

# **Rich Well Resources Pty Ltd**

**ABN 17 643 797 611**

## **FINANCIAL STATEMENTS**

**For the period  
1 July 2021 to 31 December 2021**

**Rich Well Resources Pty Ltd**  
ABN 17 643 797 611

**PROFIT AND LOSS STATEMENT**

**FOR THE PERIOD FROM 01 JULY 2021 TO 31 DECEMBER 2021**

	<b>Note</b>	<b>1 July 2021 to 31 Dec 2021 \$</b>	<b>25 Aug 2020 to 30 June 2021 \$</b>
<b>Revenue</b>	2	200,000	-
<b>Expenses</b>			
Administrative expenses		(69,160)	-
Exploration expenses	1b	(5,980)	-
<b>Profit before income tax</b>		<u>124,860</u>	<u>-</u>
Tax expense	3	(31,215)	-
<b>Profit for the period</b>		<u>93,645</u>	<u>-</u>

The accompanying notes form part of these financial statements.

**Rich Well Resources Pty Ltd**  
ABN 17 643 797 611

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	31 Dec 2021 \$	30 June 2021 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash at bank and on hand		4	4
Other receivables	4	45,511	-
<b>TOTAL CURRENT ASSETS</b>		<u>45,515</u>	<u>4</u>
<b>NON-CURRENT ASSETS</b>			
Exploration and evaluation	1b	-	5,980
<b>TOTAL NON-CURRENT ASSETS</b>		<u>-</u>	<u>5,980</u>
<b>TOTAL ASSETS</b>		<u>45,515</u>	<u>5,984</u>
<b>CURRENT LIABILITIES</b>			
Borrowings	5	1,000	5,980
Other payables	6	44,511	
<b>TOTAL CURRENT LIABILITIES</b>		<u>45,511</u>	<u>5,980</u>
<b>TOTAL LIABILITIES</b>		<u>45,511</u>	<u>5,980</u>
<b>NET ASSETS</b>		<u>4</u>	<u>4</u>
<b>EQUITY</b>			
Issued capital		4	4
Accumulated Profits		-	-
<b>TOTAL EQUITY</b>		<u>4</u>	<u>4</u>

The accompanying notes form part of these financial statements.

# Rich Well Resources Pty Ltd

ABN 17 643 797 611

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 1 JULY 2021 TO 31 DECEMBER 2021

	Ordinary share capital \$	Retained Earnings \$	Total \$
<b>Balance at date of incorporation 25 August 2020</b>	-	-	-
Initial capital paid	4	-	4
<b>Balance at 30 June 2021</b>	<u>4</u>	<u>-</u>	<u>4</u>
Profit from 1 July 2021 to 31 December 2021	-	93,645	93,645
Less Provision for dividend	-	(93,645)	(93,645)
<b>Balance at 31 December 2021</b>	<u>4</u>	<u>-</u>	<u>4</u>

The accompanying notes form part of these financial statements.

# Rich Well Resources Pty Ltd

ABN 17 643 797 611

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JULY 2021 TO 31 DECEMBER 2021

### 1 Summary of Significant Accounting Policies

#### a) Basis of Preparation

The directors have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

#### b) Exploration and evaluation

At 30 June 2021, exploration and evaluation capitalised comprised:

	31 Dec 2021	30 June 2021
	\$	\$
Tenement E45/5813	-	2,990
Tenement E45/5815	-	2,990
	<u>-</u>	<u>5,980</u>

This expenditure represented application fees for exploration licences and rental expenses paid to the Mining Registrar's office in WA.

Pursuant to a Mining Property Sale and Purchase Agreement dated 13 December 2021, tenement E45/5813 was sold. Application fees and rental expenses of \$2,990 have been expensed to Profit and Loss.

Tenement expenditure of \$2,990 previously capitalised relating to tenement E45/5815 has been expensed to Profit and Loss.

The Directors have adopted a policy that all expenditure on exploration and evaluation including application fees and rent is expensed as incurred with the exception of capital costs such as shares, options or cash paid to third parties to acquire tenements.

#### c) 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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

#### d) Income 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 substantively enacted, as at the reporting date. Current liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

#### e) Revenue

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

#### f) Other Payables

Other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period.

