



REDCASTLE RESOURCES LIMITED

ABN 57 096 781 716

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2023**

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CORPORATE DIRECTORY

Board of Directors

Mr Jeremy King	Non-Executive Chairman
Mr Trevor Dixon	Non-Executive Director (appointed 04 April 2023), Technical Director (resigned 04 April 2023)
Mr Patrick Holywell	Non-Executive Director (resigned 31 July 2023)
Mr Lincoln Ho	Non-Executive Director (appointed 22 November 2022)
Mr Ronald Miller	Non-Executive Director (appointed 22 November 2022)

Secretary

Ms Sarah Smith

Registered Office & Principal Place of Business

Suite 11,12, Level 2
23 Railway Road
Subiaco WA 6008

Telephone: 08 6559 1792
Website: redcastle.net.au

Stock Exchange Listing

Listed on the Australian Securities Exchange (ASX Code: RC1)

Statement of Corporate Governance

<https://redcastle.net.au/corporate/corporate-governance/>

Auditors

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2, 5 Spring St
Perth WA 6000

Solicitors

Steinepreis Paganin
Level 4, Next Building
16 Milligan Street
Perth WA 6000

Bankers

Westpac Banking Corporation
Level 4, Brookfield Place, Tower Two
123 St Georges Terrace
Perth WA 6000

Share Registry

Automic Share Registry
Level 5, 191 St Georges Terrace,
Perth WA 6000

Telephone: 1300 288 664

DIRECTORS' REPORT

The Directors of Redcastle Resources Limited ("RC1" or "the Company") present their report, together with the financial statements on the consolidated entity consisting of Redcastle Resources Limited and its controlled entity for the financial year ended 30 June 2023 ("the Year").

INFORMATION ON DIRECTORS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for the entire year unless otherwise stated.

Jeremy King | Non-Executive Chairman
(Appointed 8 June 2016)

Mr King is a corporate advisor and lawyer with over 16 years' experience in domestic and international legal, financial and corporate matters. Mr King spent several years in London where he worked with Allen & Overy LLP and Debevoise & Plimpton LLP and has extensive corporate experience, particularly in relation to cross-border private equity, leveraged buy-out acquisitions and acting for financial institutions and corporate issuers in respect of various equity capital raising.

During the past three years, Mr King held the following directorships in other ASX listed companies:

- Non-Executive Chairman ECS Botanics Holdings Ltd (current);
- Non-Executive Chairman of Sultan Resources Limited (current);
- Corporate Executive Director of C29 Metals Limited (current);
- Non-Executive Director of Smart Parking Limited (current);
- Non-Executive Director of Burgundy Diamond Mines Limited (Resigned 9 December 2021);
- Executive Director of Red Mountain Mining Limited (resigned 15 November 2021);

Trevor Dixon | Non-Executive Director (Appointed 04 April 2023)
| Technical Director (Resigned 04 April 2023)

Mr Dixon is a member of the Australian Institute of Company Directors. He is an entrepreneur with more than 30 years of experience in the mining and exploration sector in Western Australia. He was a founding vendor to listed companies including Jubilee Mines, Terrain Minerals, Regal Resources and Kin Mining NL where he served as the founding MD and a former Chairman. He has managed mining services businesses and as a private individual identifying and acquiring prospective mineral projects. He has management experience in areas of contractual outcomes, Mining Act regulatory procedures and standards, Tenement Management and a long history of Native Title negotiations and resolutions.

During the past three years, Mr Dixon held the following directorships in other ASX listed companies:

- Executive Director of Mt Malcolm Mines NL (current).

Patrick Holywell | Non-Executive Director
(Appointed 20 November 2019, resigned 31 July 2023)

Mr Holywell has over fifteen years of experience in accounting, finance and corporate governance, including employment at Deloitte and Patersons. He is a Chartered Accountant and a Fellow of the Governance Institute of Australia with the last ten years focused on Director/CFO/Company Secretarial roles. He has held roles with various companies particularly in the resources and technology space. Mr Holywell has completed a Bachelor of Commerce at UWA, a Graduate Diploma of Chartered Accounting with the Institute of Chartered Accountants and the Company Directors Course with the Australian Institute of Company Directors.

DIRECTORS' REPORT

During the past three years, Mr Holywell held the following directorship in other ASX listed companies:

- Executive Chairman Si6 Metals Limited (resigned)
- Non-Executive Director Norfolk Metals Limited (current).

Lincoln Ho | Non-Executive Director
(Appointed 22 November 2022)

Lincoln has over a decade's experience in equities trading, with a strong focus on due diligence investigations, mergers & acquisitions and corporate restructuring in the emerging companies sector. He also has specific investor relations experience in both Australia and Asia, having liaised with significant high net-worth investors based in Hong Kong, Singapore and China.

During the past three years, Mr Ho held the following directorships in other ASX listed companies:

- Non-Executive Director of Red Mountain Mining Limited (current);
- Non-Executive Director of Aldoro Resources Limited (current).

Ronald Miller | Non-Executive Director
(Appointed 22 November 2022)

Mr Ronald Miller has over 45 years of international experience in natural resources associated business. Mr Miller's experience involves leadership of integrated exploration, development and production units. Further, he holds experience in asset acquisitions and divestments, and corporate valuations and transactions. Mr Miller is currently a strategic advisor to the operator of a multi-billion dollar LNG facility in Australia. Mr Miller has had past executive and non-executive director roles in ASX listed companies from 2015. Mr Miller's affiliations, education and training include a MSc Engineering, BSc Ocean Engineering, he is a Member of the Australian Institute of Company Directors (MAIDC), and is a Chartered Engineer (Retired).

During the past three years, Mr Ronald Miller did not hold the directorship in other ASX listed companies.

COMPANY SECRETARY

Sarah Smith

(Appointed 16 March 2016)

Ms Smith specialises in corporate advisory, company secretarial and financial management services. Ms Smith's experience includes company secretarial and financial management services for ASX listed companies, capital raisings and IPOs, due diligence reviews and ASX and ASIC compliance. Ms Smith is a Chartered Accountant and has acted as the Company Secretary for a number of ASX listed companies.

INTERESTS IN SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

The following table sets out each current Director's relevant interest in shares and options of the Company or a related body corporate as at the date of this report.

Director	Ordinary Shares	Listed Share Options	Unlisted Share Options
Mr Jeremy King	2,674,948	5,534,990	4,000,000
Mr Trevor Dixon	23,750,000	9,750,000	-
Mr Lincoln Ho (appointed 22 November 2022)	1,500,000	100,000	-
Mr Ronald Miller (appointed 22 November 2022)	-	-	-
Total	27,924,948	15,384,990	4,000,000

DIRECTORS' REPORT

DIRECTORS' MEETINGS

The number of Directors' meetings held during the financial year and the number of meetings attended by each Director during the time the Director's held office are:

Name	Number Eligible to Attend	Number Attended
Mr Jeremy King	7	6
Mr Trevor Dixon	7	7
Mr Patrick Holywell (resigned 31 July 2023)	7	7
Mr Lincoln Ho (appointed 22 November 2022)	6	5
Mr Ronald Miller (appointed 22 November 2022)	6	5

During the year, the Directors met regularly on an informal basis to discuss all matters associated with investment strategy, review of operations, and other Company matters.

Due to the size and scale of the Company, there is no Remuneration and Nomination Committee or Audit Committee at present. Matters typically dealt with by these Committees are, for the time being, managed by the Board. For details of the function of the Board, please refer to the Corporate Governance Statement on page 46.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year was the exploration of mining projects.

FINANCIAL RESULTS

The financial results of the Company for the financial year ended 30 June 2023 and 30 June 2022 are:

	30-Jun-23	30-Jun-22
Cash and cash equivalents (\$)	2,039,696	3,223,820
Net assets (\$)	4,055,031	4,673,083

	30-Jun-23	30-Jun-22
Revenue (\$)	22,836	176
Net loss after tax (\$)	(618,049)	(1,174,758)
Loss per share (cents)	(0.19)	(0.57)

REVIEW OF OPERATIONS AND ACTIVITIES

The Company's immediate focus remains on pursuing success at the 100% owned Redcastle Gold Project. The Redcastle Gold Project covers a prospective area of 1,088ha, surrounding the locality of the historical Redcastle Mining Centre within the Mt Morgans District of the Mt Margaret Mineral Field of WA, approximately 60km east of Leonora and 60km west of Laverton in the North-eastern Goldfields. Gold was originally discovered at the Redcastle Mining Centre in 1897.

Background to the Project

The Project is a gold focused holding consisting of:

- three (3) pending Mining Lease (MLA) (which is expected to be granted in the next 3-6 months, following native title negotiations);
- one (1) granted Mining Lease (ML); and

DIRECTORS' REPORT

- c) eight (8) granted Prospecting Licences (PL's),

covering a prospective area (1,088ha) surrounding the locality of the historical Redcastle Mining Centre within the Mt Morgans District of the Mt Margaret Mineral Field of WA approximately 60km east of Leonora and 60km west of Laverton in the North Eastern Goldfields.

