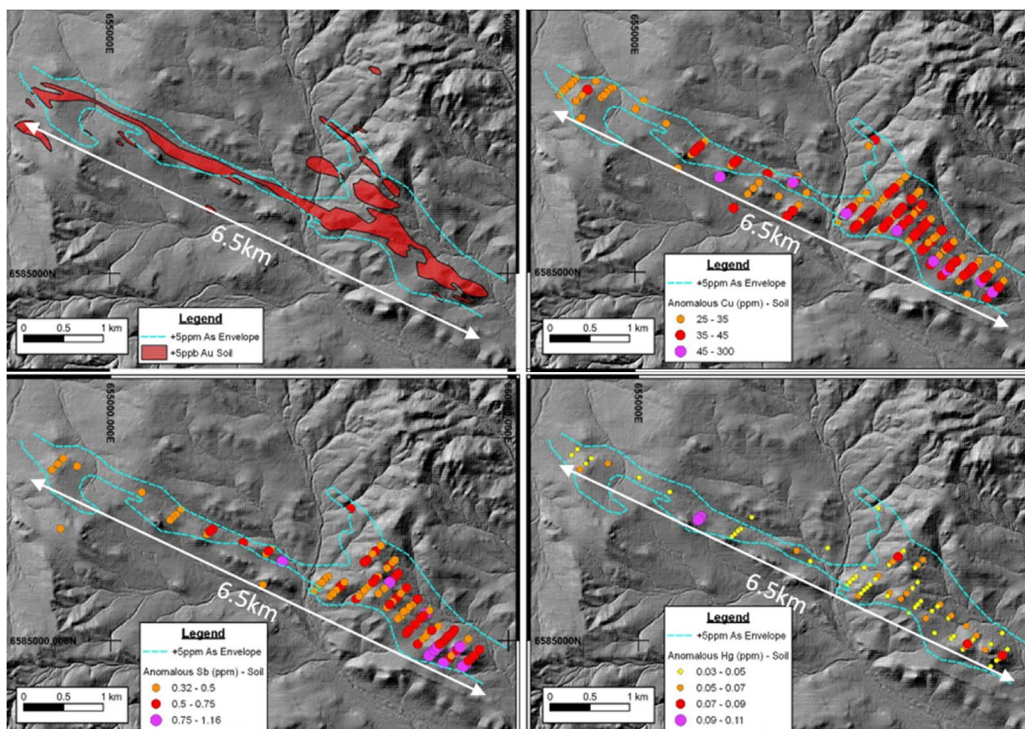


Figure 3. Atlantis Prospect soil data plots showing coincident and robust Gold, Arsenic, Copper, Antimony and Mercury geochemical trends.



## Seismic Review

The Company undertook reprocessing and interpretation of historical seismic data collected by Geoscience Australia in 1999. The Company engaged experienced consultant, Dr Nick Direen (Mitre Geophysics Pty Ltd) to interpret the reprocessed data and put into context of the western Victorian goldfields. This work identified the presence of a basement mafic pile underlying the Project area. This is considered significant as it is similar to western Victoria and provides a potential source for the gold to be transported along first and second order faults to the upper crustal levels.

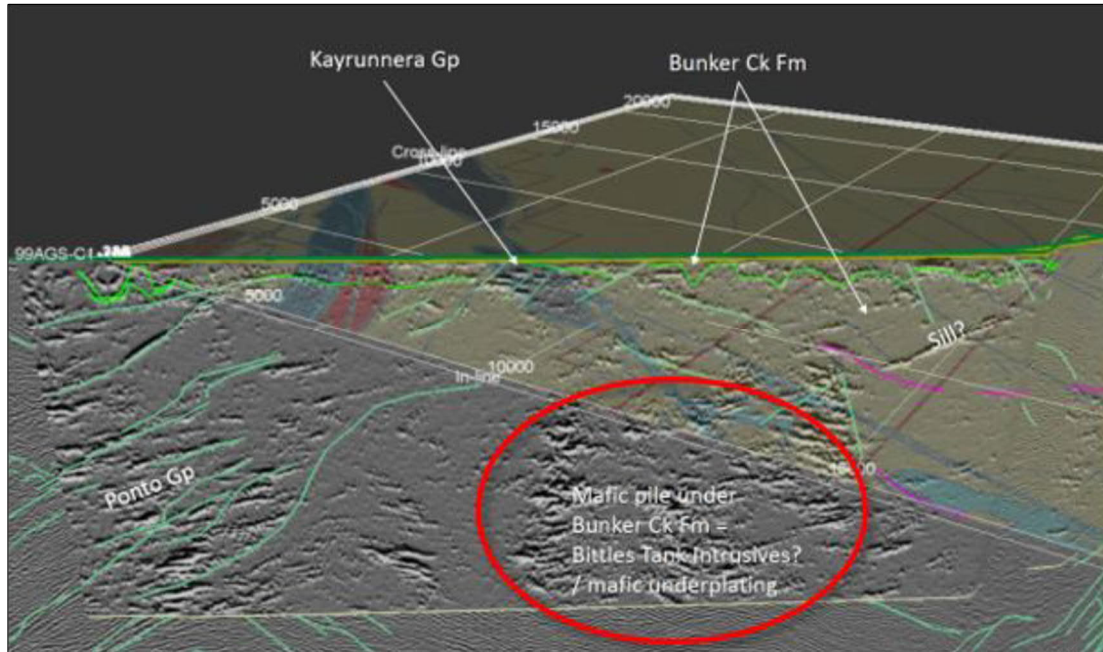


Figure 4. 3D view of reprocessed seismic line with surficial GSNSW 1:100k geology showing mafic underplating.

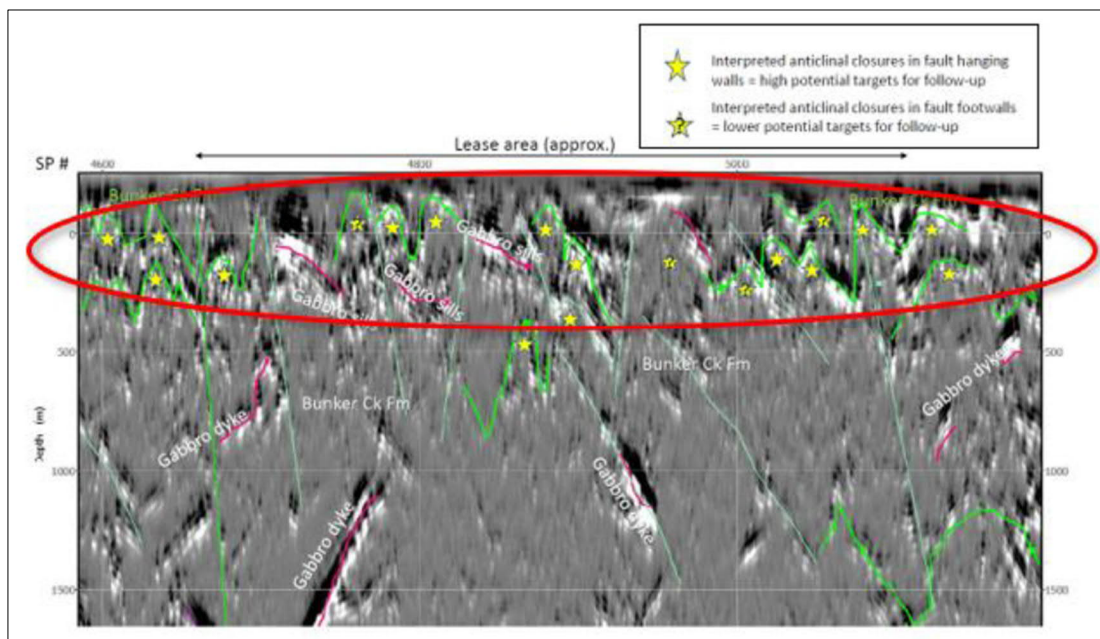


Figure 5. Detail of the top 1,500m showing interpreted folded sedimentary sequences and fault architecture with high prospectivity targets located in the hanging wall of second order thrust faults.

## Structural Studies

Field mapping and prospectivity studies were undertaken by structural consultants PGN Geoscience. The aim of this work was to improve the understanding of the main structural features and controls on mineralisation to help prioritise targets for drill testing.

Results of this work indicate that the veins and quartz reefs developed during flexural slip associated with tight NW-SE trending isoclinal folding (F1). The F1 early folds are overprinted by open, NE-SW trending, steeply plunging second generation folds (F2). The main deformation event (D1) was a prolonged event with shortening in a NE-SW direction that resulted in reverse faulting and overprinting during the development of the quartz veins and reefs. Quartz veins are also seen to develop along the faults indicating a prolonged (mineralised fluid generation event).



Figure 6. Structural mapping by PGN Geoscience at the Lasseters Prospect.

## Desktop Studies

A review of available multidisciplinary data resulted in the rating/ranking of Prospects and a renewed focus on advancing targets for drill testing.

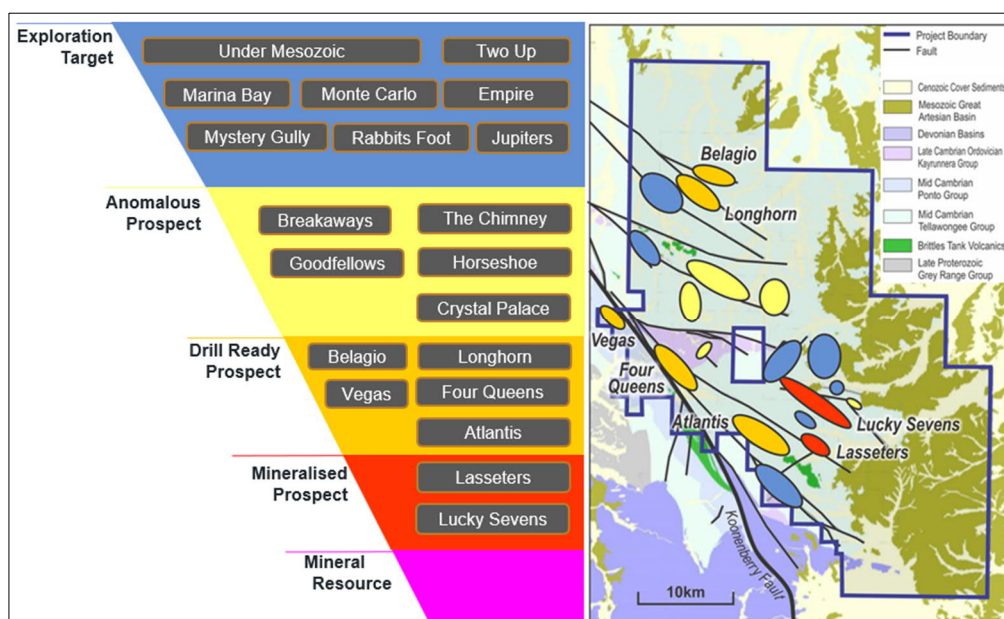


Figure 7. Koonenberry Gold Prospect pipeline.



## Exploration Licence Applications

During the period, the Company applied for 727km<sup>2</sup> of EL Applications, consolidating the Project along prospective structures. These structures are interpreted to control gold mineralisation at Lucky Sevens and Atlantis as well as other Prospects. Their extensions have been mapped in the magnetic data under thin cover to the South and South East.

