



WESTERN MINES GROUP LTD

ACN 640 738 834

ANNUAL REPORT 30 JUNE 2022

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Directors	Mr Rex Turkington (Non-Executive Chairman) Dr Caedmon Marriott (Managing Director) Mr Paul Burton (Non-Executive Director) Mr Francesco Cannavo (Non-Executive Director) Dr Benjamin Grguric (Non-Executive Director) (appointed 19 September 2022)
Company Secretaries	Mr Lee Tamplin Ms Elizabeth Spooner
Registered Office	Level 3, 33 Ord Street, West Perth WA 6005
Principal Place of Business	Level 3, 33 Ord Street, West Perth WA 6005 Tel: +61 475 116 798 Email: contact@westernmines.com.au
Share Register	Automic Group, Level 5, 126 Phillip Street Sydney NSW 2000 Tel: 1300 288 664
Auditor	HLB Mann Judd (Vic) Partnership Level 9, 575 Bourke Street Melbourne VIC 3000
Solicitors	Moray & Agnew Lawyers Level 6, 505 Collins Street, Melbourne VIC 3000
Stock Exchange Listing	Western Mines Group Ltd shares are listed on the Australian Securities Exchange (ASX code: WMG)

LETTER FROM THE CHAIRMAN

Welcome. I am pleased to report that your Company has been very active on the exploration front for the past financial year and has achieved some very encouraging results to date.

We have eight exploration projects, each 100% owned, focused on gold, base and battery metals, located on Western Australia's major mineral belts. The Company's primary focus during the year has been at our flagship project, Mulga Tank. This is an exciting belt-scale project on the under-explored Minigwal Greenstone Belt and contains the entire Mulga Tank Ultramafic Complex, a major dunite intrusion highly prospective for Ni-Cu-PGE magmatic sulphide mineralisation.