The tenements comprising the Project (Tenements) are set out below:

Tenement	Area (ha)	Expiry Date	Status
M39/318	106	15/09/2036	Live
P39/5184	54	15/12/2019	Live
M39/1140	54	Application	Pending
P39/5307	155	05/02/2022	Live
M39/1155	155	Application	Pending
M39/1149	58	Application	Pending
P39/5568	151	17/04/2024	Live
P39/5573	123	18/04/2024	Live
P39/5814	197	07/02/2026	Live
P39/5815	172	07/02/2026	Live
P39/5858	57	01/07/2026	Live
P39/6185	15	30/06/2025	Live

Gold was originally discovered at the Redcastle mining centre in 1897.

Gold targets are located within highly altered and sheared mafic rocks that have been intruded by small ovoid granites and porphyries. Several significant historical drill intersections that have never been followed up present as immediate target areas.

The northern portion of the project area hosts the 7.5km long east-west trending mineralised 'Red castle Reef'(Fig1). Exploration is focusing on the delineation of structures sub-parallel to the Redcastle Reef that could potentially be concealed beneath the weathered regolith. The majority of mineralised zones in the Redcastle area are open along strike and at depth, they have not been tested beneath the zone of weathering and oxidation, 40-50m (vertical depth). The Redcastle Reef and associated sub-parallel structures are the most obvious target zones.

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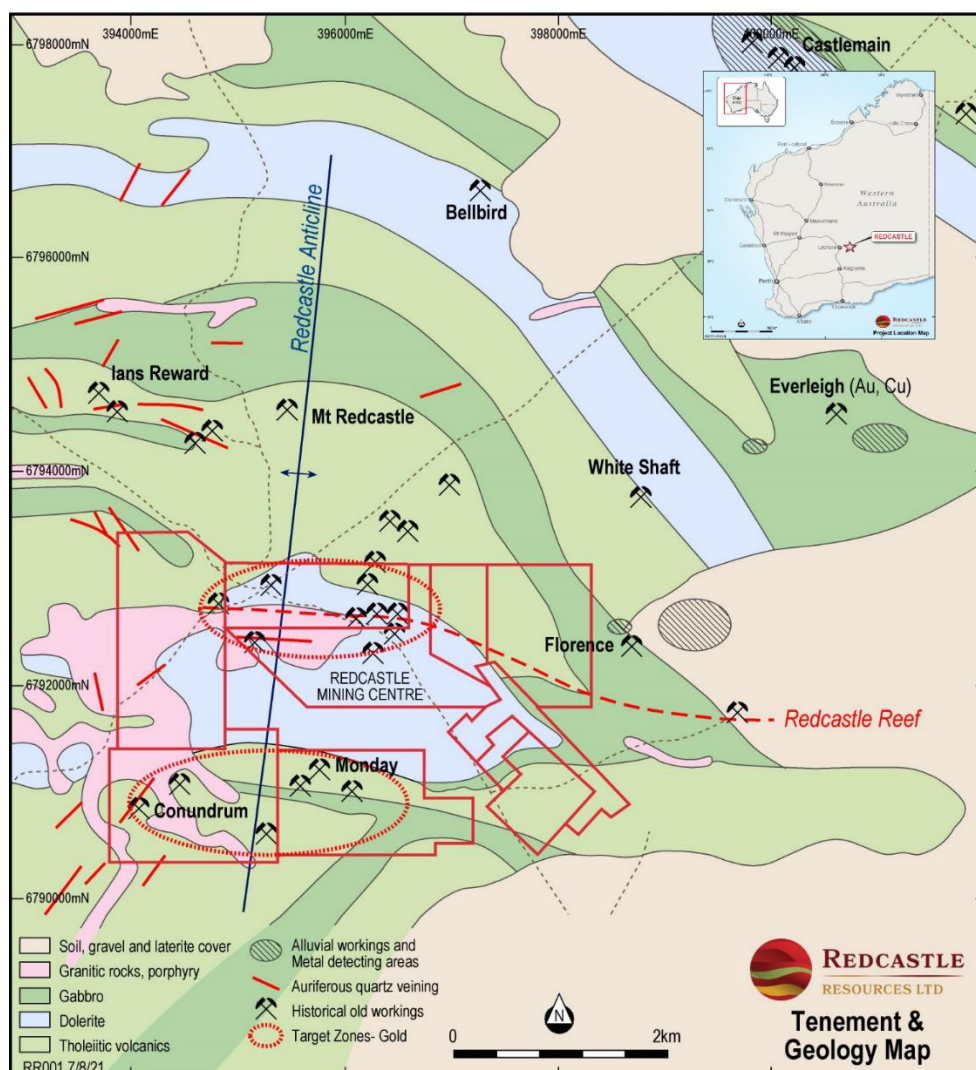


Figure 1: Redcastle tenement holding and regional geology

The source of the alluvial gold on the holdings with the exception of the Redcastle Mining Centre remains unknown however additional mineralisation on site could be sitting directly above an as yet undiscovered sub-parallel reef, related to the Redcastle Reef, that is concealed beneath the regolith.

The Redcastle Reef appears to be a large scale, late stage local dilational feature caused by folding and subsequent brittle fracturing of the mafic greenstone sequence along granitic contacts.

The local greenstone terrain is characterised by open, upright folds, low grade metamorphism and relatively continuous stratigraphy. Regionally the Redcastle Project area is separated by the Keith-Kilkenny Tectonic Zone, to the west, and the

Laverton Tectonic Zone to the east with polyphase deformation, variable metamorphic grade, discontinuous stratigraphy and an association with fault bound polymictic conglomerates developed during late extension.

Gold mineralisation is associated with NW trending quartz lodes and the alluvial cover in close proximity to such lodes. The most extensive workings are for eluvial gold but numerous hard rock workings are scattered throughout the Redcastle area. The majority of the districts major producers lie within or immediately adjacent to a major

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tectonic zone. Gold mines in mafic sequences tend to occur in quartz reefs in dilational fault zones with little host rock alteration.

Over the last 18 months, at Redcastle the Company has successfully completed 3 separate reverse circulation (RC) drilling campaigns comprising a total of 82 holes and 5,395 metres drilled and analysed. Results have included exceptional grades including 10m @ 29.16g/t Au from 6m, with 1m @ 250.00g/t Au from 11m.

In addition:

- the Company has completed a tenure-wide auger geochemical sampling programme across the Redcastle tenure has been carried out in two separate phases; and
- digitisation of historic work and construction of a modern database has been completed.

The most recent RC drill campaign concluded in late September, 2022 with assay results being announced to the market in late November, 2022.

Upon completing this drill campaign and receiving and interpreting the results, the Board elected to conduct a comprehensive independent review of the Redcastle Gold Project before allocating significant further resource to the Project.

In February, 2023, the Company engaged Carras Mining Pty Ltd (**Carras**) to conduct a comprehensive independent review (**Independent Review**) of its tenements in light of the work completed to date. Dr. Spero Carras is the principal of Carras, having over 50 years' experience in the mining industry with a major focus on gold within the Eastern Goldfields area in Western Australia. He has extensive experience in the Leonora area. Geologist, Mr. Gary Powell, with 40 years' experience, acted as independent geologist to the review.

The Independent Review included a site trip which was undertaken in March, 2023. The Independent Review has included integrated assessment of historic work and drilling by previous operators together with the 3 separate RC drilling campaigns (82 holes and 5,395 metres drilled and analysed) carried out by the Company as well as the preliminary results of the tenure wide auger sampling programme completed by the Company during 2022/23.

This integrated assessment will be used to re-evaluate other historic prospects within the tenure as well as newly generated prospects a number of which are considered highly prospective for gold mineralisation.

In particular, the Independent Review has focussed on ascertaining areas where there appears to be an ability to fast track development and exploitation and where a JORC 2012 Mineral Resource Estimate may be deliverable in the short-term.

The final report of the Independent Review was released to the Company post the relevant reporting period as announced to the market on 7 August, 2023.

One of the Company's strategies will be developing value from the Redcastle tenements, and it intends to utilise the Carras Independent Review to inform its decision making in this respect. The Company may look to acquire additional complementary gold or other mineral projects in order to create shareholder value.

DIRECTORS' REPORT

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company's strategic focus will be developing value from exploration across the Redcastle tenements in Western Australia, with the aim of delivering JORC compliant resources to underpin the value proposition of the company. The Company may look to acquire additional complementary gold projects.

MATERIAL BUSINESS RISK

The Group makes every effort to identify materials risks and to manage these effectively. This section does not attempt to provide an exhaustive list of risks faced by the Group or by investors in the Group, nor are they in order of significance. Actual events may be different to those described.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited.

a) Tenure and access risk

Applications

While the Company does not anticipate there to be any issues with the grant of its Tenement application, there can be no assurance that the application (or any future applications) will be granted. While the Company considers the risk to be low, there can also be no assurance that when the relevant tenement is granted, it will be granted in its entirety. Some of the tenement areas applied for may be excluded.