# Rich Well Resources Pty Ltd

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JULY 2021 TO 31 DECEMBER 2021

	1 July 2021 to 31 Dec 2021 \$	25 Aug 2020 to 30 June 2021 \$
<b>2 Revenue and Expenses:</b>		
Sale of mining tenement (refer Note 1b)	200,000	-
<b>3 Income Tax Expense:</b>		
The prima facie tax on profit for period is reconciled to income tax as follows:		
Prima facie income tax on profit at 25%	31,215	-
<b>Tax effect of:</b>		
Franking deficit tax	(31,215)	-
	-	-
To be eligible for a rate of 25% the Company must satisfy a section of the Income Tax Act that requires no more than 80% of its assessable income to be classified as base rate passive income.		
	<b>31 Dec 2021 \$</b>	<b>30 June 2021 \$</b>
<b>4 Other Receivables:</b>		
GST receivable on sale of mining tenement	20,000	-
Loan - Attwell Family Trust	25,511	-
	45,511	-
<b>5 Borrowings:</b>		
Loan - A & B Richardson Family Trust	1,000	-
<b>6 Other Payables:</b>		
Provision for franking deficit tax	31,215	-
GST Liabilities	13,296	-
	44,511	-
<b>7 Contingent Liabilities:</b>		
There were no contingent liabilities at 31 December 2021.		
<b>8 Commitments:</b>		
The company controls one exploration licence (referred to as a mining tenement) and has an option to acquire a further three exploration licences. Due to the nature of the Company's operations in exploring areas of interest within the Mining Tenements held by the Company, it is difficult to forecast the nature or amount of future expenditure. It is a condition of the licence that the Company incur the following minimum level of expenditure in order to retain present interests in Mining Tenements.		
	<b>31 Dec 2021 \$</b>	<b>30 June 2021 \$</b>
Approximate minimum level of expenditure requirements on the exploration licence held by the Company and including the three exploration licences held under option:		
Within one year	90,000	-
Later than one year and no later than five years	650,000	-

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM 1 JULY 2021 TO 31 DECEMBER 2021**

**9 Events after Reporting date**

Octava Minerals Ltd ('Octava') (previously 8 Au Ltd) has entered into a binding but conditional Share Purchase Agreement (SPA) dated 4 January 2021 to acquire all of the issued capital of Rich Well Resources Pty Ltd (Rich Well) from Attgold Pty Ltd and Anne-Maree Richardson (collectively the Rich Well Vendors). Simon Paul Attwell and Brian Dudley Richardson, being the directors of Rich Well, executed the SPA as Guarantors. This SPA was extended to 2 May 2022 by a Deed of Variation to Share Purchase Agreement dated 15 February 2022.

The consideration payable by Octava to the Rich Well Vendors for the acquisition of all the issued capital of Rich Well comprises:

- A payment of \$20,000 after signing the SPA;
- An aggregate of 5,000,000 Shares at completion of the acquisition by Octava of Rich Well.

Completion of the sale and purchase of the issued capital of Rich Well is subject to and conditional upon:

- Octava receiving confirmation from ASX that it will admit Octava to the official list of ASX, subject to typical administrative and completion conditions.
- None of the Tenements being withdrawn or revoked by the relevant statutory bodies prior to the completion of the transaction.
- No event occurring prior to the completion date which adversely affects the rights or interests proposed to be acquired by Octava.
- Any approval or waiver required by, or to be given by, ASIC, ASX or any third parties or governmental authorities in connection with the transaction being obtained on terms reasonably satisfactory to Octava and the Rich Well Vendors.

**RICH WELL RESOURCES PTY LTD**  
ACN 643 797 611

**DIRECTORS' DECLARATION**

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies prescribed in Note 1 to the financial statement.

The directors of the company declare that:

- 1 the financial statements and notes, present fairly the company's financial position as at 31 December 2021 and its performance for the period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- 2 In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

*Simon Attwell*  
**Simon Attwell**.....  
**Director**

*B Richardson*  
**Brian Richardson**.....  
**Director**

Dated: 3 March 2022



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF RICH WELL RESOURCES PTY LTD****REPORT ON THE AUDIT OF THE FINANCIAL REPORT****Opinion**

We have audited the financial report of Rich Well Resources Pty Ltd, being a special purpose financial report, which comprises the statement of financial position as at 31 December 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report presents fairly, in all material respects, the financial position of Rich Well Resources Pty Ltd as at 31 December 2021, and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial report.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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.

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

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

**Emphasis of Matter - Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Responsibilities of the Directors for the Financial Report**

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the financial reporting requirements and are appropriate to meet the needs of the members. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS RICH WELL RESOURCES PTY LTD (CONTINUED)**

**Auditor's Responsibilities for the Audit of the Financial Report**

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**McLean Delmo Bentleys Audit Pty Ltd**



**Martin Fensome  
Partner**

Hawthorn  
4 March 2022