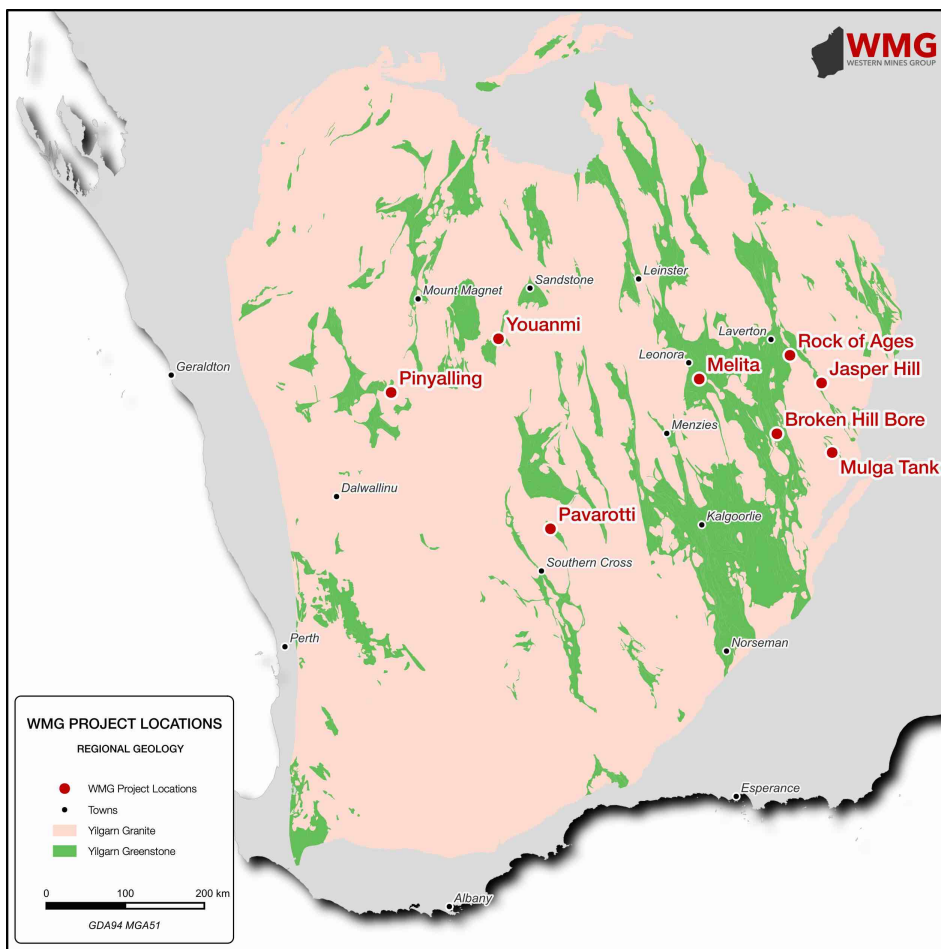


Figure 1: Map of WMG Project Locations

Our exploration team, led by MD Dr Caedmon Marriott, designed a first phase drilling program to test a range of geological and geophysical drill targets. This first phase exploration program involved 10 diamond drill holes for a total of 3,990 meters and was successfully completed in late July 2022.

One of the notable features of the program was the multiple occurrences of visible nickel sulphide veins observed whilst drilling. This nickel mineralisation has been confirmed by initial assay results with multiple anomalous Ni-Cu-PGE intersections.

Western Mines Group Ltd
Letter from the Chairman
30 June 2022

The style of the nickel sulphide blebs and veinlets suggests they are likely remobilised from a massive sulphide source (Type 1); whilst a large intersection of disseminated sulphides seen in one of the holes also confirmed the potential of Type 2 Mt Keith-style mineralisation at the project.

Planning for phase two of our drill program at Mulga Tank is underway and will be designed to target potential locations of remobilised massive sulphide sources and also follow-up on the disseminated sulphide intersection. As part of the program the Company recently applied for Exploration Incentive Scheme (EIS) Round 26 co-funding for two deep diamond drill holes at the project. These deeper holes could help unlock significant understanding of this under-explored intrusion and we are hopeful to learn of the results of this grant application in mid-October.

Obviously our exploration is at a very exciting stage and we were very pleased to announce recently that we have added a leading expert on WA nickel sulphide exploration to our Board. Dr Ben Grguric brings with him a wealth of experience in nickel and gold exploration and development with a distinguished 30 year track record here in WA.

Dr Grguric has worked in a number of senior roles with Western Mining Corporation, BHP Billiton (on the Mt Keith Nickel operation) and Norisk Nickel Australia. Ben will work closely with Caedmon to develop and implement the upcoming phase two of our drill programme at Mulga Tank.

Although the main focus is on Mulga Tank, work has continued on Company's seven other highly promising projects (as detailed in the following Review of Operations). Through dedicated exploration effort it is hoped to bring a number of ore bodies to fruition so that these can be developed to enhance shareholder value.

On behalf of the Board, I would like to thank you for your interest and your ongoing support.



Rex Turkington
Non-Executive Chairman

REVIEW OF OPERATIONS

Western Mines Group Ltd (WMG or Company) (**ASX:WMG**) is pleased to provide shareholders with the following Review of Operations for the financial year ended 30 June 2022.

At the beginning of the financial year the Company successfully completed its Initial Public Offering (IPO) and was admitted to the ASX Official List on 16 July 2021, with shares commencing trading from 20 July 2021. The Company issued 27.5m new shares at \$0.20/share for the maximum raising amount of \$5.5m (before costs) with WMG well funded for planned high-impact exploration programs.

Exploration activity ramped up across a number of key projects during a very active first year for the Company, with particular focus on the flagship Mulga Tank Ni-Cu-PGE Project. A series of high-resolution ground based geophysical surveys were undertaken at the project, including a high-resolution, high-powered Moving Loop Electromagnetic (MLEM) survey and a ground gravity survey; both covering the entire ultramafic intrusion, of over 28km² (ASX, *Geophysical Surveys to Unlock Mulga Tank Ni-Cu-PGE Project, 25 August 2021; Moving Loop EM Survey Commences at Mulga Tank Project, 7 October 2021*).

The MLEM survey identified 12 major bedrock conductor anomalies that could be associated with deposits of massive Ni-Cu-PGE sulphides (ASX, *Major EM Targets Identified at Mulga Tank Ni-Cu-PGE Project, 7 March 2022*). Subsequent drill targeting work was completed and an initial ten-hole diamond drilling program, totalling 3,990m undertaken between April and July 2022, designed to test numerous targets across the project (ASX, *Mulga Tank Ni-Cu-PGE Project: Major Targets Drill Ready, 6 April 2022; Drilling Commences at Mulga Tank, 20 April 2022*).