Renewal

Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to the discretion of the relevant authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Access

A number of the tenements overlap certain third party interests that may limit the Company's ability to conduct exploration and mining activities, including private land, Crown Reserves, areas on which native title is yet to be determined and other forms of tenure for railways, pipelines and similar third party interests.

Where the Project overlaps private land, exploration and mining activity on the Project may require authorisation or consent from the owners of that land. The Company is not required to enter into land access agreements to undertake its proposed exploration program on the Tenements. However, the Company intends to carry out heritage clearance surveys before implementing its proposed exploration program. The Company's current proposed exploration program is not impacted by the known sites of registered aboriginal heritage significance.

b) Exploration Risk

Potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of the Project, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

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The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Tenements, a reduction in the cash reserves of the Company and possible relinquishment of its projects.

c) Climate Change

The operations and activities of the Company are subject to changes to local or international compliance regulations related to climate change mitigation efforts, specific taxation or penalties for carbon emissions or environmental damage and other possible restraints on industry that may further impact the Company. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences.

Climate change may also cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns, incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

d) Reliance on Key Personnel

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

e) Environmental

The operations and proposed activities of the Company are subject to Australian laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

f) Native title

The Native Title Act recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with Native Title in Australia and this may impact on the Company's operations and future plans.

The Company is not required to enter into land access agreements to undertake its proposed exploration program on the Tenements. However, the Company intends to carry out heritage clearance surveys before implementing its

DIRECTORS' REPORT

proposed exploration program. The Company's current proposed exploration program is not impacted by the known sites of registered aboriginal heritage significance.

g) Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company, as well as on its ability to fund its operations.

h) Additional requirements for capital

The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

REMUNERATION REPORT (AUDITED)

This remuneration report for the year ended 30 June 2023 outlines the remuneration arrangements of the Group in accordance with the requirements of the Corporations Act 2001 ("the Act") and its regulations. This information has been audited as required by section 308(3C) of the Act.

The Remuneration Report details the remuneration arrangements for Key Management Personnel ("KMP") who are defined as those persons having 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.

a) Key Management Personnel Disclosed in this Report

Key Management Personnel of the Group during or since the end of the financial year were:

Jeremy King	Non-Executive Chairman
Trevor Dixon	Non-Executive Director (appointed 04 April 2023), Technical Director (resigned 04 April 2023)
Patrick Holywell	Non-Executive Director (resigned 31 July 2023)
Lincoln Ho	Non-Executive Director (appointed 22 November 2022)
Ronald Miller	Non-Executive Director (appointed 22 November 2022)

There have been no other changes after reporting date and up to the date that the financial report was authorised for issue. The Remuneration Report is set out under the following main headings:

- A Remuneration Philosophy
- B Remuneration Governance, Structure and Approvals
- C Remuneration and Performance
- D Details of Remuneration
- E Contractual Arrangements
- F Share-based Compensation
- G Equity Instruments Issued on Exercise of Remuneration Options
- H Voting and comments made at the Company's 2020 Annual General Meeting
- I Loans with KMP
- J Other Transactions with KMP
- K Additional Information

DIRECTORS' REPORT

A Remuneration Philosophy

KMP have authority and responsibility for planning, directing and controlling the activities of the Group. KMP of Redcastle Resources Limited comprise of the Board of Directors.

The Group's broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

No remuneration consultants were employed during the financial year.

B Remuneration Governance, Structure and Approvals

Remuneration of Directors is currently set by the Board of Directors. The Board has not established a separate Remuneration Committee at this point in the Group's development, nor has the Board engaged the services of an external remuneration consultant. It is considered that the size of the Board along with the level of activity of the Group renders this impractical. The Board is primarily responsible for:

- The over-arching executive remuneration framework;
- Operation of the incentive plans which apply to executive directors and senior executives, including key performance indicators and performance hurdles;
- Remuneration levels of executives; and
- Non-Executive Director fees.

Their objective is to ensure that remuneration policies and structures are fair and competitive and aligned with the long-term interests of the Company.

❖ Non-Executive Remuneration Structure

The remuneration of Non-Executive Directors consists of Directors' fees, payable in arrears. The total aggregate fixed sum per annum to be paid to Non-Executive Directors in accordance with the Company's Constitution is currently A\$250,000 and may be varied by ordinary resolution of the Shareholders in a General Meeting.

Remuneration of Non-Executive Directors is based on fees approved by the Board of Directors and is set at levels to reflect market conditions and encourage the continued services of the Directors. In accordance with the Company's Constitution, the Directors may at any time, subject to the Listing Rules, adopt any scheme or plan which they consider to be in the interests of the Company and which is designed to provide superannuation benefits for both present and future Non-Executive Directors, and they may from time to time vary this scheme or plan.

The remuneration of Non-Executive Directors is detailed in Table 1 and their contractual arrangements are disclosed in "Section E – Contractual Arrangements".

Remuneration may also include an invitation to participate in share-based incentive program in accordance with Company policy.

The nature and amount of remuneration is collectively considered by the Board of Directors with reference to relevant employment conditions and fees commensurate to a company of similar size and level of activity, with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing Directors.

❖ Executive Remuneration Structure

The nature and amount of remuneration of executives are assessed on a periodic basis with the overall objective of ensuring maximum stakeholder benefit from the retention of high-performance Directors.

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The main objectives sought when reviewing executive remuneration is that the Company has:

- Coherent remuneration policies and practices to attract and retain Executives;
- Executives who will create value for shareholders;
- Competitive remuneration offered benchmarked against the external market; and
- Fair and responsible rewards to Executives having regard to the performance of the Group, the performance of the Executives and the general pay environment.

The remuneration of Executives is detailed in Table 1 and their contractual arrangements are disclosed in "Section E – Contractual Agreements".

❖ Executive Remuneration Approvals

The Company aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and aligned with market practice. Executive contracts are reviewed annually by the Board, in the absence of a Remuneration Committee, for their approval. The process consists of a review of company, business unit and individual performance, relevant comparative remuneration internally and externally and where appropriate, external advice independent of management.

Executive remuneration and incentive policies and practices must be aligned with the Company's vision, values and overall business objectives. Executive remuneration and incentive policies and practices must be designed to motivate management to pursue the Company's long-term growth and success and demonstrate a clear relationship between the Company's overall performance and performance of the executives.

C Remuneration and Performance

The following table shows the gross revenue, losses, losses per share ("EPS") and share price of the Group as at 30 June 2023 and 30 June 2022.

	30-Jun-23	30-Jun-22
Revenue (\$)	22,836	176
Net loss after tax (\$)	(618,049)	(1,174,758)
EPS (cents)	(0.19)	(0.57)
Share price (\$)	0.011	0.016

Relationship between Remuneration and Company Performance

Given the early stages of product development, the Board did not consider earnings during the current or previous financial year when determining, and in relation to, the nature and amount of remuneration of KMP.

The pay and reward framework for key management personnel may consist of the following areas:

- Fixed Remuneration – base salary;
- Variable Short-Term Incentives; and
- Variable Long-Term Incentives.

The combination of these would comprise the key management personnel's total remuneration.

a) Fixed Remuneration – Base Salary

The fixed remuneration for each senior executive is influenced by the nature and responsibilities of each role and knowledge, skills and experience required for each position. Fixed remuneration provides a base level of remuneration which is market competitive and comprises a base salary inclusive of statutory superannuation. It is structured as a total employment cost package.

Key management personnel are offered a competitive base salary that comprises the fixed component of pay and rewards. External remuneration consultants may provide analysis and advice to ensure base pay is set to

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reflect the market for a comparable role. No external advice was taken this year. Base salary for key management personnel is reviewed annually to ensure the executives' pay is competitive with the market. The pay of key management personnel is also reviewed on promotion. There is no guaranteed pay increase included in any key management personnel's contract.

b) Variable Remuneration – Short Term Incentives (STI)

Discretionary cash bonuses may be paid to senior executives annually, subject to the requisite Board and shareholder approvals where applicable. No bonus payments were made during the financial year.

c) Variable Remuneration – Long Term Incentives (LTI)

The Company adopted an Incentive Option Scheme during the year ended 30 June 2016. The Scheme allows eligible participants to be granted Options to acquire Shares in the Company. The Board may grant Options to any Director, full or part time employee, or casual employee or contractor who falls within the definition of an Eligible Participant as defined in ASIC Class Order 14/1000. Each Option granted under the Scheme will be granted for nil or nominal consideration. Each Option is exercisable into one Share in the Company and the exercise price and expiry date for Options granted under the Scheme will be determined by the Board prior to the grant of the Options.

The Options granted may be subject to conditions on exercise as may be fixed by the Directors prior to grant of the Options.

Other than options disclosed in section D of the Remuneration Report, there have been no other options issued to employees at the date of this financial report.