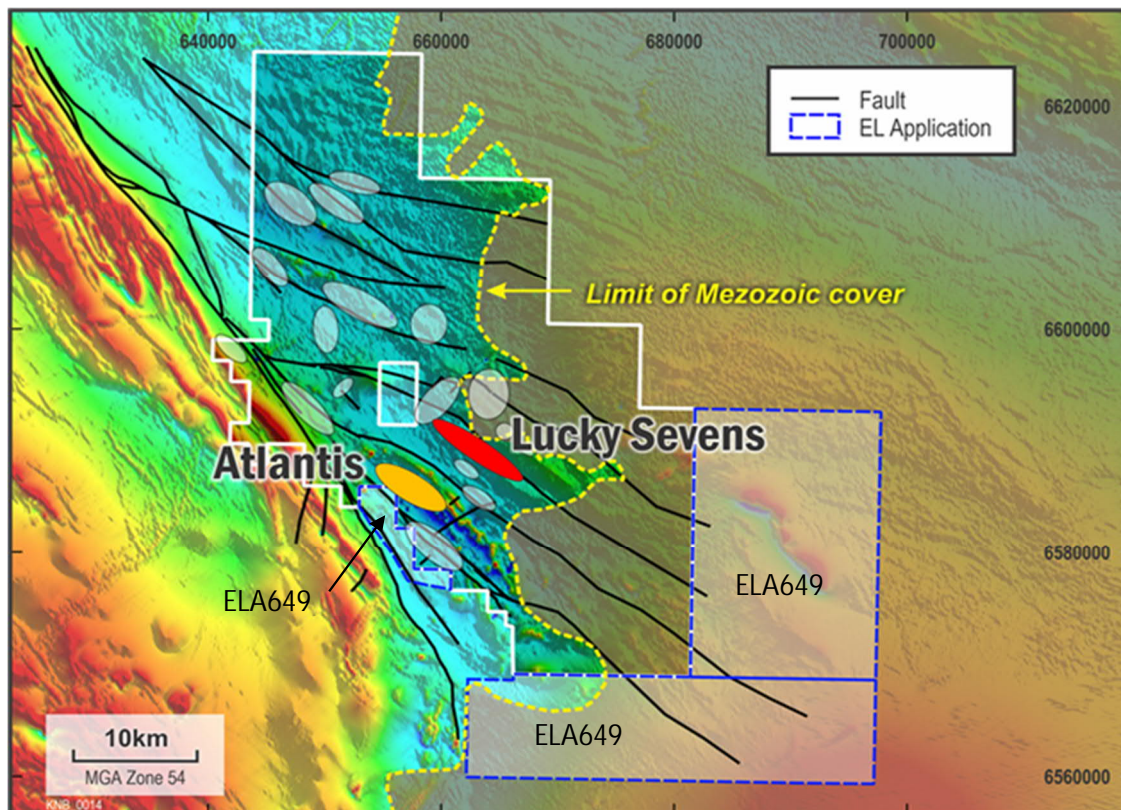


Figure 8. Koonenberry Gold Project with Exploration Licence Applications shown in blue outline.

## Land surface Mapping and Community Workshop

During the reporting period Koonenberry personnel organised and undertook a field workshop as part of the Company's ongoing commitment to minimising its environmental footprint and improving Environmental, Social and Governance (ESG). The workshop titled "Treading lightly on the land "fitting" mining exploration activities into the human and ecological landscape for enduring value" was run by Dr Hugh Pringle of Ecosystem Management Understanding (EMU). Hugh is an ecologist with a PhD from Australian National University (ANU) and extensive experience in geomorphology, landscape succession, ecology, botany, rangelands and local capacity building.

### Impact of Covid-19 Pandemic

The COVID-19 pandemic has continued in part through 2022, with a significant number of cases globally. Due to widespread travel restrictions within New South Wales and for travel into and out of New South Wales, the company was unable to complete planned studies within their forecast timeframe. Recent changes to travel restrictions have allowed Management to resume the program. Management have now revised plans to ensure the programme keeps moving forward.

The Company continues to follow the appropriate government policies and advice in executing its exploration strategies.

During this reporting period the Company received nil COVID-19 related support.

### Listing on ASX

On 28 September 2021 the company successfully listed on the ASX following completion of an initial public offering raising capital of \$8m from investors. The company seeks to use capital raised to undertake a multi-disciplinary exploration strategy to provide a thorough understanding of the mineralisation potential throughout the Koonenberry Gold Project. This is aimed at proving the potential for a new high-grade gold JORC code compliant resource at the Project.

The Company will continue to look for complementary and synergistic exploration opportunities and may acquire additional projects in the future in the same or different commodities.

### *Significant changes in the state of affairs*

During the year the company completed its initial public offering raising \$8m of capital from investors. The offers closed on 28 September 2021, on which date the company was accepted to list on the ASX.

On 27 November 2021, Mr John Elkington and Mr John Hobson resigned as Non Executive Directors. Mr George Rogers and Mr Ben Donovan were appointed as Non Executive Directors of the company on 28 November 2021.

On 26 January 2022, the Chief Executive Officer, Karen O'Neill ceased employment with the company. Mr. Daniel Power was appointed as Managing Director on 5 April 2022.

On 22 August 2022, Mr Paul Harris was appointed as Non Executive Chairman. Mr Ben Donovan resigned as Non Executive Director on this date.

There have been no other significant changes in the state of affairs of the Group during the period.

### *Dividends*

No dividends were paid or declared during the year ended 30 June 2022 (30 June 2021: Nil).

### *Events arising since the end of the reporting period*

On 22 September 2022, 997,356 fully paid ordinary shares were released from escrow. As disclosed in the Prospectus dated 2 July 2021, the Restricted Securities were subject to a 12-month escrow.

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

### *Likely Developments*

There are no other likely developments in the coming year which will significantly impact the operations or results of the Group.

### *Directors' meetings*

The number of meetings of Directors (including meetings of Committees of Directors) held during the year and the number of meetings attended by each Director were as follows:

	Meetings held whilst Director	Meetings attended
Number of meetings held for year:	9	
D. Power	1	1
A. McIntosh	9	9
G. Rogers	4	4
B. Donovan	4	4
J. Elkington	5	5
J. Hobson	5	5

### *Directors' Interests in Shares, Options and Performance Rights*

At the date of this report, shares, options, performance rights and convertible notes rights granted to Directors of the Company and the entities it controlled are:

	Fully paid ordinary shares (Number)	Options (Number)	Performance rights (Number)
Executive Director			
D. Power	-	-	1,200,000
Non Executive Directors			
A. McIntosh	3,442,000	703,000	1,800,000
G. Rogers	8,483,000	1,776,000	-
B. Donovan	10,000	-	-
P. Harris	-	-	-

5,850,000 performance rights were granted to Directors Mr. J Elkington, Mr J. Hobson and Mr A McIntosh on 22 September 2021, subject to performance hurdles. 1,800,000 performance rights were granted to both Mr. Hobson and Mr. McIntosh, and 2,250,000 performance rights were granted to Mr. Elkington.

1,200,000 performance rights were granted to Managing Director, Mr D. Power on 5 April 2022 in accordance with the company's Equity Incentive Plan, subject to performance hurdles.

Mr. J Elkington and Mr. J Hobson resigned from the company on 27 November 2021. In accordance with AASB 2, the directors performance rights forfeited due to failure to meet performance conditions. On 28 November 2021, Ms. O'Neill resigned from the company, ceasing employment on 26 January 2022. In accordance with



AASB 2, Ms. O'Neill's 250,000 share options were forfeited due to failure to satisfy the service conditions under the company's Equity Incentive Plan.

No other securities lapsed during the financial year ended 30 June 2022.

*Shares issued during or since the end of the year as a result of exercise*

As at the date of this report, there were no shares issued by the Company as result of exercise of an option.

*Unissued shares under option and performance rights*

As at the date of this report there are no unissued shares under option or performance rights.

*Corporate*

Following successfully listing on the ASX, there were a number of corporate changes to the company.

The Chief Executive Officer, Karen O'Neill resigned on 28 November 2021, and was replaced on 5 April 2022 by Daniel Power who was appointed Managing Director of the Company.

On 27 November 2021, John Elkington and John Hobson resigned as Non-Executive Directors of the Company. On 28 November 2021, George Rogers and Ben Donovan were appointed Non-Executive Directors of the Company. The new Board brings a wealth of exploration and capital markets experience to the Company. Anthony McIntosh was appointed as Non-Executive Chair effective 28 November 2021.

*Forward looking statements*

Forward looking statements are based on Koonenberry and its Management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect Koonenberry's business and operations in future. Koonenberry does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that Koonenberry's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by Koonenberry or Management or beyond Koonenberry's control. Although Koonenberry attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of Koonenberry. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law in providing this information Koonenberry does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any changes in events, conditions or circumstances on which any such statement is based.

*Competent Persons Statement*

The information in this report that relates to Exploration Results is based on information compiled under the supervision of Mr. Brett Rava, who is a Member of the Australasian Institute of Mining and Metallurgy and the Exploration Manager of Koonenberry Gold Limited. Mr. Rava has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves." Mr. Rava consents to the inclusion in this report of the matter based on his information in the form and context in which it appears.

## Information of Directors and Key Management Personnel

### *Executive Director*

Mr. Dan Power (BSc, Geology, MSc Econ. Geol, AIG, SEG, FICD) (*Appointed 5 April 2022*)

Managing Director

Dan is a geologist with more than 25 years' experience in minerals exploration, primarily focused on project generation and the evaluation and management of exploration programs throughout Australia, China, SE Asia, the SW Pacific and Mongolia.

Dan has experience across a broad range of commodities and has particular expertise in orogenic gold, porphyry copper-gold and epithermal gold deposits. Dan has held senior technical and management positions at Newmont Mining Corporation as Country Manager and in Mongolia as Executive Director for Titeline Resources.

### *Non Executive Directors*

Mr. Paul Harris (MEng, BCom, GAICD) (*Appointed 22 August 2022*)

Non-Executive Chairman

Mr Harris has more than 25 years' experience in financial markets and investment banking, including roles with Citibank, Bankers Trust and Merrill Lynch advising mining organisation on strategy, mergers and acquisitions and capital markets. He is well known by the Australian investment community and was also Managing Director – Head of Metals and Mining at Citi for several years.

Most recently, Mr Harris has been involved with mining company boards as a Non-Executive Director as well as providing advisory services on strategy and finance. He is currently the Non-Executive Chairman of Highfield Resources Ltd (ASX: HFR), Non-Executive Chairman of Aeon Metals Ltd (ASX: AML) and a Non-Executive Director of Aurelia Metals Ltd (ASX:AMI).

Mr. Anthony McIntosh (BCom, GAICD) (*Appointed 30 June 2021*)

Non-Executive Director

Mr. McIntosh has extensive experience in investment marketing, investor relations and strategic planning, with a focus on small caps, as well as a strong and well-established network of stockbroking and investment fund managers. Mr. McIntosh currently runs the McIntosh family investment company which invests in listed and unlisted securities and property. Mr. McIntosh was a Board member of Echo Resources Limited from 2013 to 2019, which was acquired by Northern Star Resources (ASX:NST) in 2019 for \$235m.

Mr. McIntosh is currently non-executive director of ASX Listed Companies: Strategic Energy Resources Limited, Copper Strike Limited and K-Tig Limited.

Mr. McIntosh is a former non-executive director of Echo Resources (resigned November 2019), Symbol Mining Ltd (resigned February 2021) and Alice Queen Limited (resigned May 2022).

Mr. George Rogers (CIMA, DBIB) (*Appointed 28 November 2021*)

Non-Executive Director

Mr. Rogers is a founding partner of SRG Partners and has over 10 years' experience in the commercial sector specialising in mergers and acquisitions; strategic planning; feasibility studies; financial restructuring and capital raising; business & deal valuation; and debt financing.

Mr. Rogers has held no other directorships in public listed companies in the last three years.

Mr. Ben Donovan (AGIA, ACIS) (*Appointed 28 November 2021, resigned 22 August 2022*)  
Non-Executive Director

Mr Donovan is a member of the Governance Institute of Australia and provides corporate advisory, IPO and consultancy services to a number of companies. Mr Donovan is currently a company secretary to several ASX listed and public unlisted companies and has gained experience across resources, agritech, biotech, media and technology industries.

Mr. Donovan is currently a non-executive director of Tambourah Resources Ltd and Magnetic Resources NL. Mr. Donovan has held no other directorships in public listed companies in the last three years.