Visible nickel sulphides were observed in six of the ten holes drilled. Multiple occurrences of remobilised nickel-copper sulphide veins were seen in holes MTD012, MTD013, MTD014A, MTD016 and MTD018, predominantly drilled around the flanks of the ultramafic complex, whilst disseminated magmatic sulphides occurred over >300m in hole MTD020 (ASX, *Two Zones of Visible Nickel Sulphides in Hole MTD012, 4 May 2022; Multiple Zones of Visible Nickel Sulphides in Hole MTD013, 16 May 2022; Completion of Hole MTD014A: Planned Follow-up Hole MTP022, 26 May 2022; Mulga Tank Drilling Update, 23 June 2022; Disseminated Sulphides Seen Over >300m in Hole MTD020, 26 July 2022*). Initial assay results have been received for holes MTD12 to MTD016, confirming Ni-Cu-Co-PGE mineralisation but a significant portion of results remain outstanding at the time of this report (ASX, *First Assay Results Confirm Ni-Cu-PGE Mineralisation, 15 August 2022; Further Ni-Cu-PGE Assay Results from Mulga Tank, 2 September 2022*). The Company is currently formulating plans for a follow up drilling program towards the end of 2022.

During the period the Company completed a number of strategic acquisitions to expand its two main projects. At Mulga Tank the Company acquired neighbouring tenement application E39/2299 to expand the project area from 113km² to 395km², covering approximately 37km strike and the majority of the under explored Minigwal Greenstone Belt (ASX, *Acquisition to Expand Flagship Mulga Tank Ni-Cu-PGE Project, 8 November 2021; Completion of Mulga Tank Tenement Acquisition, 9 December 2021*). This new ground contains a 12km trend of interpreted ultramafic bodies on the western basal portion of the Minigwal Greenstone Belt, representing what is thought to be a completely unexplored komatiite system originating from the Mulga Tank Ultramafic Complex. This belt-scale nickel sulphide exploration opportunity is now 100% owned by WMG.

Western Mines Group Ltd
Review of Operations
30 June 2022

At the Jasper Hill Gold Project WMG pegged prospecting tenement application P39/6267 and acquired neighbouring tenement E39/2073 (ASX, *WMG Acquires Key Ground at Jasper Hill Gold Project, 8 October 2021*). This acquisition consolidates an exciting 3km long mineralised gold trend that is significantly under explored and was largely held in private ownership over the last 30 years. Jasper Hill is now the Company's primary gold project.

The Company successfully completed its maiden drilling program within 7 weeks of listing at the Rock of Ages Project, with the drilling intersecting high-grade gold mineralisation (ASX, *Maiden Drilling Intersects High-Grade Gold at Rock of Ages, 14 October 2021; Further Assays Confirm High-Grade Gold at Rock of Ages, 21 December 2021*). The program was the first to properly test the potential of the historical Rock of Ages gold workings. Standout results from the 1 metre assay results include: **RARC005 5m at 3.12g/t Au from 91m**, including **1m at 10.85g/t Au from 91m** and **RARC006 3m at 2.66g/t Au from 85m**, including **1m at 6.82g/t Au from 86m**, and **1m at 1.88g/t Au from 58m**.

The Company was active with field exploration and targeting work across a number of its other project. A summary of WMG's projects, recent exploration work and forward plans is given below.

MULGA TANK

The Mulga Tank Project comprises exploration licence E39/2132 and exploration licence applications E39/2223 and E39/2299, covering approximately 395km² of the Minigwal Greenstone Belt, 190km east-northeast of Kalgoorlie. The Minigwal Greenstone Belt, is very under explored due to the presence of shallow sand cover. The project presents a "frontier" exploration opportunity for major Ni-Cu-PGE and orogenic gold deposits with WMG recently strategically consolidating its position on the majority of the greenstone belt during the year (ASX, *Acquisition to Expand Flagship Mulga Tank Ni-Cu-PGE Project, 8 November 2021; Completion of Mulga Tank Tenement Acquisition, 9 December 2021*).