D Details of Remuneration

Details of the nature and amount of each major element of the remuneration of each KMP of the Group during the financial year are:

Table 1 – Remuneration of Directors of the Group for the year ended 30 June 2023 is set out below:

30 June 2023	Fixed Remuneration			Post-Employment	Share Based Payments	Total	Proportion of total performance related
	Salary & fees	Non-monetary benefits	Other	Super-annuation	Options		
	\$	\$	\$	\$	\$	\$	
Directors							
Jeremy King ⁽ⁱ⁾	60,000	-	-	6,300	-	66,300	0%
Trevor Dixon ⁽ⁱⁱ⁾	103,667	-	-	-	-	103,667	0%
Patrick Holywell ⁽ⁱⁱⁱ⁾	40,000	-	-	4,200	-	44,200	0%
Lincoln Ho ^(iv)	24,333	-	-	2,555	-	26,888	0%
Ronald Miller ^(iv)	24,333	-	-	2,555	-	26,888	0%
Total	252,333	-	-	15,610	-	267,943	0%

(i) An amount of \$60,000 has been paid to Bushwood Nominees Pty Ltd relating to Jeremy King's Director Fees.

(ii) An amount of \$103,667 has been paid to Trevor J Dixon relating to Trevor Dixon's Director Fees. Trevor Dixon was appointed as a non-executive director on 04 April 2023 and stepped down as a technical director.

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- (iii) An amount of \$40,000 has been paid to PWT Corporate Pty Ltd relating to Patrick Holywell's Director Fees. Patrick Holywell resigned on 31 July 2023 as a non-executive director.
- (iv) Lincoln Ho and Ronald Miller were appointed as non-executive directors of the company on 22 November 2023, and they were each paid \$24,333 to their entities Saltus Corporate Pty Ltd and LaJolla Enterprises Pty Ltd from the day they were appointed.

Details of the remuneration of Directors of the Group for the year ended 30 June 2022 is set out below:

30 June 2022	Fixed Remuneration			Post-Employment	Share Based Payments	Total	Proportion of total performance related
	Salary & fees	Non-monetary benefits	Other	Super-annuation	Options		
	\$	\$	\$	\$	\$	\$	
Directors							
Jeremy King ⁽ⁱ⁾	39,000	-	-	3,000	74,641 ^(v)	116,641	64%
Trevor Dixon ⁽ⁱⁱ⁾	70,000	-	-	-	25,000 ^(v)	95,000	70%
Patrick Holywell ⁽ⁱⁱⁱ⁾	31,885	-	-	-	74,641 ^(v)	108,557	26%
Mauro Piccini ^(iv)	9,000	-	-	-	-	9,000	-
Total	149,885	-	-	3,000	174,282	327,167	53%

- (i) An amount of \$42,000 has been paid to Bushwood Nominees Pty Ltd relating to Jeremy King's Director Fees.
- (ii) An amount of \$70,000 has been paid to Trevor J Dixon relating to Trevor Dixon's Director Fees. Trevor Dixon was appointed as a technical director on 14 December 2021.
- (iii) An amount of \$31,885 has been paid to PWT Corporate Pty Ltd relating to Patrick Holywell's Director Fees.
- (iv) Mauro Piccini resigned as a non-executive director on 14 December 2021.
- (v) On 13 December 2021, the Company issued 12,000,000 unlisted options to the directors as the remunerations for the services previously provided by the Company's current or former directors: Peter Wall, Patrick Holywell and Jeremy King (4,000,000 each), exercisable at \$0.03 on or before 13 December 2025.

On 25 March 2022, the Company issued 15,000,000 listed options to directors (Incentive Options) at \$0.001 per share, exercisable at \$ 0.032 on or before 8 September 2025. The options were issued to provide cost effective remuneration to the director for services previously provided to the Company.

Table 2 – Shareholdings of KMP (direct and indirect holdings)

Name	Balance at 01/07/2022	Received as Remuneration	On Exercise of Options	Net Change - other	Balance at 30/06/2023
Directors					
Jeremy King	2,674,948	-	-	-	2,674,948
Trevor Dixon	23,750,000	-	-	-	23,750,000
Patrick Holywell	500,000	-	-	500,000 ⁽ⁱ⁾	1,000,000
Lincoln Ho	-	-	-	1,500,000 ⁽ⁱ⁾	1,500,000
Ronald Miller	-	-	-	-	-
Total	26,924,948	-	-	2,000,000	28,924,948

- (i) The shares are obtained through market purchases.

DIRECTORS' REPORT

Table 3 – Option holdings of KMP (direct and indirect holdings)

Name	Balance at 01/07/2022	Granted as Remuneration	Exercised	Other	Balance at 30/06/2023	Vested & Exercisable
Directors						
Jeremy King	10,584,676	-	-	(1,049,686) ⁽ⁱ⁾	9,534,990	5,534,990
Trevor Dixon	9,750,000	-	-	-	9,750,000	9,750,000
Patrick Holywell	9,100,000	-	-	-	9,100,000	5,100,000
Lincoln Ho	100,000	-	-	-	100,000	100,000
Ronald Miller	-	-	-	-	-	-
Total	29,534,676	-	-	(1,049,686)	28,484,990	20,484,990

- (i) Due to the expiration of the unlisted options granted on 5 December 2018 with an exercise price \$0.091 and expiry date 4 December 2022.

E Contractual Arrangements

❖ Mr Jeremy King – Non-Executive Chairman

- Contract: Commenced on 8 June 2016.
- Director's Fee: \$60,000 per annum (plus statutory superannuation entitlements) in accordance to the Public Offer Prospectus lodged with ASX on 21 September 2021.
- Term: See Note 1 below for details pertaining to re-appointment and termination.

❖ Mr Trevor Dixon – Non-Executive Director (appointed 04 April 2023)

– Technical Director (appointed 14 December 2021, resigned 04 April 2023)

- Consultancy Agreement: Commenced on 14 December 2021.
- Director's Fee: Consulting services at a rate of \$220 per hour or \$1750 per day (plus GST), up to a maximum of \$10,000 per calendar month (plus GST). Starting from 04 April 2023, the fee was changed to \$40,000 per annum (plus statutory superannuation entitlements) for being appointed as a non-executive director.
- Term: End date being the 12-month anniversary of the Commencement Date. The Company may extend the Term for a further period of time by providing the Consultant with written notice of the same at any time before the conclusion of the Term. Either party at any time by giving notice in writing for the Notice of Termination period specified in the Special Terms (being 3 months). See Note 1 below for details pertaining to re-appointment and termination.

❖ Mr Patrick Holywell – Non-Executive Director (resigned 31 July 2023)

- Contract: Commenced on 20 November 2019.
- Director's Fee: \$40,000 per annum (plus statutory superannuation entitlements) in accordance to the Public Offer Prospectus lodged with ASX on 21 September 2021.
- Term: See Note 1 below for details pertaining to re-appointment and termination.

❖ Mr Lincoln Ho – Non-Executive Director (appointed 22 November 2022)

- Contract: Commenced on 22 November 2022.
- Director's Fee: \$40,000 per annum (plus statutory superannuation entitlements) according to the appointment agreement.
- Term: See Note 1 below for details pertaining to re-appointment and termination.

❖ Mr Ronald Miller – Non-Executive Director (appointed 22 November 2022)

- Contract: Commenced on 22 November 2022.
- Director's Fee: \$40,000 per annum (plus statutory superannuation entitlements) according to the appointment agreement.
- Term: See Note 1 below for details pertaining to re-appointment and termination.

DIRECTORS' REPORT

Note 1: The term of each Non-Executive Director is open to the extent that they hold office subject to retirement by rotation, as per the Company's Constitution, at each AGM and are eligible for re-election as a Director at the meeting. Appointment shall cease automatically in the event that the Director gives written notice to the Board, or the Director is not re-elected as a Director by the shareholders of the Company. There are no entitlements to termination or notice periods.

F Share-based Compensation

The Company rewards Directors for their performance and aligns their remuneration with the creation of shareholder wealth by issuing share options and/or performance rights. Share-based compensation is at the discretion of the Board and no individual has a contractual right to receive any guaranteed benefits.

Options

There is no share-based option and/or performance right issued to directors during the year.

The holdings of share-based options are summarised below:

Director	Number of granted	Grant date	Fair value per option at grant date \$	Exercise price \$	Vested and exercisable date	Expiry date
Mr Jeremy King	4,000,000	13/12/2021	0.01241	0.03	13/12/2021 ⁽ⁱ⁾	13/12/2025
Mr Patrick Holywell	4,000,000	13/12/2021	0.01241	0.03	13/12/2021 ⁽ⁱ⁾	13/12/2025
Mr Jeremy King	5,000,000	25/03/2022	0.006	0.032	25/03/2022	8/9/2025
Mr Patrick Holywell	5,000,000	25/03/2022	0.006	0.032	25/03/2022	8/9/2025
Mr Trevor Dixon	5,000,000	25/03/2022	0.006	0.032	25/03/2022	8/9/2025

(i) The shares are in escrow for 24 months and not exercisable until 13/12/2023.