Mr. John Elkington (MSc, FAusIMM, FAICD) (*Resigned 27 November 2021*)  
Non-Executive Chair

Mr. Elkington is a professional company director and independent mining consultant. He has over 40 years' experience in managing and directing public companies and was founding director of Pilbara Laboratories, Ammtec Limited. and head of Snowden Mining Industry Consultants in the UK.

Mr. Elkington is currently non-executive chairman of ASX-listed TNG Limited.  
Mr. Elkington has held no other directorships in public listed companies in the last three years.

Mr. John Hobson (MBA, BSC(Hons), GAICD) (*Resigned 27 November 2021*)  
Non-Executive Director

Mr. Hobson is a capital markets and investor relations executive with extensive investment banking and corporate experience in Australia, Asia, and US. Wide ranging experience across energy, infrastructure, logistics and banking & finance. He has successfully executed large, complex acquisition funding utilising innovative structures and negotiated multiple debt refinancings.

Mr. Hobson has held no other directorships in public listed companies in the last three years.

#### *Key Management Personnel*

Ms. Karen O'Neill (MBA, BCompt, FGIA, FCIS, GAICD)  
Chief Executive Officer

Ms O'Neill is a highly experienced governance and finance professional with strong commercial acumen and operations management. She has significant international operational and executive experience across a variety of industries including resources and investment banking. Ms O'Neill has spent the last 13 years working in the resources sector in diverse roles including executive leadership roles, operations, project management, and acquisitions / mergers, which has provided a strong base of hands-on operational understanding. She has worked with organisations in different stages of their lifecycles from exploration assets, through development and acquisition as well as operational management.

Ms. O'Neill is a former Managing Director of ASX Listed Kingsrose Mining Limited (resigned December 2020).

Mr. Ben Donovan (AGIA, ACIS)  
Company Secretary

Mr Donovan is a member of the Governance Institute of Australia and provides corporate advisory, IPO and consultancy services to a number of companies. Mr Donovan is currently a company secretary to several ASX listed and public unlisted companies and has gained experience across resources, agritech, biotech, media and technology industries.



## REMUNERATION REPORT

This report for the year ended 30 June 2022 outlines the remuneration arrangements of the Group in accordance with the requirements of the Corporations Act 2001 and its regulations. This information has been audited as required by section 308(3C) of the Corporations Act 2001.

This report details the remuneration arrangements for key management personnel (KMP) of the Group who are defined as those persons who have the authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether Executive or otherwise) of the parent company. Koonenberry Gold Limited's KMP are defined as Directors (whether Executive or otherwise) and the Managing Director.

Details of KMP of the Group during the reporting period are set out below:

Name	Position	Term as KMP
Non-Executive Directors		
A. McIntosh	Non-Executive Director	Full financial year
G. Rogers	Non-Executive Director	Appointed 28 November 2021
B. Donovan	Non-Executive Director	Appointed 28 November 2021
J. Elkington	Non-Executive Chair	Ceased 27 November 2021
J. Hobson	Non-Executive Director	Ceased 27 November 2021
Executive Directors		
D. Power	Managing Director	Appointed 5 April 2022
Executives		
K. O'Neill	Chief Executive Officer	Ceased 26 January 2022

B. Donovan resigned as Director on 22 August 2022 and P. Harris was appointed Director on 22 August 2022, after the reporting date and before the date the financial report was authorised for issue. There were no other changes to KMP in this time.

### Remuneration Governance

During the reporting period, the Board as a whole carried out the function of the Remuneration Committee, with remuneration matters to be discussed during meetings of the full Board, with Directors excluded from individual discussions as required. The Board will continue to assess the Company's circumstances and reinstate the Remuneration Committee when deemed appropriate.

The Board is responsible for reviewing and recommending the remuneration arrangements for the Executive and Non-Executive Directors and Key Management Personnel each year and ensuring that the Group's remuneration structures are aligned with the long-term interests of the Company and its shareholders. This includes an annual remuneration review of base salary, short-term incentives (STIs) and any long-term incentives (LTIs) including the appropriateness of performance hurdles and total payments proposed, superannuation, termination payments and service contracts.

Additional information regarding the role and function of the Remuneration Committee, which has now been assumed by the Board, can be found within the Corporate Governance Section of the Company's website.

## Remuneration Overview & Strategy

The Company has adopted a remuneration strategy intended to support the delivery of long-term shareholder value and to ensure remuneration accurately reflects achievement in line with general market conditions. The strategy is designed to attract, motivate and retain high calibre individuals through the provision of remuneration packages which contain the appropriate balance of fixed remuneration, short-term incentives and long-term incentives measured against clearly defined performance hurdles aligned with the strategic and operational objectives of the Company and the creation of value for shareholders.

In accordance with good corporate governance practices, the structure of Non-Executive Director and Executive remuneration is separate and distinct.

### PERFORMANCE ON SHAREHOLDER WEALTH

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

	2022	2021
Earnings per share (cents)	(0.02)	(0.02)
Dividends (cents per share)	-	-
Net profit / loss (\$'000)	(1,651)	(1,032)
Share price (\$)	0.09	-

The Group has disclosed two years of financial performance indicators as the company was first listed in 2021.

### EXECUTIVE REMUNERATION

The table below represents the total remuneration (both fixed and variable) paid or payable to Executives of the Group during the 2022 and 2021 financial years:

		Salary & Fees \$	Annual Leave Benefits \$	Non Monetary Benefits \$	Super- annuation \$	Long Service Leave Benefits \$	Options & Rights <sup>3</sup> \$	TOTAL \$
Executive KMP								
D. Power <sup>1</sup>	2022	75,000	-	-	5,892	-	20,621	101,513
	2021	-	-	-	-	-	-	-
K. O'Neill <sup>2</sup>	2022	186,597	-	-	17,077	-	(3,232)	200,442
	2021	125,000	-	-	11,875	-	3,232	140,107
G. Rogers <sup>3</sup>	2022	-	-	-	-	-	-	-
	2021	54,795	-	-	5,205	-	-	60,000

1. Mr. Power was appointed as Managing Director on 5 April 2022.

2. Ms. O'Neill was appointed Chief Executive Officer on 1 February 2021. Her employment ceased on 26 January 2022.

3. Mr. Rogers was appointed Managing Director on 15 May 2017 on a part time basis and did not take a regular salary or fee. He resigned from this role on 30 June 2021. Mr Rogers received director fees of \$60,000 including statutory superannuation following successful Admission to the ASX.

Cash bonuses included in remuneration

No cash bonuses were granted in 2022.

## EXECUTIVE EMPLOYMENT ARRANGEMENTS

Remuneration arrangements for Executives are formalised in employment agreements. Executives of the Company are employed on individual open-ended employment contracts with a three month notice of termination required by either party except in the event of summary dismissal and are entitled to termination payments in accordance with the National Employment Standards as defined in the Fair Work Act 2009 (Cth), which outline the minimum termination benefits based on years of service.

Daniel Power: Appointed Managing Director on 5 April 2022 with no fixed term, base salary of \$300,000 per annum plus statutory superannuation. Three months' notice of termination required by either party except in the event of summary dismissal.

The Company has granted 600,000 performance rights to the Managing Director on signing with the company. The rights will vest 12 months after commencement with the company (April 2023). On the first anniversary of the Managing Directors commencement he will be eligible for a further 600,000 performance rights which will vest 12 months after the first anniversary of his Commencement Date and conditional upon shareholder approval and the company's 30-day volume weighted average share price (VWAP) of greater than or equal to \$0.15. All performance rights will be eligible to be exercisable 36 months after vesting date and up to 5 years from issue date.

Vesting of the Managing Director's performance rights is conditional on remaining employed by the Company as at the applicable vesting date.

Karen O'Neill: Appointed Chief Executive Officer on 1 February 2021 with no fixed term, base salary of \$300,000 per annum plus statutory superannuation.

The Company granted 250,000 options in respect of unissued Shares to the Chief Executive Officer under the Listing Plan in the Prospectus. The CEO Options vest on the first anniversary of their grant date (that is, in June 2022) and have an exercise price of \$0.40 per CEO Option. The CEO Options were issued prior to the Company's admission to the Australian Stock Exchange. The CEO Options can be exercised any time in the two-year period following their vesting date, but are the subject of a 24-month escrow restriction period in accordance with the ASX Listing Rules.

Vesting of the CEO Options is generally conditional on the Chief Executive Officer remaining employed by the Company as Chief Executive Officer as at the applicable vesting date.

On 26 January 2022 Ms O'Neill ceased employment with the company. In accordance with AASB 2, Ms O'Neill's share options are forfeited due to failure to satisfy the service conditions under the company's Equity Incentive Plan, and the cumulative expense is immediately reversed.



## NON-EXECUTIVE DIRECTOR REMUNERATION

The Company's policy is to remunerate Non-Executive Directors at market rates (for comparable ASX listed companies) for their time, commitment and responsibilities. Fees paid to Non-Executive Directors are not directly linked to the performance of the Company, however, to align Directors' interests with shareholders' interest, Directors are encouraged to hold shares in the Company and are eligible under the Listing Plan to receive Performance Rights.

Fees paid to Non-Executive Directors cover all activities associated with their role on the Board and any sub-committees. The Company does not pay additional fees to Directors who are appointed to Board Committees or to the Boards of subsidiary or associated companies. However, Non-Executive Directors may be remunerated at market rates for additional work undertaken as required on behalf of the Group. They may also be reimbursed for reasonable out of pocket expenses incurred as a result of their Directorships.

Non-Executive Director fees are determined within an aggregate limit, which currently sits at \$400,000 per annum and was approved by shareholders at a general meeting held on 27 May 2021. Fees paid to Non-Executive Directors are reviewed annually against fees paid by comparable peer companies and general market conditions. The Non-Executive Chairman was paid \$100,000 per annum plus superannuation, and Non-Executive Directors are paid \$60,000 per annum plus superannuation.

The table below represents the total remuneration paid or payable to Non-Executive Directors of the Group during the 2022 and 2021 financial years:

		Salary & Fees \$	Non Monetary Benefits \$	Consulting Fees \$	Super- annuation \$	Share Based Payments	TOTAL \$
Non-Executive Directors							
N. Dunn <sup>1</sup>	2022	-	-	-	-	-	-
	2021	-	-	-	-	-	-
K. Purcell <sup>2</sup>	2022	-	-	-	-	-	-
	2021	56,000	-	-	-	-	56,000
J. Elkington <sup>3</sup>	2022	41,667	-	-	4,167	-	45,834
	2021	-	-	-	-	309	309
J. Hobson <sup>3</sup>	2022	25,000	-	-	2,500	-	27,500
	2021	-	-	-	-	247	247
A. McIntosh <sup>3,4</sup>	2022	83,333	-	-	8,333	90,145	181,811
	2021	-	-	-	-	247	247
G. Rogers <sup>5</sup>	2022	-	-	38,325	-	-	38,325
	2021	-	-	-	-	-	-
B. Donovan <sup>5</sup>	2022	-	-	38,325	-	-	38,325
	2021	-	-	-	-	-	-

All Non-Executive Director remuneration paid for 2021 and 2022 was fixed, with the exception of A. McIntosh whose remuneration in 2022 was 50% linked to performance.

## Notes to remuneration of Non-Executive Directors

1. N. Dunn resigned on 30 June 2021.

2. K. Purcell resigned on 30 June 2021.

3. J. Elkington, J. Hobson and A. McIntosh were appointed non-executive directors on 30 June 2021. The remuneration payable to Mr Elkington pursuant to his Letter of Appointment is \$100,000 per annum (plus statutory superannuation). The remuneration payable to each of Mr McIntosh and Mr Hobson pursuant to their Letters of Appointment is \$60,000 per annum (plus statutory superannuation). In addition, the Company issued 2,250,000 Performance Rights to Mr Elkington and 1,800,000 Performance Rights to each of Mr McIntosh and Mr Hobson on admission to the ASX. Mr Elkington and Mr Hobson's performance rights were forfeited on resignation from the company.