Tenement E39/2132 contains the Mulga Tank Ultramafic Complex, a major ultramafic intrusion and a key feature of the area. Based on historical work the intrusion is considered highly prospective for Ni-Cu-PGE magmatic sulphide mineralisation.

During the year WMG completed a high-powered Moving Loop Electromagnetic (MLEM) survey at the project (ASX, *Moving Loop EM Survey Commences at Mulga Tank Project, 7 October 2021*) to explore for buried electromagnetic bedrock conductors that could be associated with deposits of massive Ni-Cu-PGE sulphides. This survey was part of series of ground geophysical methods being used to explore the Mulga Tank Ultramafic Complex (ASX, *Geophysical Surveys to Unlock Mulga Tank Ni-Cu-PGE Project, 25 August 2021*).

The MLEM survey identified 12 major bedrock conductor anomalies (ASX, *Major EM Targets Identified at Mulga Tank Ni-Cu-PGE Project, 7 March 2022*) (Table 1 and Figure 2).

Subsequent drill targeting work was completed with an initial ten-hole diamond drilling program designed to test numerous targets across the project (ASX, *Mulga Tank Ni-Cu-PGE Project: Major Targets Drill Ready, 6 April 2022; Drilling Commences at Mulga Tank, 20 April 2022*).

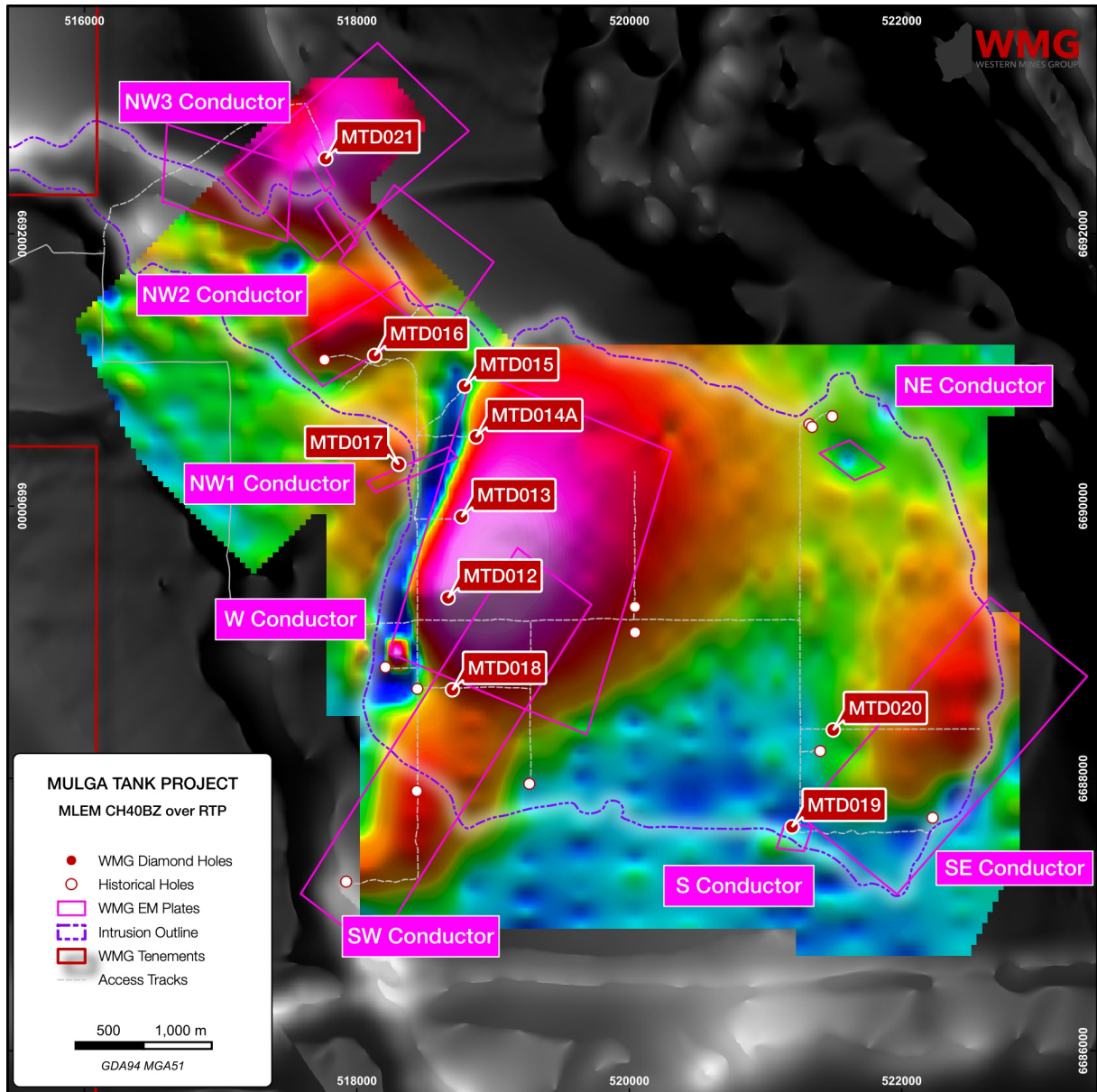


Figure 2: Mulga Tank MLEM mid-late channel CH40BZ image

The targets and drill holes were selected based on a combination of geophysical modelling of the MLEM results along with geological interpretation of the intrusion and geochemical vectoring work (Table 2). In general the targets were chosen based on:

1. Targeting a basal contact zone at around 200-300m depth in the first phase
2. A geological model and suitable nickel litho-geochemical indicators that highlight improved prospectivity for nickel sulphide mineralisation on the western margin of the intrusion
3. Discrete EM targets preferred over broader, likely more stratigraphic anomalies
4. Testing a range of exploration target types and new areas of the intrusion to gain greater geological understanding - with follow-up planned based on initial results

Target	Aerial Size (m)	Conductance (S)	Depth to Top (m)	Comments
W Conductor	~1,000x1,000m	~2,000-3,000	~150-250m	Moderate conductance, shallow to moderate E/ESE dip, shallow NE plunge