At the date of this report, the unissued ordinary shares of the Company under option carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Company.

Shares

Short and Long-term Incentives

No short or long-term incentive based shares were issued as remuneration to Directors or other KMP during the current financial year.

G Equity Instruments Issued on Exercise of Remuneration Options

No remuneration options were exercised during the financial year.

H Voting and Comments made at the Company's 2022 Annual General Meeting ('AGM')

At the 2022 AGM, 32.83% of the votes received supported the adoption of the Remuneration Report for the year ended 30 June 2022. The Company received a strike on its remuneration practices.

I Loans with KMP

There were no loans made to any KMP during the year ended 30 June 2023 (2022: nil).

DIRECTORS' REPORT

There were no loans from any KMP during the year ended 30 June 2023 (2022: nil).

J Other Transactions with KMP

During the financial year, the Company incurred company secretarial and accounting services fees of \$123,525, paid to Mirador Corporate (a Company of which Jeremy King is a Director).

All transactions were made on normal commercial terms and conditions and at market rates.

There were no other transactions with KMP during the year ended 30 June 2023.

K Additional Information

The earnings/(losses) of the consolidated entity for the five years to 30 June 2023 are summarised below:

	2023	2022	2021	2020	2019
Revenue (\$)	22,836	176	540	5,840	21,476
EBITDA (\$)	(640,885)	(1,174,934)	(333,664)	(418,455)	(617,330)
EBIT (\$)	(640,885)	(1,174,934)	(333,664)	(418,455)	(617,330)
Loss after income tax (\$)	(618,049)	(1,174,758)	(333,124)	(412,615)	(596,004)
Share Price (\$)	0.011	0.017	0.023	0.023	0.014
EPS (cents per share)	(0.19)	(0.57)	(0.55)	(0.68)	(0.34)

[End of Audited Remuneration Report]

SHARES UNDER OPTION

Option	Number	Grant Date	Expiry Date	Exercise Price
Unlisted Options	0 ⁽ⁱ⁾	5/12/2018	4/12/2022	\$0.091
Unlisted Options	42,000,000	13/12/2021	12/12/2025	\$0.030
Listed Options	51,520,684	8/03/2021	8/09/2025	\$0.032
Listed Options	14,136,116	23/03/2021	8/09/2025	\$0.032
Listed Options	35,000,000	25/03/2022	8/09/2025	\$0.032
Listed Options	10,000,000	5/04/2022	8/09/2025	\$0.032

(i) 6,298,113 shares expired on 5 December 2022, bringing the balance down to 0.

Option holders do not have any rights to participate in any issues of shares or other interests of the company or any other entity.

For details of options issued to Directors as remuneration, refer to the Remuneration Report.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

There were no ordinary shares issued on the exercise of options during the year ended 30 June 2023 and up to the date of this report.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

During the year ended 30 June 2023, the Company paid premiums in respect of a contract insuring the directors and officers of the Company against liabilities incurred as directors or officers to the extent permitted by the Corporations Act 2001.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the consolidated entity, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities

DIRECTORS' REPORT

that arise from 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 them or someone else or to cause detriment to the Company. It is not

possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

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 Company, or to intervene in any proceedings to which the Company is a party, for the purposes of taking responsibility on behalf of the Company for all or part of these proceedings.

ENVIRONMENTAL REGULATIONS

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. The Directors have assessed that there are no current reporting requirements under this Act, but this may change in the future. The Company is not aware of any matters that requires disclosure regarding any significant environmental regulation in respect of its operating activities.

DIVIDENDS

No dividends have been paid or declared by the Group since the end of the previous financial year.

No dividend is recommended in respect of the current financial year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no other significant changes in state of affairs during and subsequent to the end of the financial year.

CORPORATE

FINANCIAL RESULTS

The financial results of the Group for the financial year ended 30 June 2023 are:

	30-Jun-23	30-Jun-22
Cash and cash equivalents (\$)	2,039,696	3,223,820
Net assets (\$)	4,055,031	4,673,083

	30-Jun-23	31-Jun-22
Revenue (\$)	22,836	176
Net loss after tax (\$)	(618,049)	(1,174,758)
Loss per share (cents)	(0.19)	(0.57)

EVENTS OCCURRING AFTER REPORTING DATE

No matter or circumstance has arisen since the end of the financial year which has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

AUDITOR'S INDEPENDENCE DECLARATION

NON-AUDIT SERVICES

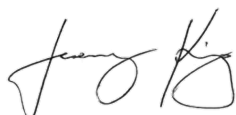
The Board of Directors have considered any non-audit services and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditors, as set out below, did not compromise the auditor independent requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to the auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.
- BDO did not provide any services besides their statutory duties.

The Auditor's Independence Declaration is set out on page 22 and forms part of the Directors' Report for the financial year ended 30 June 2023.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Jeremy King
Non-Executive Chairman
31 August 2023

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF REDCASTLE RESOURCES LIMITED

As lead auditor of Redcastle Resources Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Redcastle Resources Limited and the entity it controlled during the period.



Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth

31 August 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 June 2023

	Note	30-Jun-23 \$	30-Jun-22 \$
Interest income	2	22,836	176
Compliance and regulatory expenses		(89,037)	(168,985)
Consulting and corporate expenses	3	(340,256)	(234,581)
Legal fees		(4,338)	(209,905)
Exploration expense		-	(22,335)
Employee and director benefits expense	3	(174,277)	(152,885)
Marketing and investor relations		(8,875)	(44,239)
Share based payment expense		-	(273,923)
Other expenses		(24,102)	(68,081)
Loss before income tax for the year		(618,049)	(1,174,758)
Income tax expense	4	-	-
Loss after income tax for the year		(618,049)	(1,174,758)
Total comprehensive loss for the year attributable to members of Redcastle Resources Limited		(618,049)	(1,174,758)
Loss per share for the year attributable to the members of Redcastle Resources Limited:			
Basic and diluted loss per share (cents)	5	(0.19)	(0.57)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 June 2023

	Note	30-Jun-23 \$	30-Jun-22 \$
ASSETS			
Current Assets			
Cash and cash equivalents	8	2,039,696	3,223,820
Trade and other receivables	9	34,415	79,676
Total Current Assets		2,074,111	3,303,496
Non-Current Assets			
Exploration and evaluation asset	10	2,030,363	1,429,600
Total Non-Current Assets		2,030,363	1,429,600
TOTAL ASSETS		4,104,474	4,733,096
LIABILITIES			
Current Liabilities			
Trade and other payables	11	49,443	60,013
Total Current Liabilities		49,443	60,013
TOTAL LIABILITIES		49,443	60,013
NET ASSETS		4,055,031	4,673,083
EQUITY			
Issued capital	12	18,974,404	18,974,404
Reserves	13	1,301,419	1,301,419
Accumulated losses		(16,220,792)	(15,602,740)
TOTAL EQUITY		4,055,031	4,673,083

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 June 2023

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
At 1 July 2022	18,974,404	1,301,419	(15,602,740)	4,673,083
Loss for the year	-	-	(618,049)	(618,049)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year after tax	-	-	(618,049)	(618,049)
Issued of share capital	-	-	-	-
Share issue costs	-	-	-	-
Listed options issued	-	-	-	-
Unlisted options issued	-	-	-	-
Balance at 30 June 2023	18,974,404	1,301,419	(16,220,792)	4,055,031
At 1 July 2021	14,471,769	365,382	(14,427,982)	409,169
Loss for the year	-	-	(1,174,758)	(1,174,758)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year after tax	-	-	(1,174,758)	(1,174,758)
Issued of share capital	5,350,000	-	-	5,350,000
Share issue costs	(847,365)	-	-	(847,365)
Listed options issued	-	65,657	-	65,657
Unlisted options issued	-	870,380	-	870,380
Balance at 30 June 2022	18,974,404	1,301,419	(15,602,740)	4,673,083

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 June 2023

	Note	30-Jun-23 \$	30-Jun-22 \$
Cash flows used in operating activities			
Payment to suppliers and employees		(606,197)	(1,003,994)
Interest received		22,836	176
Net cash flows used in operating activities	8	(583,361)	(1,003,818)
Cash flows used in investing activities			
Payments for exploration and evaluation costs		(600,763)	(579,600)
Net cash flows used in investing activities		(600,763)	(579,600)
Cash flows from financing activities			
Proceeds from issue of shares	12	-	4,500,000
Share issue costs		-	(295,908)
Proceeds from issue of listed options		-	110,657
Net cash flows provided by financing activities		-	4,314,749
Net increase/decrease in cash and cash equivalents		(1,184,124)	2,731,331
Cash and cash equivalents at the beginning of the year		3,223,820	492,489
Cash and cash equivalents at the end of the year		2,039,696	3,223,820

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

Redcastle Resources Limited (referred to as “RC1” or the “Company”, formerly “Transcendence Technologies Limited”) is a company domiciled in Australia. The address of the Company’s registered office and principal place of business is disclosed in the Corporate Directory of the Annual Report. The consolidated financial statements of the Company as at and for the year ended 30 June 2023 comprise the Company and its subsidiaries (together referred to as the “consolidated entity” or the “Group”). The nature of the operations and principal activities of the Group are described in the Directors’ Report.