4. Mr McIntosh was appointed Chairperson on 28 November 2021. Accordingly the Board approved to increase his annual remuneration to \$100,000 per annum (plus statutory superannuation).

5. G. Rogers and B. Donovan were appointed non-executive directors on 28 November 2021. Director fees of \$65,700 (excl GST) per annum are to be paid to Mr Rogers and Mr Donovan. Apportionment of fees applies for directors appointed throughout the year.

## EQUITY INSTRUMENTS HELD BY KMP

### Key Management Personnel Interests

The relevant interest of each KMP in the share capital of the Company at balance date is as follows:

	Ordinary Shares	Options over Ordinary Shares	Option Exercise Price \$
Executive Director			
D. Power	-	-	-
Non-Executive Directors			
G. Rogers	8,483,000	1,776,000	0.23
A. McIntosh	3,442,000	703,000	0.23
B. Donovan	10,000	-	-
P. Harris	-	-	-
	<u>11,935,000</u>	<u>2,479,000</u>	

### Performance Rights

On 22 September 2021, prior to the Company's admission to the Australian Stock Exchange the Company issued performance rights to the Non-Executive Directors appointed on 30 June 2021 under the Listing Plan (Performance Rights). Each Performance Right entitles the holder to receive one Share, subject to the satisfaction of prescribed performance and time based vesting conditions. All performance rights are subject to continued employment with the Company.

As shown in the table below, all the Performance Rights are unvested and will progressively vest over the 4 years following the date of grant of the Performance Rights (subject to achieving the relevant performance hurdle).

	Tranche 1	Tranche 2	Tranche 3	Total
Vesting Date	24 months post-Admission	36 months post-Admission	48 months post-Admission	
Performance Hurdle	The Company achieving a VWAP over any 20 consecutive trading days prior to the Vesting Date of \$0.40 per share or higher	The Company achieving a VWAP over any 20 consecutive trading days prior to the Vesting Date of \$0.60 per share or higher	The Company achieving a VWAP over any 20 consecutive trading days prior to the Vesting Date of \$0.80 per share or higher	
J. Elkington	750,000	750,000	750,000	2,250,000
J. Hobson	600,000	600,000	600,000	1,800,000
A. McIntosh	600,000	600,000	600,000	1,800,000
Total	1,950,000	1,950,000	1,950,000	5,850,000

In accordance with vesting conditions under the company's Equity Incentive Plan performance rights issued to Mr J Elkington and Mr J Hobson's have been forfeited following resignation as Non-Executive Director on 27 November 2021. Under AASB 2, forfeiture of performance rights due to failure to satisfy the services conditions of the rights issue, requires immediate reversal of the cumulative expense in the company's financial statements.

No performance rights issued to Non-Executive Directors have vested, lapsed or been exercised as at 30 June 2022. Additionally no performance conditions were met during the year.

On commencement of employment with the company the Managing Director, Mr D Power was granted 1,200,00 performance rights as set out in the table below. All Performance Rights are unvested and will progressively vest over the 2 years following the grant date, subject to achievement of the performance hurdles.

	Tranche 1	Tranche 2	Total
Vesting Date	12 months from commencement	12 months from 1 <sup>st</sup> anniversary of commencement	
Performance Hurdle	-	The Company achieving a VWAP over any 30 consecutive trading days prior to the Vesting Date of \$0.15 per share or higher	
D. Power	600,000	600,000	1,200,000
Total	600,000	600,000	1,200,000

Vesting of the Performance Rights is conditional on the holder remaining employed by the Company at the applicable vesting date.

Each Performance Right, once vested and exercised, entitles the holder to apply for one ordinary share in the Company at a \$0 exercise price, which Share will rank pari passu with all other Shares then on issue. As such, no funds will be raised from the issue of the Performance Rights.

No performance rights issued to the Managing Director have vested as at 30 June 2022.

#### Options issued to Key Management Personnel

	30 June 2022	30 June 2021
	\$	\$
Options issues at beginning of period	4,169	134
Granting of share options - K. O'Neill	812	4,035
Forfeiture of share options – K. O'Neil	(4,847)	-
Share split (i)	2,478,866	-
Options on issue at end of period	2,479,000	4,169
Exercisable at 30 June 2021	-	-
Exercisable at 30 June 2022	-	-

#### (i) Share Split

The Company converted from a private company to a public company in preparation for its initial public offer and application for admission onto the Official List of the Australian Stock Exchange. The shareholders resolved unanimously, in accordance with section 245H(1) of the Corporations Act 2001 (Cth), to convert its shares into a larger number, by splitting each existing ordinary share into 18,500 ordinary fully paid shares, based on a project valuation of A\$12 million and a proposed listing share price of \$0.20 per share. The 134 options issued to Key Management Personnel at the date of the share split were converted into 2,479,000 options.

#### Shares Issued on Exercise of Options and Share Performance Rights

There were no shares issued to any KMP upon exercise of options and share performance rights during the year.



## OTHER TRANSACTIONS AND BALANCES WITH KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

*Transactions with Directors, key management personnel and their associated entities*

	30 June 2022 \$	30 June 2021 \$
Consulting Fees (i)	12,500	80,300
Professional Fees – WRP Legal (ii)	-	18,182
Professional Fees – SRG Partners (iii)	224,175	-
Professional Fees – B Donovan (iv)	20,000	-
Total	256,675	98,482

- i) The Group engaged John Hobson (Andromeda Partners) to provide consulting services relating to ASX listing during the year. In FY 2021 the Group engaged John Elkington (Southern Mining Consultants) and Anthony McIntosh to assist with Due Diligence requirements prior to ASX Listing.
- ii) The Group used the professional services of Mr Dimitris Parhas (WRP Legal) for Group Secretarial purposes. Amounts were billed based on market rates for services due and payable.
- iii) The Group used the professional services of SRG Partners for Accounting and CFO services, of which Mr G Rogers is a Director. \$100,000 of the professional fees paid during the year relate to services rendered pre IPO. Amounts were billed based on market rates for services due and payable.
- iv) The Group used the professional services of Ventnor Capital for Corporate Secretarial services during the period. Mr Ben Donovan was independently contracted by Ventnor receiving a portion of fees paid to Ventnor Capital. Amounts were billed based on market rates for services due and payable.

All outstanding balances with these related parties are priced in an arms length basis and are to be settled in cash.

*Balances with Directors, key management personnel and their associated entities at reporting date*

	30 June 2022 \$	30 June 2021 \$
J. Elkington – Consultancy Fees (i)	-	7,300
SRG Partners – Consultancy Fees (ii)	7,700	
Total Transactions	7,700	7,300

- i) The Group engaged John Elkington on a monthly basis from September 2020 to assist with Due Diligence requirements prior to ASX Listing.
- ii) The Group engaged SRG Partners on a monthly basis to undertake Accounting and CFO Services.

End of Remuneration Report.

### *Environmental Regulation and Performance*

During the course of mineral exploration activities, the Group is aware of its responsibility to impact as little as possible on the environment and, where there is any disturbance or environmental impact, to rehabilitate sites.

During the year and since the end of the financial year, the majority of mineral exploration activities have been carried out in New South Wales. The Group has followed procedures and pursued objectives in line with applicable guidelines issued by the Commonwealth or of a state or territory of Australia. These guidelines include guidance in relation to the impact on owners, land users, heritage, health and safety and appropriate restoration/rehabilitation practices.

The Group has adhered to regulatory guidelines, and any local conditions applicable, both in New South Wales and elsewhere. The Group has not been found to have been in breach of any Commonwealth or State/Territory environmental rules or regulations during the period.

### *Insurance of officers*

During the financial year the Group paid a premium to insure the Directors and Officers of the Group and its controlled entities. The liabilities insured are costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the Directors and Officers in their capacity as officers of entities in the Group except where the liability arises out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Group against a liability incurred as such by an officer.

### *Proceedings on behalf of the Company*

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

### *Non-audit services*

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 21 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.

### *Corporate Governance Statement*

The Company's Corporate Governance Statement can be located on the Company's website, <https://koonenberrygold.com.au/investors/>

*Auditors Independence Declaration*

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

Signed in accordance with a resolution of the Directors pursuant to section 298(2)(a) of the Corporations Act 2001.



Dan Power  
Managing Director

Dated at this 23 September 2022

## Auditor's Independence Declaration

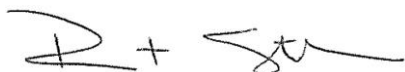
### To the Directors of Koonenberry Gold Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Koonenberry Gold Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



B P Steedman  
Partner – Audit & Assurance

Perth, 23 September 2022



## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

	Note	30 June 2022	30 June 2021
		\$	\$
Other income		17,896	-
Other income – cashflow boost		-	64,589
Legal expenses		(163,745)	(136,919)
Exploration costs	4	(198,933)	(13,597)
Loss on disposal of property, plant and equipment	10	(17,906)	(3,089)
Share based payments	24	(106,730)	(4,035)
Interest expense		(65,569)	(140,783)
Other expenses	4	(1,115,563)	(798,024)
Loss before income tax expense		(1,650,550)	(1,031,858)
Income tax expense	5	-	-
Loss for the year		(1,650,550)	(1,031,858)
Other comprehensive loss (net of tax)		-	-
Total comprehensive loss for the year attributable to the members of the parent entity		(1,650,550)	(1,031,858)
Earnings per share			
Basic loss per share (cents)	6	(0.02)	(0.02)

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

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2022

	Note	30 June 2022 \$	30 June 2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	4,988,384	606,281
Trade and other receivables	8	51,136	30,599
Other current assets	9	267,917	249,098
<b>TOTAL CURRENT ASSETS</b>		<b>5,307,437</b>	<b>885,978</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	512,110	513,276
Exploration and evaluation assets	11	4,442,912	3,645,632
Other non-current assets	12	153,000	163,000
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,108,022</b>	<b>4,321,908</b>
<b>TOTAL ASSETS</b>		<b>10,415,459</b>	<b>5,207,886</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	274,971	711,696
Employee entitlements	14	12,293	44,323
Convertible notes	15	-	700,000
<b>TOTAL CURRENT LIABILITIES</b>		<b>287,264</b>	<b>1,456,019</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee entitlements	14	186	2,647
Convertible notes	15	-	1,868,001
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>186</b>	<b>1,870,648</b>
<b>TOTAL LIABILITIES</b>		<b>287,450</b>	<b>3,326,667</b>
<b>NET ASSETS</b>		<b>10,128,009</b>	<b>1,881,219</b>
<b>EQUITY</b>			
Issued capital	16	13,295,958	3,505,348
Share based payment reserve	24	110,765	4,035
Accumulated losses		(3,278,714)	(1,628,164)
<b>TOTAL EQUITY</b>		<b>10,128,009</b>	<b>1,881,219</b>

The above Statement of Financial Position is to be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

	Note	Issued Capital \$	Share Based Payment Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 30 June 2020		3,505,348	-	(596,306)	2,909,042
Loss for the year		-	-	(1,031,858)	(1,031,858)
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	-	(1,031,858)	(1,031,858)
<i>Transactions with owners, in their capacity as owners, and other transfers</i>					
Issue of shares	16	-	-	-	-
Share based payments	24	-	-	-	-
Issue of options and performance rights	24	-	4,035	-	4,035
Balance at 30 June 2021		3,505,348	4,035	(1,628,164)	1,881,219
Balance at 30 June 2021		3,505,348	4,035	(1,628,164)	1,881,219
Loss for the year		-	-	(1,650,550)	(1,650,550)
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		3,505,348	4,035	(3,278,714)	230,669
<i>Transactions with owners, in their capacity as owners, and other transfers</i>					
Issue of shares	16	10,986,025	-	-	10,986,025
Share based payment expense	24	-	106,730	-	106,730
Transaction costs		(1,195,415)	-	-	(1,195,415)
Balance at 30 June 2022		13,295,958	110,765	(3,278,714)	10,128,009

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2022

	Note	30 June 2022 \$	30 June 2021 \$
Cash flows from operating activities			
Government subsidy received		2,165	60,299
Receipts from other debtors		670	-
Payments to suppliers and employees		(1,710,292)	(457,386)
Interest received		(9,727)	-
Interest paid		15,731	-
Net cash used in operating activities	22	<u>(1,701,453)</u>	<u>(397,087)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(95,931)	(17,259)
Payment for exploration activities		(797,280)	(1,126,919)
Refund of tenement bond deposit		10,000	-
Loans to external parties		<u>(200,000)</u>	<u>-</u>
Net cash used in investing activities		<u>(1,083,211)</u>	<u>(1,144,178)</u>
Cash flows from financing activities			
Proceeds from issue of shares		8,000,000	-
Proceeds from issue of convertible notes		-	1,651,965
Payment of transaction costs		<u>(833,233)</u>	<u>(212,054)</u>
Net cash provided by financing activities		<u>7,166,767</u>	<u>1,439,911</u>
Net increase/(decrease) in cash and cash equivalents		4,382,103	(101,354)
Cash at the beginning of the year		<u>606,281</u>	<u>707,635</u>
Cash at the end of the year	7	<u>4,988,384</u>	<u>606,281</u>

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2022

### NOTE 1: GENERAL INFORMATION, BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

The financial report includes the financial statements and notes of Koonenberry Gold Ltd (the 'Company') and its Controlled Entities (collectively known as the 'Group').