SW Conductor	~750x1,000m	~1,000-2,000	~100-150m	Moderate conductance, shallow to moderate E dip, moderate NE plunge
S Conductor	~350x350m	~500-750	~100-125m	Low to moderate conductance, moderate N dip 55-65
SE Conductor	~1,000x1,000m	~500-4,000	~150-250m	Low to moderate conductance, moderate NW dip 50-65
NE Conductor	~150x500m	~2,000-3,000	~125-175m	Moderate conductance, moderate N dip 50-60, shallow moderate NE plunge
	~450x600m	~1,250-1,500	~250-300m	Moderate conductance, shallow to moderate N dip 30-40
NW1 Conductor	~200x600m	~500-750	~100-150m	Low to moderate conductance, steep NW-NNW dip 65-75
NW2 Conductor	~400x750m	~4,000-8,000	~500-550m	High conductance, moderate N dip 30-45, shallow NE plunge
NW3 Conductor	~1,000x1,000m	~5,000-8,000	~550-600m	High conductance, shallow N dip 15-25
NW4 Conductor	~400x600m	~1,000-3,000	~175-200m	Moderate conductance, moderate NE dip 35-45
NW5 Conductor	~500x800m	~500-1,000	~150-200m	Moderate conductance, moderate NE dip 35-45
NW6 Conductor	~200x400m	~1,000-1,500	~125-150m	Moderate conductance, moderate-steep NE dip 50-60
NW7 Conductor	~200x400m	~750-1,250	~100-125m	Moderate conductance, steep NE dip 60-70

Table 1: Summary of Mulga Tank MLEM targets

The diamond drilling program commenced on 20 April 2022, shortly after the technical work was concluded, with the ten holes completed in late July, for a total of 3,990m.

Visible nickel nickel sulphides were observed in six of the ten holes drilled. Multiple occurrences of remobilised nickel-copper sulphide veins were seen in holes MTD012, MTD013, MTD014A, MTD016 and MTD018, predominantly drilled around the flanks of the ultramafic complex (ASX, *Two Zones of Visible Nickel Sulphides in Hole MTD012, 4 May 2022; Multiple Zones of Visible Nickel Sulphides in Hole MTD013, 16 May 2022; Completion of Hole MTD014A: Planned Follow-up Hole MTP022, 26 May 2022; Mulga Tank Drilling Update, 23 June 2022*). Disseminated magmatic sulphides occurred over >300m in hole MTD020 (ASX, *Disseminated Sulphides Seen Over >300m in Hole MTD020, 26 July 2022*). Whilst the final hole MTD021 encountered significant Cu-Zn mineralisation (ASX, *Significant Cu-Zn Mineralisation in Hole MTD021, 2 August 2022*).