(b) Basis of Preparation

Statement of Compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (“IFRS”) adopted by the International Accounting Standards Board (“IASB”). Redcastle Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial statements are authorised for issue on 31 August 2023 by the directors of the Company.

Basis of measurement

The consolidated financial statements have been prepared on a going concern basis in accordance with the historical cost convention, unless otherwise stated.

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

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Significant Judgements and Estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 1(f).

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Redcastle Resources Limited and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

(c) Principles of Consolidation

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

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

(d) Functional and Presentation Currency

The financial statements have been presented in Australian dollars, which is the Company's functional currency.

(e) Critical Accounting Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results.

Exploration and evaluation expenditure

Exploration and evaluation costs have been capitalised on the basis that activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees or suppliers by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Hoadley ES02 model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Determination of fair values on exploration and evaluation assets acquired in asset acquisition

On initial recognition, the assets and liabilities of the acquired business are included in the statement of financial position at their fair values. In measuring fair value of exploration projects, management considers generally accepted technical valuation methodologies and comparable transactions in determining the fair value. Due to the subjective nature of valuation with respect to exploration projects with limited exploration results, management have determined the price paid to be indicative of its fair value.

Recoverability of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Company decides to exploit the related lease itself, or, if not, whether it successfully recovers the related exploration and evaluation asset through sale. Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

(f) Comparatives

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision makers have been identified as the Board of Directors.

NOTE 2 REVENUE

	2023 \$	2022 \$
<i>Other revenue</i>		
Interest income	22,836	176

Accounting Policy

Interest Income

Interest income is recognised when the Company gains controls of the right to receive the interest payment.

All revenue is stated net of the amount of goods and services tax.

NOTE 3 EXPENSES

	2023 \$	2022 \$
Consulting and corporate expenses		
Accounting and company secretarial fees	126,025	131,952
Consulting fees	99,606	7,629
Corporate advisory fees	114,625	95,000
Total	340,256	234,581
Employee benefit expenses		
Director fees	161,467	147,285
Superannuation	12,810	5,600
Total	174,277	152,885

NOTE 4 INCOME TAX EXPENSE

	2023 \$	2022 \$
(a) The prima facie tax on loss from ordinary activities before income tax is reconciled to income tax expense as follows:		
Prima facie tax payable on loss from ordinary activities before income tax at 30% (2022: 30%)	(185,415)	(352,427)
Add:		
Tax Effect of:		
- Non-allowable items	-	82,177
- Temporary differences	503	150
- Deferred tax assets not recognised	184,912	270,100
Income Tax Attributable to the Entity	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(b) Tax Losses

The amount of deductible temporary differences and unused tax losses for which no deferred tax assets have been brought to account:

- Temporary differences	20,175	18,500
- Tax Losses: Operating Losses Carried Forward	4,524,391	3,848,835
- Tax Losses: Capital Carried Forward	83,009	83,009

The benefit of the above temporary differences and unused tax losses will only be realised if the conditions for deductibility are met as set out in the note below. These amounts have no expiry date.

Based on the failure of the Continuity of Ownership Test (COT) and the Same Business Test (SBT) for the 2015 financial year, tax losses carried forward of \$12,798,840 are unable to be offset against any future income.

Accounting Policy

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

Current Tax

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

Deferred Tax

Deferred 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 directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where

amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. 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 legally enforceable right of set-off exists, 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 INCOME TAX EXPENSE (continued)

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.

NOTE 5 LOSS PER SHARE

	2023 \$	2022 \$
Net loss for the year	(618,049)	(1,174,758)
Weighted average number of ordinary shares for basic and diluted loss per share.	328,284,155	206,626,621
Basic and diluted loss per share (cents)	(0.19)	(0.57)

Accounting Policy

Basic Earnings Per Share

Basic earnings per share is determined by dividing net profit or loss after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the 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 financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

NOTE 6 AUDITOR'S REMUNERATION

	2023 \$	2022 \$
Amounts received or due and receivable by BDO Audit (WA) Pty Ltd for:		
- Audit and review of the financial report of the Group	36,505	38,022
- Independent Limited Assurance Report	-	20,394
Total Auditor Remuneration	36,505	58,416

NOTE 7 RELATED PARTY TRANSACTIONS

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company Key Management Personnel ("KMP") for the year ended 30 June 2023.

(a) Key management personnel compensation

	2023 \$	2022 \$
Short-term employee benefits	252,333	147,285
Post-employment benefits	15,610	5,600
Equity compensation benefits	-	174,282
Total	267,943	327,167

Information regarding individual Directors and Executive compensation and some equity instruments disclosures as required by Corporations Regulation 2M.3.03 are provided in the Remuneration Report section of the Directors' Report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(b) Transactions with related parties

	2023 \$	2022 \$
Mirador Corporate Pty Ltd ⁽ⁱ⁾	123,525	115,727
Trevor Dixon ⁽ⁱⁱ⁾	-	465,000

- (i) Company secretarial and financial management fees of \$123,525 was paid to Mirador Corporate Pty Ltd during the financial year, of which Mr Jeremy King, is a director.
- (ii) On 13 December 2021, Trevor Dixon received 23,250,000 Consideration Shares valued \$465,000 in his capacity as a Vendor under the Acquisition Agreement, according to the Prospectus arrangement.

NOTE 8 CASH AND CASH EQUIVALENTS

	2023 \$	2022 \$
Cash at bank	2,039,696	3,223,820
	2,039,696	3,223,820

Cash at bank earns interest at floating rates based on daily deposit rates. Short-term deposits are made in varying periods between one day and three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

(b) Reconciliation of net loss after income tax to net cash flows used in operating activities

	2023 \$	2022 \$
Loss for the financial year	(618,049)	(1,174,758)
<i>Adjustments for:</i>		
Share-based payments	-	273,923
Change in assets and liabilities		
(Increase) / decrease in trade and other receivables	45,261	(65,389)
Increase / (decrease) in trade and other payables	(10,573)	(37,594)
Net cash flow used in operating activities	(583,361)	(1,003,818)

NOTE 8 CASH AND CASH EQUIVALENTS (continued)

(c) Non-cash investing and financing activities

	2023 \$	2022 \$
Acquisition of exploration and evaluation assets	-	850,000
Shares issued to lead manager	-	551,457
	-	1,401,457

Accounting Policy

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9 TRADE AND OTHER RECEIVABLES

	2023	2022
	\$	\$
GST receivable	20,553	64,082
Prepayments	13,862	15,594
	34,415	79,676

Due to the short-term nature of these receivables, their carrying value is assumed to be the same as their fair value.

Accounting Policy

Trade Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or the assets or part of the expense.

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 taxation authority is included as a current asset or liability in the Consolidated Statement of Financial Position.

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

Other Receivables

Other receivables are recognised at amortised cost, less any provision for expected credit loss. Other receivables do not contain impaired assets and are not past due. Based on the credit history, it is expected that these other balances will be received when due.

NOTE 10 EXPLORATION AND EVALUATION ASSET

	2023	2022
	\$	\$
Carrying amount of exploration and evaluation expenditure	2,030,363	1,429,600
At the beginning of the year	1,429,600	-
Acquired through share consideration		850,000
Exploration expenditure incurred	600,763	579,600
At the end of the year	2,030,363	1,429,600

Management have not identified any impairment indicators as at 30 June 2023.

Accounting Policy

Acquisition, exploration and evaluation costs associated with mining tenements are accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the Group's rights of tenure to that area of interest are current and that the costs are expected to be recouped through the successful commercial

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10 EXPLORATION AND EVALUATION ASSET (continued)

development or sale 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.

Costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

Each area of interest is also reviewed annually, and acquisition costs written off to the extent that they will not be recoverable in the future.

NOTE 11 TRADE AND OTHER PAYABLES

	2023	2022
	\$	\$
Trade creditors	29,268	41,513
Accrued expenses	16,500	17,000
Superannuation payable	3,675	1,500
	49,443	60,013

Trade and other payables are non-interest bearing and are normally settled on 30-day terms.

Due to the short-term nature of these payables, their carrying value is assumed to be the same as their fair value.

Accounting Policy

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

NOTE 12 ISSUED CAPITAL

	2023		2022	
	No.	\$	No.	\$
Fully paid ordinary shares	328,284,155	18,974,404	328,284,155	18,974,404

Movement in ordinary shares

Balance at 1 July 2022	328,284,155	18,974,404
Balance at 30 June 2023	328,284,155	18,974,404

<i>Movement in ordinary shares</i>	No.	\$
Balance at 1 July 2021	173,720,669	14,471,769
Effect of the consolidation (1:2.858)	(112,936,514)	-
Shares issued under the public offer	225,000,000	4,500,000
Shares issued for the Acquisition	42,500,000	850,000
Share issue costs	-	(847,365)
Balance at 30 June 2022	328,284,155	18,974,404

There were no shares issued during the year.