Koonenberry Gold Ltd is the Group's Ultimate Parent Company. Koonenberry Gold Ltd is a Company incorporated and domiciled in Australia. On 28 September 2021, the Company was admitted to the Australian Stock Exchange. The address of its registered office and principal place of business is Ground Floor, 16 Ord Street, West Perth WA 6005.

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

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

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

The financial statements for the year ended 30 June 2022 were approved and authorised for issue by the Board of Directors on 23 September 2021.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

#### Summary of accounting policies

##### (a) Principle of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Koonenberry Gold Ltd at the end of the reporting period. The parent entity 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.

A list of controlled entities is contained in Note 18 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and statement of profit or loss and other comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

(b) Income Tax

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

Current income tax expense charged to profit or loss is the tax payable on taxable income.

Current tax liabilities (assets) are 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.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, 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 and 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. Deferred tax assets and liabilities are offset where:

- (a) a legally enforceable right of set-off exists; and
- (b) 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.

*Tax consolidation*

The parent entity and its Australian wholly-owned entities are part of a tax-consolidated group under Australian taxation law. The head entity within the tax consolidation group for the purposes of the tax consolidation system is Koonenberry Gold Ltd.

Koonenberry Gold Ltd and each of its own wholly-owned subsidiaries recognise the current and deferred tax assets and deferred tax liabilities applicable to the transactions undertaken by it, after elimination of intra-group transactions. Koonenberry Gold Ltd recognises the entire tax-consolidated group's retained tax losses.

### (c) Property, Plant and Equipment

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

#### *Plant and equipment*

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads. 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 the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

#### *Depreciation*

The depreciable amount of all fixed assets is depreciated on a straight-line and diminishing value basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The useful life for each class of depreciable assets are:

Class of Fixed Asset	Useful Life
Computer equipment	3 – 5 years
Plant and equipment	1 – 20 years

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

### (d) Exploration and Development Expenditure

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

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

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

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

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

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

(e) Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquiree, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets.



(f) Employee benefits

*Short-term employee benefits*

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The Group's liabilities for long service leave are included in other long-term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Group presents employee benefit obligations as current liabilities in the statement of financial position if the Group does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

(g) Share based payments

*Share based employee remuneration*

The Group operates equity-settled share-based remuneration plans for its employees.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values.

Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted at grant date.

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to share based payments reserve. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holders does not impact the expense recorded in any period. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

*Other share based payments*

Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

The corresponding amount is recorded to share capital or the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

(h) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

*Provision for restoration and rehabilitation*

No provisions for restoration and rehabilitation have been made at this stage, as there are no obligations to do so and the Group is currently in the exploration stage and have yet to start mining.

(i) Cash and Cash Equivalents

Cash and cash equivalents include cash at bank and on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts.

Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

(j) Revenue and Other Income

Revenue is recognised when it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

*Interest*

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(k) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30-90 days of recognition of the liability.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(m) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

(n) Earnings per share

*Basic earnings per share*

Basic earnings per share is calculated by dividing the profit/loss attributable to the Owners of the Group, excluding any servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

*Diluted earnings per share*

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

(o) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(p) Going concern

The Group's financial statements are prepared on the going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities and commitments in the normal course of business.

During the year ended 30 June 2022 the group recognised a loss of \$1,650,550 (2021: \$1,031,858), had net cash outflows from operating and investing activities of \$2,784,664 (2021: \$1,541,265), and had accumulated losses of \$3,278,714 (2021: \$1,628,164) as at 30 June 2022.

The ability of the Company to continue as a going concern and pay debts as and when they fall due is dependent of the following:

- the ability to raise additional funding either through debt or equity to meet it's planned exploration programme; and
- managing all costs in line with managements forecasts.

These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern. In the event the above matters are not achieved, the Group will be required to raise funds for working capital from debt or equity sources.

Management have prepared a cash flow forecast which indicates that the Company will require additional capital to meet the exploration plan proposed for the 12 months from the date of this report.

Based on the cashflow forecasts and other factors referred to above, the Directors are confident of the Group's ability to raise additional funds as and when they are required.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

#### (q) Financial Instruments

##### (i) Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted. Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

##### (ii) Classification and subsequent measurement

###### *Financial liabilities*

Financial instruments are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or

- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

#### (r) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

#### Key estimates

##### *(i) Impairment*

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using fair value less cost of disposal calculations which incorporate various key assumptions.

##### *(ii) Exploration and evaluation expenditure*

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

##### *(iii) Share based payments*

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 an external valuer using the Black Scholes and Monte Carlo models, based on the assumptions in Note 24.

The Group measures the cost of cash-settled share based payments at fair value at the grant date using the Black Scholes model taking into account the terms and conditions upon which the instruments were granted.

#### Changes in Accounting Policies

There are no other new standards, amendments or interpretations that are issued and not yet effective which will have a material impact on the Group in future years. None have been adopted early by the Group.

#### Guarantees

Koonenberry Gold Ltd has not entered into any guarantees, in the current or previous financial period, in relation to the debts of its subsidiaries.



## NOTE 2: PARENT ENTITY INFORMATION

	30 June 2022 \$	30 June 2021 \$
Assets		
Current assets	5,307,437	885,978
Non-current assets	5,108,022	4,321,908
	<u>10,415,459</u>	<u>5,207,886</u>
Liabilities		
Current liabilities	287,264	1,456,019
Non-current liabilities	186	1,870,648
	<u>287,450</u>	<u>3,326,667</u>
Equity		
Issued capital	13,295,958	3,505,348
Reserves	110,765	4,035
Accumulated losses	(3,278,714)	(1,628,164)
	<u>10,128,009</u>	<u>1,881,219</u>
Financial performance		
Loss for the year/period	(1,650,550)	(1,031,858)
Other comprehensive income	-	-
	<u>(1,650,550)</u>	<u>(1,031,858)</u>

### NOTE 3: OPERATING SEGMENTS

The Board has considered the requirements of AASB 8 *Operating Segments* and the internal reports that are reviewed by the chief operating decision maker (the Chief Executive Officer) in allocating resources and have concluded, due to the Group being solely focused on exploration activity, at this time that there are no separately identifiable segments. As such there is one segment being the consolidated group.

### NOTE 4: EXPENSES

	30 June 2022 \$	30 June 2021 \$
(a) Exploration costs		
Motor vehicle expenses	3,239	6,880
Travel expenses	-	1,775
Consultants	69,659	2,400
Employee benefits	109,885	-
Other expenses	16,150	2,542
Total exploration costs	198,933	13,597

Exploration costs represents expenses incurred during the course of mineral exploration activities that have not been capitalised where they are not directly attributable to tenements held.

	30 June 2022 \$	30 June 2021 \$
(b) Other expenses		
Audit and accounting fees	58,588	83,631
Consultants	262,355	394,771
Directors' fees	226,650	110,795
Employment benefits	291,260	168,085
Insurance	42,158	13,614
Listing fees	107,811	5,500
Other expenses	126,741	21,628
Total other expenses	1,115,563	798,024

## NOTE 5: INCOME TAX EXPENSE

A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Group's applicable income tax rate is as follows:

	30 June 2022 \$	30 June 2021 \$
a) Current tax		
Accounting loss before income tax	(1,650,550)	(1,031,858)
At the Group's statutory income tax rate of 25% (2021: 26%)	(412,638)	(268,283)
Non-deductible expenses	26,057	1,364
Non-assessable government receipts	-	(16,063)
Timing differences and tax losses not brought to account	386,581	282,982
Current income tax expense / (benefit)	-	-
b) Deferred tax balances		
Trade and other receivables	(836)	-
Exploration and evaluation expenditure	(1,045,728)	(901,064)
Property Plant and equipment	(128,027)	(133,452)
Capital raising costs	232,863	124,555
Trade and other payables	10,953	50,681
Employee provisions	3,120	12,212
Net deferred tax liabilities	(927,655)	(847,068)
Tax value of losses recognised	927,655	847,068
Net deferred tax assets / liabilities	-	-
c) Unrecognised DTA on revenue tax losses	2,142,860	1,653,663

The Group has tax losses arising in Australia of \$12,282,060 (2021: \$9,618,199) that are available for offset against future taxable profits generated by the Group. These losses include \$4,695,621 tax losses transferred by members to the tax consolidated group. The utilisation of these losses will be restricted to their available fraction. No deferred tax asset has been recognised in respect of the Group's tax losses at 30 June 2022.

#### NOTE 6: EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	30 June 2022	30 June 2021
Net loss attributable to ordinary equity holders of the parent	(1,650,550)	(1,031,858)
Weighted average number of ordinary shares for basic earnings per share	105,381,087	60,014,000

#### *Effect of dilution*

No dilutive effect has been taken into account for the year ended 30 June 2022 and 30 June 2021 as the Group generated losses for the financial years.

#### NOTE 7: CASH AND CASH EQUIVALENTS

	30 June 2022	30 June 2021
Cash and cash equivalents	\$	\$
Cash at bank and on hand	4,988,384	606,281
	<u>4,988,384</u>	<u>606,281</u>

Cash at bank earns interest at floating rates based on daily deposit rates.

#### NOTE 8: TRADE AND OTHER RECEIVABLES

	30 June 2022	30 June 2021
Trade and other receivables	\$	\$
Other receivables	3,342	-
GST receivable	47,794	30,599
	<u>51,136</u>	<u>30,599</u>

All amounts are short term. The other receivables due include interest receivable on a loan from a shareholder. The carrying amount of the receivable is considered a reasonable approximation of fair value as this financial asset is expected to be paid within twelve months.

## NOTE 9: OTHER CURRENT ASSETS

	30 June 2022 \$	30 June 2021 \$
Prepayments	67,917	33,032
Prepaid capital raise costs	-	212,054
Loans to shareholders	200,000	-
Other current assets	-	4,012
	<u>267,917</u>	<u>249,098</u>

During the period the company entered into a \$200,000 loan arrangement with a shareholder. Drawdown was contingent on successful IPO. Interest on the loan is payable at a 10%, repayable by 20 May 2022. A 3 month loan extension was granted to 20 August 2022. At balance date the loan remains outstanding but is secured by shares with a value in excess of the loan. Interest has continued to accrue post loan due date at 10% p.a.

## NOTE 10: PROPERTY PLANT AND EQUIPMENT

30 June 2022	Office Equipment	Plant and Equipment	Total
<i>Cost</i>			
Opening balance	-	700,894	700,894
Additions	22,671	73,261	95,932
Disposals	-	(24,390)	(24,390)
	<u>22,671</u>	<u>749,765</u>	<u>772,436</u>
<i>Accumulated depreciation</i>			
Opening balance	-	(187,618)	(187,618)
Depreciation for the year	(2,742)	(76,450)	(79,192)
Disposals	-	6,484	6,484
	<u>(2,742)</u>	<u>(257,584)</u>	<u>(260,326)</u>
Net book value	<u>19,929</u>	<u>492,181</u>	<u>512,110</u>
 30 June 2021	 Office Equipment	 Plant and Equipment	 Total
<i>Cost</i>			
Opening balance	3,653	749,205	752,858
Additions	-	15,600	15,600
Disposals	(3,653)	(63,911)	(67,564)
	<u>-</u>	<u>700,894</u>	<u>700,894</u>
<i>Accumulated depreciation</i>			
Opening balance	(3,064)	(147,164)	(150,228)
Depreciation for the year	(404)	(73,900)	(74,304)
Disposals	3,468	33,446	36,914
	<u>-</u>	<u>(187,618)</u>	<u>(187,618)</u>
Net book value	<u>-</u>	<u>513,276</u>	<u>513,276</u>

**NOTE 11: EXPLORATION AND EVALUATION ASSETS**

	30 June 2022 \$	30 June 2021 \$
Exploration, evaluation and development costs carried forward in respect of mining areas of interest		
Exploration and evaluation phase	4,442,912	3,645,632
	<u>4,442,912</u>	<u>3,645,632</u>

**Capitalised tenement expenditure movement reconciliation**

	Total
30 June 2022	\$
Balance at beginning of year	3,645,632
Additions through expenditure capitalised	<u>797,280</u>
Balance at end of year	<u>4,442,912</u>
30 June 2021	
Balance at beginning of year	2,739,488
Additions through expenditure capitalised	<u>906,144</u>
Balance at end of year	<u>3,645,632</u>

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

**NOTE 12: OTHER NON-CURRENT ASSETS**

	30 June 2022 \$	30 June 2021 \$
Tenement bonds	<u>153,000</u>	<u>163,000</u>
	<u>153,000</u>	<u>163,000</u>

Tenement bonds represent payments made to the NSW Department of Planning, Industry and Environment in relation to exploration leases held by the Group. A bond refund of \$10,000 was received during the year.

**NOTE 13: TRADE AND OTHER PAYABLES**

	Note	30 June 2022 \$	30 June 2021 \$
Trade payables <sup>(i)</sup>		244,177	470,765
PAYG and superannuation payable		30,794	54,106
Other payables <sup>(ii)</sup>		-	26,825
Other liabilities	19	<u>-</u>	<u>160,000</u>
		<u>274,971</u>	<u>711,696</u>

i) Trade payables are non-interest bearing and are normally settled on 30-60 day terms.

ii) Other payables are non-interest bearing and have an average term of 30 days.



**NOTE 14: EMPLOYEE ENTITLEMENTS**

	30 June 2022 \$	30 June 2021 \$
<i>Current</i>		
Annual leave provision	12,293	44,323
	<u>12,293</u>	<u>44,323</u>
<i>Non-Current</i>		
Long service leave provision	186	2,647
	<u>186</u>	<u>2,647</u>

**NOTE 15: CONVERTIBLE NOTES**

The company issued 2,500 unsecured convertible notes with a face value of \$1,000 per convertible note in three series during the period November 2020 through to June 2021. The notes had a maturity date of 24 months from issue date.

The issue terms of each convertible note series are outlined below:

- Series A - (\$1.5m) - 30% discount to offer; 10% interest per annum accruing daily
- Series B - (\$0.5m) - 20% discount to offer; 10% interest per annum accruing daily
- Series C - (\$0.5m) - 20% discount to offer; no interest payable.

The company completed its initial public offering on ASX on 28 September 2021. All convertible notes on issue were converted into 18,142,668 shares.

	30 June 2022		30 June 2021	
	Number	\$	Number	\$
Notes on issue at beginning of period	2,500	2,568,001	700	700,000
Convertible notes issued	-	-	1,800	1,799,815
Transaction costs		(43,698)		(72,597)
Interest charged (effective interest rate)		26,943		140,783
Capitalised transaction costs		116,295		-
Conversion of convertible notes to ordinary share capital	(2,500)	(2,667,541)		-
Total Convertibles Notes	<u>-</u>	<u>-</u>		<u>2,568,001</u>

## NOTE 15: CONVERTIBLE NOTES continued.

	30 June 2022	30 June 2021
	\$	\$
Convertible Notes		
<i>Current</i>	-	700,000
<i>Non-Current</i>	-	1,868,001
Total	-	2,568,001

## NOTE 16: ISSUED CAPITAL

		30 June 2022	30 June 2021
		\$	\$
119,749,088 fully paid ordinary shares (2021: 60,014,000)		13,295,958	3,505,348

		2022	2021
	Number	\$	\$
Balance at beginning of financial year	60,014,000	3,505,348	3,505,348
Issue of shares (i)	41,592,420	8,318,484	-
Conversion of convertible notes to ordinary shares	18,142,668	2,667,541	-
Share split (ii)	-	-	60,010,756
Share issue costs	-	(1,195,415)	-
Balance at end of financial year	119,749,088	13,295,958	60,014,000

Fully paid ordinary shares carry one vote per share and carry the right to dividends (in the event such a dividend was declared).

(i) Issue of shares

The Company issued 41,592,420 shares during the year. 1,592,420 ordinary fully paid shares were issued to advisors for services relating to the initial public offering.

(ii) Share Split

The Company converted from a private company to a public company in preparation for its initial public offer and application for admission onto the Official List of the Australian Stock Exchange. The shareholders resolved unanimously, in accordance with section 245H(1) of the Corporations Act 2001 (Cth), to convert its shares into a larger number, by splitting each existing ordinary share into 18,500 ordinary fully paid shares, which was determined on the basis of a project valuation of A\$12 million and a proposed listing share price of \$0.20 per share. The existing share capital of 3,244 ordinary fully paid shares were converted into 60,014,000 ordinary fully paid shares.

## NOTE 17: COMMITMENTS FOR EXPENDITURE

### *Exploration licences*

There are no minimum expenditure requirements to maintain the Group's tenement licenses.

The Group has provided an annual estimate of expenditure to licence authorities for the year ending 30 June 2023 of approximately \$924,700 in respect of exploration license leases and related items.

## NOTE 18: CONTROLLED ENTITIES

Name of entity	Country of incorporation	Ownership interest	
		30 June 2022 %	30 June 2021 %
<i>Parent entity</i>			
Koonenberry Gold Ltd	Australia		
<i>Subsidiaries</i>			
Lasseter Gold Pty Ltd	Australia	100	100
KNB Plant Pty Ltd	Australia	-	100

KNB Plant Pty Ltd was deregistered effective 31 October 2020.

## NOTE 19: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### *(i) Exploration lease deposits*

The Group has paid a number of deposits to the NSW Department of Planning, Industry and Environment in relation to exploration leases held by the Group (Refer to Note 12). These deposits are designed to act as collateral over the tenements which the Group explores on and can be used by the relevant Government authorities in the event that Koonenberry does not sufficiently rehabilitate the land it explores on.

### *(ii) Royalty Agreements*

Lasseter (Pty) Ltd, a wholly owned subsidiary of the Company, has entered into various arrangements relating to the payment of royalties from products extracted from the land the subject of certain of its Exploration Licences. Details of these arrangements are summarised on the following page.

## NOTE 19: CONTINGENT LIABILITIES AND CONTINGENT ASSETS continued.

*Royalty Agreements*

Tenement	Perry & Armstrong	Bates	Arastra	EMX	Kayrunnera
EL 6803	-	-	2% of revenue from all products <i>less</i> allowable deductions	3% of revenue from all products <i>less</i> allowable deductions	2% of revenue from all products (ex alluvials) <i>less</i> allowable deductions AND 7.5% of EBITDA from alluvial and modern palaeo gold
EL 6854	2% of revenue from all Group 1 Minerals <i>less</i> allowable deductions	-	-	3% of revenue from all products <i>less</i> allowable deductions	
EL 7635	-	-	-	3% of revenue from all products <i>less</i> allowable deductions	7.5% of EBITDA from alluvial and modern palaeo
EL 7651	-	2% of revenue from all Group 1 Minerals <i>less</i> allowable deductions	-	3% of revenue from all products <i>less</i> allowable deductions	7.5% of EBITDA from alluvial and modern palaeo
EL 8245	-	-	-	3% of revenue from all products <i>less</i> allowable deductions	2% of revenue from all products (ex alluvials) <i>less</i> allowable deductions AND 7.5% of EBITDA from alluvials and modern palaeo
EL 8705	-	-	-	-	7.5% of EBITDA from alluvials and modern palaeo
EL 8706	-	-	-	-	2% of revenue from all products (ex alluvials) <i>less</i> allowable deductions AND 7.5% of EBITDA from alluvial and modern palaeo

## NOTE 19: CONTINGENT LIABILITIES AND CONTINGENT ASSETS continued.

Tenement	Perry & Armstrong	Bates	Arastra	EMX	Kayrunnera
EL 8819	-	-	-	-	2% of revenue from all products (ex alluvials) less allowable deductions AND 7.5% of EBITDA from alluvial and modern palaeo
EL 8918	-	-	-	-	2% of revenue from all products (ex alluvials) less allowable deductions AND 7.5% of EBITDA from alluvial and modern palaeo
EL 8919	-	-	-	-	-
EL 8949	-	-	-	-	2% of revenue from all products (ex alluvials) less allowable deductions AND 7.5% of EBITDA from alluvial and modern palaeo
EL 8950	-	-	-	-	-

At the date of signing this report, the Group is not aware of any other Contingent Asset or Liability that should be disclosed in accordance with AASB 137.

## NOTE 20: FINANCIAL ASSETS AND LIABILITIES

30 June 2022

Financial assets	Note	Cash \$	Loans and Receivables \$	Total \$
<i>(Carried at amortised cost)</i>				
Cash and cash equivalents	7	4,988,384	-	4,988,384
Trade and other receivables	8	-	3,342	3,342
		4,988,384	3,342	4,991,726
Financial liabilities	Note	Payables \$	Borrowings \$	Total \$
<i>(Carried at amortised cost)</i>				
Trade and other payables	13	274,971	-	274,971
		274,971	-	274,971

## NOTE 20: FINANCIAL ASSETS AND LIABILITIES continued.

30 June 2021

Financial assets	Note	Cash \$	Loans and Receivables \$	Total \$
<i>(Carried at amortised cost)</i>				
Cash and cash equivalents	7	606,281	-	606,281
		606,281	-	606,281
Financial liabilities	Note	Payables \$	Borrowings \$	Total \$
<i>(Carried at amortised cost)</i>				
Trade and other payables	13	551,696	-	551,696
		551,696	-	551,696

The Group has exposure to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

The Group's Board of Directors has ultimate responsibility for setting the Group's risk appetite, for overseeing the risk management framework designed and implemented by management and for satisfying itself that the risk management framework is sound. The Board is also responsible for monitoring and reviewing the Group's risk profile, and for governance of risk management across the Group, leading the strategic direction regarding the management of material business risks and reviewing the effectiveness of the risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's management of financial risk is aimed at ensuring net cash flows are sufficient to meet all of its financial commitments and maintain the capacity to fund the exploration, evaluation, development and operation of the Koonenberry Gold Project and ancillary exploration activities.

The principal financial instruments as at the reporting date include cash, receivables, payables and loan and finance agreements.

Set out below is information about exposures to the above risks, the objectives, policies and processes for measuring and managing risk, and the management of capital.