Ordinary shares entitle the holder to participate in the dividends and the proceeds on winding up in proportion to the number of and amounts paid on the shares held.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12 ISSUED CAPITAL (continued)

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

Accounting Policy

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the entity reacquires its own equity instruments, for example, as a result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

NOTE 13 RESERVES

	2023 \$	2022 \$
Opening Balance	1,301,419	365,382
Equity settled share-based payment transactions	-	870,380 ⁽ⁱ⁾
Issue of Loyalty Options	-	65,657 ⁽ⁱⁱ⁾
	1,301,419	1,301,419

No options were issued this year.

(i) Options issued to Directors

On 13 December 2021, the Company issued 12,000,000 unlisted options to Directors, exercisable at \$0.03 on or before 13 December 2025. The issue of 12,000,000 Director Options, being the aggregate of 4,000,000 Director Options to each of the Company's current or former Directors: Peter Wall, Patrick Holywell and Jeremy King (or their respective nominees).

On 25 March 2022, the Company issued 15,000,000 listed options to directors (Incentive Options) at \$0.001 per share, exercisable at \$ 0.032 on or before 8 September 2025. The options were issued to provide cost effective remuneration to the director for services previously provided to the Company.

Options issued to Lead Manager

On 13 December 2021, the Company issued 30,000,000 Lead Manager Options to Xcel Capital Pty Ltd or its nominees for its services in connection with the IPO capital raising. The Lead Manager Options are exercisable at \$0.03 with expiry date of 13 December 2025.

On 25 March 2022, the Company issued 20,000,000 Lead Manager Options to Xcel Capital Pty Ltd, exercisable at \$0.032, on or before 8 September 2025, for its services provided in relation to the Loyalty Option Offer.

On 5 April 2022, the Company issued another 10,000,000 listed options to Xcel Capital Pty Ltd as part of the Corporate Advisory Mandate fee arrangement. The options were issued at \$0.001 per share, with the same term as the Lead Manager Options under the Loyalty Options offer, which the exercise price is \$0.032 per share, expiring on or before 8 September 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

- (ii) On 15 February 2022, the Company lodged a Loyalty Option Offer Prospectus, proposed a non-renounceable loyalty issue of one (1) Loyalty Option for every five (5) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.001 per Loyalty Option to raise up to \$ 65,657 (Loyalty Offer). A total of 65,656,800 options were issued on 8 March 2022 and 23 March 2023, exercisable at \$0.032 on or before 8 September 2025.

Please see below the share-based payment options on issue:

	2022
Opening Balance	-
Options issued to Directors	27,000,000
Options issued to Lead Manager	60,000,000
Ending Balance	87,000,000

NOTE 14 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Following prior year's tenement Acquisition, the Vendors of the Tenements will retain rights to all alluvial gold and a 2% overriding gross royalty over all minerals sold from the Tenements.

There were no contingent assets as at 30 June 2023 (2022: Nil).

NOTE 15 COMMITMENTS

(a) Tenement Commitments

	2023	2022
	\$	\$
Below are the commitments in relation to its exploration and evaluation assets:		
Within one year	45,518	42,823
Later than one year but not later than five years	108,772	107,091
	154,290	149,915

NOTE 16 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unprofitability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods included sensitivity analysis in the case of interest rate and ageing analysis for credit risk.

Risk management is carried out by the Board of Directors ('the Board') and includes identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The carrying values of the Group's financial instruments are as follows:

	2023	2022
	\$	\$
Financial Assets		
Cash and cash equivalents	2,039,696	3,223,820
Trade and other receivables	34,415	79,676
	2,074,111	3,303,496
Financial Liabilities		
Trade and other payables	49,443	60,013
	49,443	60,013

(a) Market risk

(i) Foreign exchange risk

The Company is not significantly exposed to foreign currency risk fluctuations.

(ii) Interest rate risk

The Group is exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest bearing financial instruments. The Group's exposure to this risk relates primarily to the Group's cash and any cash on deposit. The Group does not use derivatives to mitigate these exposures. The Group manages its exposure to interest rate risk by holding certain amounts of cash in fixed and floating interest rate facilities. At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was:

NOTE 16 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

	2023		2022	
	Weighted average interest rate ⁽ⁱ⁾	Balance	Weighted average interest rate	Balance
		\$		\$
Cash and cash equivalents	0.01%	2,039,696	0.01%	3,223,820

(i) This interest rate represents the average interest rate for the period.

(b) Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counterparty, with maximum exposure equal to the carrying amount of the financial assets.

The Group's policy is to trade only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms will be subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Group except for cash and cash equivalents.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation.

The Group manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows. The Group does not have any external borrowings.

The following are the contractual maturities of financial liabilities:

	6 months \$	6-12 months \$	1-5 years \$	> 5 years \$	Total \$
2023					
Trade and other payables	49,443	-	-	-	49,443
2022					
Trade and other payables	60,013	-	-	-	60,013

(d) Sensitivity analysis

Within this analysis, consideration is given to potential renewals of existing positions and the mix of fixed and variable interest rates. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. The 1% increase and 1% decrease in rates is based on reasonably expected possible changes over a financial year, using the observed range of historical rates for the preceding five-year period.

At 30 June 2023, if interest rates had moved, as illustrated in the table below, with all other variables held constant, losses and equity would have been affected as follows:

NOTE 16 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

	Profit /(Loss) Higher/(Lower)		Equity Higher/(Lower)	
	2023	2022	2023	2022
<i>Judgements of reasonably possible movements:</i>	\$	\$	\$	\$
+ 1.0% (100 basis points)	20,397	32,238	20,397	32,238
- 1.0% (100 basis points)	(20,397)	(32,238)	(20,397)	(32,238)

(e) Capital risk management

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Given the stage of the Group's development there are no formal targets set for return on capital. There were no changes to the Group's approach to capital management during the year. The Group is not subject to externally imposed capital requirements. The net equity of the Group is equivalent to capital. Net capital is obtained through capital raisings on the Australian Securities Exchange ("ASX").

NOTE 17 PARENT INFORMATION

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian Accounting Standards.

	2023	2022
	\$	\$
Statement of Financial Position		
Assets		
Current assets	2,074,111	3,303,496
Non-current assets	2,030,363	1,429,600
Total Assets	4,104,474	4,733,096
Liabilities		
Current liabilities	49,443	60,013
Total Liabilities	49,443	60,013
Equity		
Issued capital	18,974,404	18,974,404
Accumulated losses	(16,220,792)	(15,602,740)
Reserves	1,301,419	1,301,419
Total Equity	4,055,031	4,673,083
Statement of Profit or Loss and Other Comprehensive Income		
Loss for the year	(618,049)	(1,174,758)
Total Comprehensive Income	(618,049)	(1,174,758)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 18 INVESTMENT IN SUBSIDIARIES

Information about Principal Subsidiaries

The subsidiary listed below has share capital consisting solely of ordinary shares, which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation.

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group	
		2023	2022
		%	%
<i>E-Collate Pty Ltd</i>	Australia	100	100

NOTE 19 EVENTS AFTER THE REPORTING DATE

No matter or circumstance has arisen since the end of the financial year which has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

DIRECTORS' DECLARATION

In the Directors' opinion:

The attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting In the Directors' opinion:

The financial statements and accompanying notes are in accordance with the Corporations Act 2001, including:

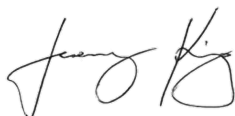
- complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- giving a true and fair view of the entity's financial position as at 30 June 2023 and of its performance for the year ended on that date.

The financial statements and notes comply with International Financial Reporting Standards.

There are reasonable grounds to believe that the Company 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 295(5)a of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



Jeremy King
Non-Executive Chairman
31 August 2023

INDEPENDENT AUDITORS REPORT

To the members of Redcastle Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Redcastle Resources Limited (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including 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:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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

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

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for Capitalised Exploration and Evaluation Assets

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The carrying value of the capitalised exploration and evaluation asset as at 30 June 2023 is disclosed in Note 11 of the financial report.</p> <p>As the carrying value of the exploration asset represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>. In particular:</p> <ul style="list-style-type: none"> • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment. <p>As a result, this is considered a key audit matter.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtaining a schedule of tenements held by the Group and assessing whether the rights to tenure remained current at balance date; • Considering the status of the ongoing exploration programmes by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether exploration assets had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether there are any other facts or circumstances existing to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 11 of the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.



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

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

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

Responsibilities of the directors for the Financial Report

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

Auditor's responsibilities for the audit of the Financial Report

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

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

https://www.auasb.gov.au/admin/file/content102/c3/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 12 to 19 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Redcastle Resources Limited, for the year ended 30 June 2023, 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.

BDO Audit (WA) Pty Ltd

BDO


Jarrad Prue

Director

Perth, 31 August 2023

Corporate Governance Statement

The Board of Directors of Redcastle Resources Limited is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and accountable. The Board continuously reviews its governance practices to ensure they remain consistent with the needs of the Company.

The Company complies with each of the recommendations set out in the Australian Securities Exchange Corporate Governance Council's Corporate Governance Principles and Recommendations 4th Edition ("the ASX Principles"). This statement incorporates the disclosures required by the ASX Principles under the headings of the eight core principles. All of these practices, unless otherwise stated, are in place.

The Company's Corporate Governance Statement and policies can be found on its website at

<https://redcastle.net.au/>.

ASX Additional Information

Additional information required by the Australian Securities Exchange and not shown elsewhere in this Annual Report is as follows. The information is current as of 31 August 2023.

1. Fully paid ordinary shares

- There is a total of 328,284,155 fully paid ordinary shares on issue which are listed on the ASX.
- The number of holders of fully paid ordinary shares is 517.
- Holders of fully paid ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company.
- There are no preference shares on issue.

2. Distribution of fully paid ordinary shareholders is as follows:

The number of shareholders, by size of holding, is:

Range	Total holders	Units	% of Issued Capital
1 - 1,000	27	4,860	0.00%
1,001 - 5,000	2	9,098	0.00%
5,001 - 10,000	12	96,850	0.03%
10,001 - 100,000	224	12,968,490	3.95%
100,001 - 9,999,999,999	252	315,204,857	96.02%
Total	517	328,284,155	100.00%

3. Holders of non-marketable parcels

Holders of non-marketable parcels are deemed to be those whose shareholding is valued at less than \$500.

There are 123 shareholders who hold less than a marketable parcel of shares, amount to 0.66% of issued capital.

4. Substantial shareholders of ordinary fully paid shares

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Holding Balance	% of Issued Capital
TREVOR JOHN DIXON	23,250,000	7.08%
RIMOYNE PTY LTD	23,143,492	7.05%

5. Restricted Securities

There are 42,500,000 shares on issue that are subject to voluntary escrow restrictions or mandatory escrow restriction under ASX Listing Rules Chapter 9.

6. Share buy-backs

There is currently no on-market buyback program for any of Redcastle Resources Limited's listed securities.

7. Voting rights of Shareholders

All fully paid ordinary shareholders are entitled to vote at any meeting of the members of the Company and their voting rights are on:

- Show of hands – one vote per shareholders; and
- Poll – one vote per fully paid ordinary share.

ASX Additional Information

8. Tax Status

The Company is treated as a public company for taxation purposes.

9. Major Shareholders

The Top 20 largest fully paid ordinary shareholders together held 57.12% of the securities in this class and are listed below:

Rank	Shareholders	Number Held	Percentage
1	TREVOR JOHN DIXON	23,250,000	7.08%
2	RIMOYNE PTY LTD	23,143,492	7.05%
3	SACCO DEVELOPMENTS AUSTRALIA PTY LIMITED <THE SACCO FAMILY A/C>	13,859,098	4.22%
4	RUSSELL GEOFFREY MCKNIGHT	13,375,000	4.07%
5	TELL CORPORATION PTY LTD	13,250,000	4.04%
6	CAP HOLDINGS PTY LTD <CAP A/C>	11,597,886	3.53%
7	MISS YI GU	10,609,915	3.23%
8	ELSTREE CAPITAL PTY LTD	8,899,581	2.71%
9	NIGHTFALL PTY LTD <NIGHTFALL SUPERFUND A/C>	8,000,000	2.44%
10	PAPILLON HOLDINGS PTY LTD <THE VML NO 1 A/C>	7,254,373	2.21%
11	AUKERA CAPITAL PTY LTD <AUKERA DISCRETIONARY A/C>	6,050,000	1.84%
12	PACKER ROAD NOMINEES PTY LTD	6,000,000	1.83%
13	SISU INTERNATIONAL PTY LTD	5,757,773	1.75%
14	MR ANTONIO SACCO	4,431,153	1.35%
15	KALCON INVESTMENTS PTY LTD	4,000,000	1.22%
16	MS CHUNYAN NIU	4,000,000	1.22%
16	TRAYBURN PTY LTD	4,000,000	1.22%
16	MR ROSS FREDERICK CREW	3,875,000	1.18%
17	MS ANGELA MARIA GIUSTI	3,839,749	1.17%
18	DIMENSIONAL HOLDINGS PTY LTD	3,500,000	1.07%
19	MR VINCENZO BRIZZI & MRS RITA LUCIA BRIZZI <BRIZZI FAMILY S/F A/C>	3,000,000	0.91%
20	VERMAR PTY LTD <P&T SUPER FUND A/C>	3,000,000	0.91%
Total: Top 20 holders of ORDINARY FULLY PAID SHARES		187,521,273	57.12%

10. Listed Options

Number of Options	Exercise Price	Expiry Date	Holders
110,656,800	\$0.032	8 September 2025	223

ASX Additional Information

The Top 20 largest listed option holders together held 74.31% of the securities in this class and are listed below:

Rank	Shareholders	Number Held	Percentage
1	PAPILLON HOLDINGS PTY LTD <THE VML NO 1 A/C>	12,735,923	11.51%
2	KALCON INVESTMENTS PTY LTD	10,800,000	9.76%
3	MR ALDO SACCO	6,136,116	5.55%
4	PCTV PTY LTD <TAURUS A/C>	5,100,000	4.61%
5	BUSHWOOD NOMINEES PTY LTD	5,000,000	4.52%
6	MR TREVOR JOHN DIXON	5,000,000	4.52%
7	KALCON INVESTMENTS PTY LTD	5,000,000	4.52%
8	TREVOR JOHN DIXON	4,650,000	4.20%
9	RIMOYNE PTY LTD	3,616,993	3.27%
10	DDPEVCIC (WA) PTY LTD <DOMINIC FAMILY A/C>	3,000,000	2.71%
11	RUSSELL GEOFFREY MCKNIGHT	2,675,000	2.42%
12	SACCO DEVELOPMENTS AUSTRALIA PTY LIMITED <THE SACCO FAMILY A/C>	2,601,820	2.35%
13	VAMOS TRADING PTY LTD	2,330,000	2.11%
14	ST BARNABAS INVESTMENTS PTY LTD <THE MELVISTA FAMILY A/C>	2,000,000	1.81%
15	GOFFACAN PTY LTD <KMM FAMILY A/C>	1,961,757	1.77%
16	MR MD AKRAM UDDIN	1,694,157	1.53%
17	PDFX CONSULTING PTY LTD <DOWNES FAMILY A/C>	1,620,000	1.46%
18	ELSTREE CAPITAL PTY LTD	1,500,000	1.36%
18	MR HAOCHEN HU	1,400,000	1.27%
18	STILL CAPITAL PTY LTD	1,153,863	1.04%
19	SISU INTERNATIONAL PTY LTD	1,151,555	1.04%
20	NIGHTFALL PTY LTD <NIGHTFALL SUPERFUND A/C>	1,100,000	0.99%
Total: Top 20 holders of LISTED OPTIONS EXPIRING 8 September 2025 @ \$0.032		82,227,184	74.31%

11. Unlisted Options

Number of Options	Exercise Price	Expiry Date	Holders
42,000,000	\$0.03	13 December 2025	5
0	\$0.091	5 December 2022	0

12. Franking Credits

The Company has no franking credits.

13. Securities Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited under Security Code RC1.

14. Registered Office

Suite 11, 12, Level 2, 23 Railway Road
Subiaco WA 6008
Telephone: 08 6559 1792
Website: <https://redcastle.net.au/>

15. Company Secretary

Ms Sarah Smith

ASX Additional Information

16. Share Registry

Automatic Share Registry
Level 5, 191 St Georges Terrace
Perth WA 6000
Telephone: 1300 288 664

17. Tenement Schedule

Mining tenement interests held at 31 August 2023 and their location

Western Australia

TEN ID	STATUS	PROJECT	AREA (ha)	EXPIRY
M39/318	Live	Redcastle	106ha	15/09/2036
P39/5184	Live	Redcastle	54ha	15/12/2019
M39/1140	Pending	Redcastle	54ha	-
P39/5307	Live	Redcastle	155ha	5/02/2022
M39/1155	Pending	Redcastle	155ha	-
M39/1149	Pending	Redcastle	155ha	-
P39/5568	Live	Redcastle	151ha	17/04/2024
P39/5573	Live	Redcastle	123ha	18/04/2024
P39/5814	Live	Redcastle	197ha	7/02/2026
P39/5815	Live	Redcastle	172ha	7/02/2026
P39/5858	Live	Redcastle	57ha	1/07/2026
P39/6185	Live	Redcastle	15ha	30/06/2025