#### Credit Risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash at bank, term deposits as well as credit exposure to trade customers, including outstanding receivables and committed transactions. Credit risk represents the potential financial loss if companies fail to perform as contracted.

The carrying amount of financial assets represents the maximum credit exposure.

The Group limits its exposure to credit risk by only transacting with high credit quality financial institutions. During the year the Group maintained all cash and cash equivalents balances with banks and financial institutions holding a AA- rating.



#### Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Group also manages liquidity risk by producing cash flow forecasts to ensure that there is a clear and up-to-date view of the short to medium term funding requirements and the possible sources of those funds. The Group aims to maintain the level of its cash and cash equivalents in excess of expected cash outflows on financial liabilities.

#### Market Risk

Market risk is the risk that changes in market prices (such as commodity price, foreign exchange rates and interest rates) will affect the Group's income or the value of its holdings in financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

#### Capital Risk Management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders, benefits for other stakeholders and maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to explore its current assets.

#### NOTE 21: REMUNERATION OF AUDITORS

	30 June 2022 \$	30 June 2021 \$
Audit or review of financial report – Grant Thornton	43,633	30,000
	<u>43,633</u>	<u>30,000</u>

## NOTE 22: RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

	30 June 2022 \$	30 June 2021 \$
Loss for the year	(1,650,550)	(1,031,858)
Adjustments for non-cash items included in profit/(loss)		
Loss on sale of property, plant and equipment	17,906	3,089
Depreciation	79,192	-
Share based payments	106,730	4,035
Convertible note issued in lieu of payment	-	56,000
Non cash interest on convertible notes	55,842	140,783
Capital raising costs	-	30,872
Changes in other items:		
(Increase)/decrease in receivables	670	-
(Increase)/decrease in other assets	177,168	(29,873)
Increase/(decrease) in trade payables	(453,920)	419,022
Increase/(decrease) in provisions	(34,491)	10,843
Net cash used in operating activities	(1,701,453)	(397,087)

## NOTE 23: RELATED PARTY TRANSACTIONS

The following individuals are classified as key management personnel in accordance with AASB 124 'Related Party Disclosures' during the financial period:

*Non-Executive Directors*

- Mr. John Elkington (*Chairman*)(Appointed 30 June 2021) (Resigned 27 November 2021)
- Mr. John Hobson (*Non-Executive Director*)(Appointed 30 June 2021) (Resigned 27 November 2021)
- Mr. Anthony McIntosh (*Non-Executive Director*)(Appointed 30 June 2021)
- Mr. Ben Donovan (*Non-Executive Director*)(Appointed 28 November 2021)
- Mr. George Rogers (*Non-Executive Director*)(Appointed 28 November 2021)

*Executive Director*

- Mr. D Power (*Managing Director*) (Appointed 5 April 2022)

*Key Management Personnel*

- Ms. Karen O'Neill (*Chief Executive Officer*) (Appointed 1 February 2021)(Ceased employment 26 January 2022)

## NOTE 23: RELATED PARTY TRANSACTIONS continued

*Remuneration paid to Directors and key management personnel*

	30 June 2022 \$	30 June 2021 \$
Short term employee benefits	488,247	164,000
Long term employee benefits	-	-
Post employment benefits	37,969	11,875
Share based payments	106,730	4,035
Total	632,946	179,910

*Transactions with Directors, key management personnel and their associated entities*

	30 June 2022 \$	30 June 2021 \$
Consulting Fees (i)	12,500	80,300
Professional Fees – WRP Legal (ii)	-	18,182
Professional Fees – SRG Partners (iii)	224,175	-
Professional Fees – Ben Donovan (iv)	20,000	-
Total	256,675	98,482

- i) The Group engaged John Hobson (Andromeda Partners) to provide consulting services relating to ASX listing during the year. The payment of \$12,500 made to Andromeda Partners relates to Strategic Advice requirements prior to ASX Listing. In FY 2021 the Group engaged John Elkington (Southern Mining Consultants) and Anthony McIntosh to assist with Due Diligence requirements prior to ASX Listing.
- ii) The Group used the professional services of Mr Dimitris Parhas (WRP Legal) for Group Secretarial purposes. Amounts were billed based on market rates for services due and payable.
- iii) The Group used the professional services of SRG Partners for Accounting and CFO services, of which Mr G Rogers is a Director. \$100,000 of the professional fees paid during the year relate to services rendered pre IPO. Amounts were billed based on market rates for services due and payable.
- iv) The Group used the professional services of Ventnor Capital for Corporate Secretarial services during the period. Mr Ben Donovan was independently contracted by Ventnor receiving a portion of fees paid to Ventnor Capital. Amounts were billed based on market rates for services due and payable.

All outstanding balances with these related parties are priced in an arms length basis and are to be settled in cash.

*Balances with Directors, key management personnel and their associated entities at reporting date*

	30 June 2022 \$	30 June 2021 \$
J. Elkington – Consultancy Fees (i)	-	7,300
SRG Partners – Consultancy Fees (ii)	7,700	
Total Transactions	7,700	7,300

- i) The Group engaged John Elkington on a monthly basis from September 2020 to assist with Due Diligence requirements prior to ASX Listing.
- ii) The Group engaged SRG Partners on a monthly basis to undertake Accounting and CFO Services.

**NOTE 24: SHARE BASED PAYMENTS**

	30 June 2022 \$	30 June 2021 \$
Share based payments reserve	110,765	4,035
	110,765	4,035

	30 June 2022 \$	30 June 2021 \$
Reserve at beginning of period	4,035	-
Granting of share options to K. O'Neill	812	4,035
Forfeiture of share options	(4,848)	
Granting of performance rights to J Elkington	57,112	-
Granting of performance rights to J Hobson	45,690	-
Granting of performance rights to A McIntosh	90,145	-
Granting of performance rights to D Power	20,621	
Forfeiture of performance rights	(102,802)	-
Reserve at end of period	110,765	4,035

*Employee Equity Incentive Plan*

Under the Employee Equity Incentive Plan (EIP) performance rights, options or shares may be granted to Employee by the Board upon satisfaction of vesting conditions. The rights, options or shares may be granted to employees of the group based on length of service, contribution to the company or as determined by the Board. The fair value in respect of a share, option or performance right and the exercise price is determined at grant date using an appropriate valuation methodology.

Options or performance rights will vest and become exercisable upon satisfaction of any vesting conditions specified in the employees offer, the first exercise date have occurred and the options or rights are exercisable in accordance with the offer terms.

Where an employee ceases employment with the company unvested shares, options and performance rights will be forfeited. Any vested options or performance rights that have not been exercised may remain exercisable at the Boards discretion until the last exercise date.

All shares issued under the EIP will rank equally with existing shares on and from their date of issue.

### Share based payment expense

The share-based payment expense included within the Consolidated Statement of Profit or Loss and Other Comprehensive Income can be broken down as follows:

	30 June 2022	30 June 2021
	\$	\$
Share options expense	(3,232)	3,232
Performance rights expense	109,962	803
	<u>106,730</u>	<u>4,035</u>

### Options

The following share-based payment arrangements were in place during the current and prior periods:

#### Options Issued and Outstanding

Pursuant to the Share Subscription Agreements issued to raise capital in May 2019, the company offered share options to subscribers at a rate of two call options per one fully paid ordinary share subscribed. 598 options were allotted to subscribing shareholders on 11 November 2019, with a further 90 options allotted on 28 June 2020. All options are free attaching and have an exercise price of \$0.23 and an expiry date 3 years from the date of their subscription agreements.

The Company converted from a private company to a public company in preparation for its initial public offer and application for admission onto the Official List of the Australian Stock Exchange. The shareholders resolved unanimously, in accordance with section 245H(1) of the Corporations Act 2001 (Cth), to convert its shares into a larger number, by splitting each existing ordinary share into 18,500 ordinary fully paid shares, which was determined on the basis of a project valuation of A\$12 million and a proposed listing share price of \$0.20 per share. The existing 688 options on issues were converted into 12,728,000 options over ordinary fully paid shares.

	30 June 2022 Number	30 June 2021 Number
Balance at beginning of period	688	688
Share split	12,727,312	-
Options issued	-	-
Balance at end of period	<u>12,728,000</u>	<u>688</u>

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Instrument	Issue Date	No. Granted	Exercise Price	Expiry Date
Options	19 November 2019	11,063,000	0.23	19 November 2022
Options	28 June 2020	1,665,000	0.23	28 June 2023
		<u>12,728,000</u>		

Option holders do not have any right, by virtue of the options, to participate in any share issue of the Group.

#### Options Granted to Key Management Personnel

The Group has granted 250,000 options in respect of unissued Shares to the Chief Executive Officer under the Listing Plan in the Prospectus. The CEO Options vest on the first anniversary of their grant date (that is, in June 2022) and have an exercise price of \$0.40 per CEO Option. The CEO Options were issued on 22 September 2021. The CEO Options can be exercised any time in the two-year period following their vesting date, but are the subject of a 24 month escrow restriction period in accordance with the ASX Listing Rules.

Vesting of the CEO Options is generally conditional on the Chief Executive Officer remaining employed by the Group as Chief Executive Officer as at the applicable vesting date.

On 28 November 2021 Ms O'Neill resigned from the Group, ceasing employment on 26 January 2022. In accordance with AASB 2, Ms O'Neill's share options are forfeited due to failure to satisfy the service conditions under the Group's Equity Incentive Plan, and the cumulative expense is immediately reversed.

Option holders do not have any right, by virtue of the options, to participate in any share issue of the Group.

The following table shows options issued during the year ended 30 June 2022 and the value attributed to each option granted, by the category holder:

Name	Grant Date	Issue Date	No. Granted	Exercise Price	FV of Options Granted	Expiry Date	Options Forfeited	Forfeiture Date
K. O'Neill	1/2/21	22/9/21	250,000	0.40	23,750	1/7/24	250,000	March 2022

#### *Fair Value Assumptions*

When determining the fair value, the Group has applied the Black Scholes pricing model in accordance with AASB 2 *Share-based Payments*. The table below outlines the assumptions used as inputs into the fair value calculation of instruments granted during the period.

Assumption	Input
Spot Price (\$)	0.20
Strike Price (\$)	0.40
Volatility (%)	100
Risk Free Yield (%)	0.09
Expiry (Years)	3
Fair Value (\$)	0.095



## Performance Rights

### *Performance rights issued*

On 22 September 2021, prior to the Group's admission to the Australian Stock Exchange the Group issued 5,850,000 performance rights to the Directors appointed on 30 June 2021 under the Listing Plan (Performance Rights). Each Performance Right entitles the holder to receive one Share, subject to the satisfaction of prescribed performance and time based vesting conditions.

As shown in the table below, all the Performance Rights are unvested and will progressively vest over the 4 years following the date of grant of the Performance Rights (subject to achieving the relevant performance hurdle).

	Tranche 1	Tranche 2	Tranche 3	Total
Vesting Date	24 months post-Admission	36 months post-Admission	48 months post-Admission	
Performance Hurdle	The Company achieving a VWAP over any 20 consecutive trading days prior to the Vesting Date of \$0.40 per share or higher	The Company achieving a VWAP over any 20 consecutive trading days prior to the Vesting Date of \$0.60 per share or higher	The Company achieving a VWAP over any 20 consecutive trading days prior to the Vesting Date of \$0.80 per share or higher	
Performance Rights				
J. Elkington	750,000	750,000	750,000	2,250,000
J. Hobson	600,000	600,000	600,000	1,800,000
A. McIntosh	600,000	600,000	600,000	1,800,000
Total	1,950,000	1,950,000	1,950,000	5,850,000

Vesting of the Performance Rights is generally conditional on the holder remaining in the role of Director as at the applicable vesting date.

Each Performance Right, once vested and exercised, entitles the holder to apply for one ordinary share in the Group at a \$0 exercise price, which Share will rank pari passu with all other Shares then on issue. As such, no funds will be raised from the issue of the Performance Rights.

Pursuant to their Letters of Appointment, the Directors appointed on 30 June 2021 are entitled, subject to shareholder approval once listed, to receive up to 5,850,000 additional Performance Rights in aggregate.

In accordance with vesting conditions under the company's Equity Incentive Plan performance rights issued to Mr J Elkington and Mr J Hobson's have been forfeited following resignation as Non-Executive Director on 27 November 2021. Under AASB 2, forfeiture of performance rights due to failure to satisfy the services conditions of the rights issue, requires immediate reversal of the cumulative expense in the company's financial statements.

*Performance Rights Granted – Non Executive Directors*

Director	Grant Date	Number	FV at Grant Date	Rights Forfeited	Forfeiture Date
J. Elkington	30 June 2021	750,000	103,958	( 103,958)	27 Nov 2021
J. Elkington	30 June 2021	750,000	102,085	( 102,085)	27 Nov 2021
J. Elkington	30 June 2021	750,000	106,696	( 106,696)	27 Nov 2021
J. Hobson	30 June 2021	600,000	83,167	( 83,167)	27 Nov 2021
J. Hobson	30 June 2021	600,000	81,668	( 81,668)	27 Nov 2021
J. Hobson	30 June 2021	600,000	85,357	( 85,357)	27 Nov 2021
A. McIntosh	30 June 2021	600,000	83,167	-	
A. McIntosh	30 June 2021	600,000	81,668	-	
A. McIntosh	30 June 2021	600,000	85,357	-	
Total		5,850,000	813,123	(562,931)	

*Fair Value Assumptions*

The fair value of the first 3 tranches has been established using the Monte Carlo method based on the following inputs. The fair value will be recognised over the vesting period, in accordance with Australian Accounting Standards.

Assumption	Tranche 1	Tranche 2	Tranche 3
Grant Date	30 June 2021	30 June 2021	30 June 2021
Assumed Vesting Date	30 June 2023	30 June 2024	30 June 2025
Share Price (\$)	0.19	0.19	0.19
Exercise Price (\$)	0.00	0.00	0.00
VWAP Hurdle (\$)	0.40	0.60	0.80
Volatility (%)	100	100	100
Risk Free Rate (%)	0.03	0.09	0.09
Dividend Yield (\$)	-	-	-
Fair Value per right (\$)	0.1386	0.1361	0.1423

### *Performance Rights – Executive Director*

On commencement of employment with the Group the Managing Director, Mr D. Power was granted 1,200,000 performance rights as set out in the table below. Each performance right entitles the holder to receive one Share, subject to the satisfaction of prescribed performance and time based vesting conditions.

Vesting of the Managing Director's performance rights is conditional on remaining employed by the Company as at the applicable vesting date.

All performance rights are unvested and will progressively vest over the 2 years following grant date, subject to achievement of the performance hurdles.

Holder	Grant Date	Number	FV at Grant Date
D. Power – Tranche 1	5 April 2022	600,000	58,200
D. Power – Tranche 2	5 April 2022	600,000	48,567
Total		1,200,000	106,767

### *Fair Value Assumptions*

The fair value of tranche one has been established using the Black Scholes method as no performance condition exists. The fair value of the second tranche has been established using the Monte Carlo method. Inputs for the two methods are outlined below. The fair value will be recognised over the vesting period, in accordance with Australian Accounting Standards.

Assumption	Tranche 1	Tranche 2
Grant Date	5 April 2022	5 April 2022
Assumed Vesting Date	5 April 2023	5 April 2024
Share Price (\$)	0.097	0.097
Exercise Price (\$)	0.00	0.00
VWAP Hurdle (\$)	n/a	0.15
Volatility (%)	100	100
Risk Free Rate (%)	1.8112	1.8112
Dividend Yield (\$)	-	-
Fair Value per right (\$)	0.0970	0.0809

### NOTE 25: EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

On 22 September 2022, 997,356 fully paid ordinary shares were released from escrow. As disclosed in the Prospectus dated 2 July 2021, the Restricted Securities were subject to a 12 month escrow.

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

## DIRECTORS' DECLARATION

The directors declare that:

- a. In the directors' opinion that attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including:
  - i Giving a true and fair view of the consolidated entities financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
  - ii Comply with Australian Accounting Standards, the Corporations Act 2001 and other mandatory professional reporting requirements;
  - iii The financial statements and notes also comply with International Financial Reporting Standards issued by the International Accounting Standards Board; and
- b. There are reasonable grounds to believe that Koonenberry Gold Ltd will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 – by the Managing Director and Chief Financial Officer for the financial year ended 30 June 2022.

Signed in accordance with a resolution of the Directors made pursuant to s.295 (5) of the *Corporations Act 2001*.



Dan Power  
Managing Director  
Dated at this 23 September 2022

## Independent Auditor's Report

### To the Members of Koonenberry Gold Limited

#### Report on the audit of the financial report

##### Opinion

We have audited the financial report of Koonenberry Gold Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

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

- a giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the Corporations Regulations 2001.

##### Basis for opinion

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

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

#### Material uncertainty related to going concern

We draw attention to Note 1(q) in the financial statements, which indicates that the Group incurred a net loss of \$1,650,550 during the year ended 30 June 2022. As stated in Note 1(q), these events or conditions, along with other matters as set forth in Note 1(q), indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**[www.grantthornton.com.au](http://www.grantthornton.com.au)**  
**ACN-130 913 594**

---

Grant Thornton Audit Pty Ltd ACN 130 913 594 a subsidiary or related entity of Grant Thornton Australia Limited ABN 41 127 556 389 ACN 127 556 389. 'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Limited is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 ACN 127 556 389 and its Australian subsidiaries and related entities. Liability limited by a scheme approved under Professional Standards Legislation.

## 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 Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<b>Exploration and evaluation assets - Note 11</b>	
At 30 June 2022 the carrying value of exploration and evaluation assets was \$4,442,912.	Our procedures included, amongst others:
In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> , the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value.	<ul style="list-style-type: none"><li>• obtaining the management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger;</li><li>• reviewing management's area of interest considerations against AASB 6;</li><li>• conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including:<ul style="list-style-type: none"><li>– tracing projects to statutory registers, exploration licenses and third party confirmations to determine whether a right of tenure existed;</li><li>– enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure;</li><li>– understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale;</li></ul></li><li>• testing additions during the year on a statistical basis to supporting documentation;</li><li>• evaluating the competence, capabilities and objectivity of management's experts in the evaluation of potential impairment triggers; and</li><li>• assessing the appropriateness of the related financial statement disclosures.</li></ul>
The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement.	
This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.	

## Information other than the financial report and auditor's report thereon

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

Our opinion on the financial report does not cover the other information and 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 the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar1\\_2020.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf). This description forms part of our auditor's report.

### Report on the remuneration report

#### Opinion on the remuneration report

We have audited the Remuneration Report included in pages 15 to 22 of the Directors' report for the year ended 30 June 2022.

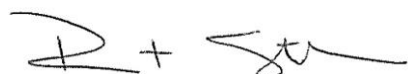
In our opinion, the Remuneration Report of Koonenberry Gold Limited, for the year ended 30 June 2022 complies with section 300A of the Corporations Act 2001.

### Responsibilities

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



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



B P Steedman  
Partner – Audit & Assurance  
Perth, 23 September 2022

## ASX ADDITIONAL INFORMATION

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 17 September 2022 (unless otherwise stated).

### Twenty largest equity security holders

The names of the twenty largest holders of quoted equity securities as at 17 September 2022 are listed below:

Name	Number held	Percentage of issued shares
PANCHEK PTY LTD <OLDFIELD FAMILY A/C>	20,121,650	16.80%
BARTHOLOMEW GARDNER <SECOND LAST CHANCE INV A/C>	9,250,000	7.72%
PADLOOKA INVESTMENTS PTY LTD <A/C G & K ROGERS FAMILY A/C>	6,845,000	5.72%
NORTH QUEENSLAND MINING PTY LTD	5,550,000	4.63%
C R & E PTY LTD <A/C CLARKE FAMILY A/C>	5,550,000	4.63%
PLETHORA KBG HOLDINGS PTY LTD	5,550,000	4.63%
GOLDEN GOLD PTY LTD <GOLDEN GOLD A/C>	3,932,076	3.28%
SUPERHERO SECURITIES LIMITED	3,652,097	3.05%
KITGROVE PTY LTD	3,000,000	2.51%
MR RICHARD SMITH	2,821,429	2.36%
BL FAMILY NOMINEES PTY LTD <B LIBERMAN PERSONAL A/C>	2,766,395	2.31%
BHL PENSION PTY LTD <THE BHL PENSION FUND A/C>	2,500,000	2.09%
GOWING BROS LIMITED	2,406,458	2.01%
NATIONAL NOMINEES LIMITED	2,104,885	1.76%
BECK CORPORATION PTY LIMITED	2,005,382	1.67%
A&N MCINTOSH HOLDINGS PTY LTD <TIGIER INVESTMENT A/C>	1,850,000	1.54%
INSURGENT METALS PTY LTD	1,850,000	1.54%
INTERDALE PTY LTD <MAPLE SUPER A/C>	1,490,500	1.24%
DJ & MA WHITEHEAD SUPERANNUATION PTY LTD <DJ & MA WHITEHEAD S/F A/C>	1,461,500	1.22%
SHOREBROOK PTY LIMITED	1,402,731	1.17%
Total	86,110,103	71.91%

### Distribution of equity securities

Analysis of numbers of equity security holders by size of holding as at 17 September 2022 are listed below:

Holding	Shares	No. of Holders
1-1,000	2,637	9
1,000 – 5,000	88,372	27
5,001-10,000	989,101	106
10,001-100,000	7,684,222	184
100,001 and over	110,984,756	88
Total	119,749,088	414

### Holders of less than a marketable parcel of securities

Number of holders as at 17 September 2022 holding less than a marketable value of securities being \$500 at the share price of \$0.08 per share are listed below

Holding	No. Holders
1 – 6,250 shares	45

### Substantial holders

Holders with 5% or greater holdings of ordinary shares in the Company as at 17 September 2022 are listed below:

Holding	Number Held	Percentage
PANCHEK PTY LTD <OLDFIELD FAMILY A/C>	20,121,650	16.80%
BARTHOLOMEW GARDNER <SECOND LAST CHANCE INV A/C>	9,250,000	7.72%
PADLOOKA INVESTMENTS PTY LTD <A/C G & K ROGERS FAMILY A/C>	6,845,000	5.72%

### Holders of each class of equity securities

Number of holders in each class of equity security as at 17 September 2022 are listed below:

Holding	Number
Ordinary shares	119,749,088

### Use of proceeds

In accordance with listing rule 4.10.19 the Company confirms that it has used cash and assets in a form readily convertible to cash in a manner that is consistent with its business objective during the year ended 30 June 2022.

#### Voting rights attached to each class of security

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

#### Voluntary escrow

The table below shows a breakdown of the vendor shares subject to voluntary escrow as at 17 September 2022:

Class	Shares	End of escrow period
Ordinary shares	997,356	28 September 2022
Total	997,356	

#### Tenements

The table below shows a breakdown of the mining tenements held at 17 September 2022:

Tenement Number	Holder	% interest	Area (km)	Location
EL6803	Lasseter Gold	100%	156.2	NSW
EL6854	Lasseter Gold	100%	59.0	NSW
EL7635	Lasseter Gold	100%	23.6	NSW
EL7651	Lasseter Gold	100%	47.2	NSW
EL8245	Lasseter Gold	100%	88.5	NSW
EL8705	Lasseter Gold	100%	5.89	NSW
EL8706	Lasseter Gold	100%	295.4	NSW
EL8819	Lasseter Gold	100%	168.4	NSW
EL8918	Lasseter Gold	100%	162.4	NSW
EL8919	Lasseter Gold	100%	277	NSW
EL8949	Lasseter Gold	100%	23.6	NSW
EL8950	Lasseter Gold	100%	32.4	NSW