HoleID	Target	Description
MTD012	Geology	Testing western margin of the intrusion between holes MTD003, MTD005 and the W Conductor
MTD013	EM	Testing basal contact of western margin at top of W Conductor
MTD014	EM	Testing basal contact of western margin at top of W Conductor
MTD015	Geology	Longitudinal geological section through the neck of the <i>Panhandle</i> at top of the W Conductor, to confirm intrusive or extrusive related model of intrusion geometry, with implications for belt wide targeting
MTD016	Geology/EM	Following up on high grade result of remobilised sulphides in hole MTD006 0.25m at 3.8% Ni, 0.7% Cu and 0.7g/t PGE, up dip of NW2 Conductor and along northern margin of gravity high body
MTD017	EM	Discrete EM anomaly along margin of coincident gravity high body in unusual orientation on western margin of intrusion
MTD018	Geology/EM	Testing down dip MTD003 intersection of 1m at 1.13% Ni and 0.49g/t Pd on the basal contact with coincident EM anomaly
MTD019	EM	Discrete EM anomaly on southern margin of the intrusion in highly favourable basal contact position
MTD020	Geology	Testing down dip of hole MTD011 that showed multiple zones of nickel sulphide mineralisation
MTD021	EM	Testing up dip component of NW3 Conductor

Table 2: Descriptions of Mulga Tank Drill Targets

At the time of this report initial assay results have been received for 99 samples from holes MTD12 to MTD015 and a further 31 samples from hole MTD016. Sampling of the core in this batch of results was predominantly focused on intervals where nickel sulphide blebs and veinlets were observed. A significant portion of results from the other holes remain outstanding along with further results for samples taken from the basal contact of each hole.

The initial geochemical results confirm the visual observations with multiple anomalous Ni-Cu-Co-PGE intersections identified (*ASX, First Assay Results Confirm Ni-Cu-PGE Mineralisation, 15 August 2022; Further Ni-Cu-PGE Assay Results from Mulga Tank, 2 September 2022*).

Initial appraisal of the nickel sulphide veins observing during the drilling program suggest they are likely remobilised from a massive sulphide source with positive implications for follow-up exploration.

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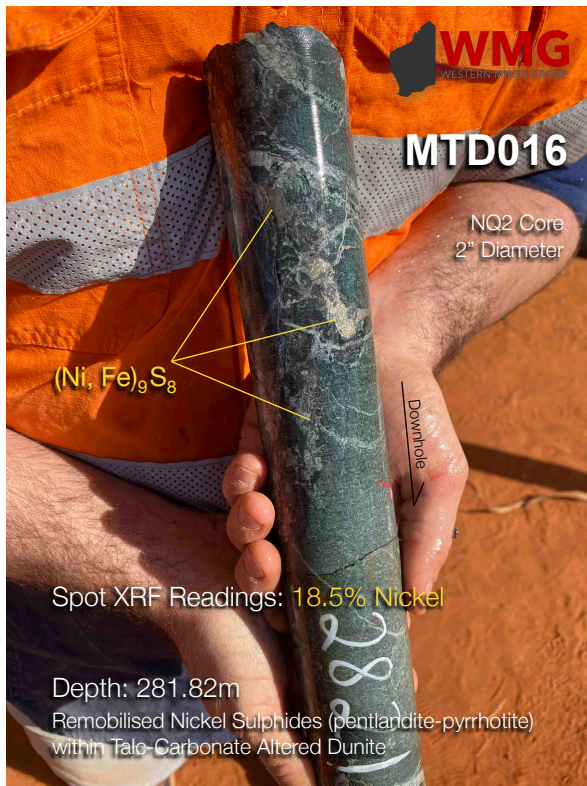


Figure 3: Photos showing examples of visible sulphides from Mulga Tank drilling program
 Note: core is NQ2 being 2 inches or 50mm diameter

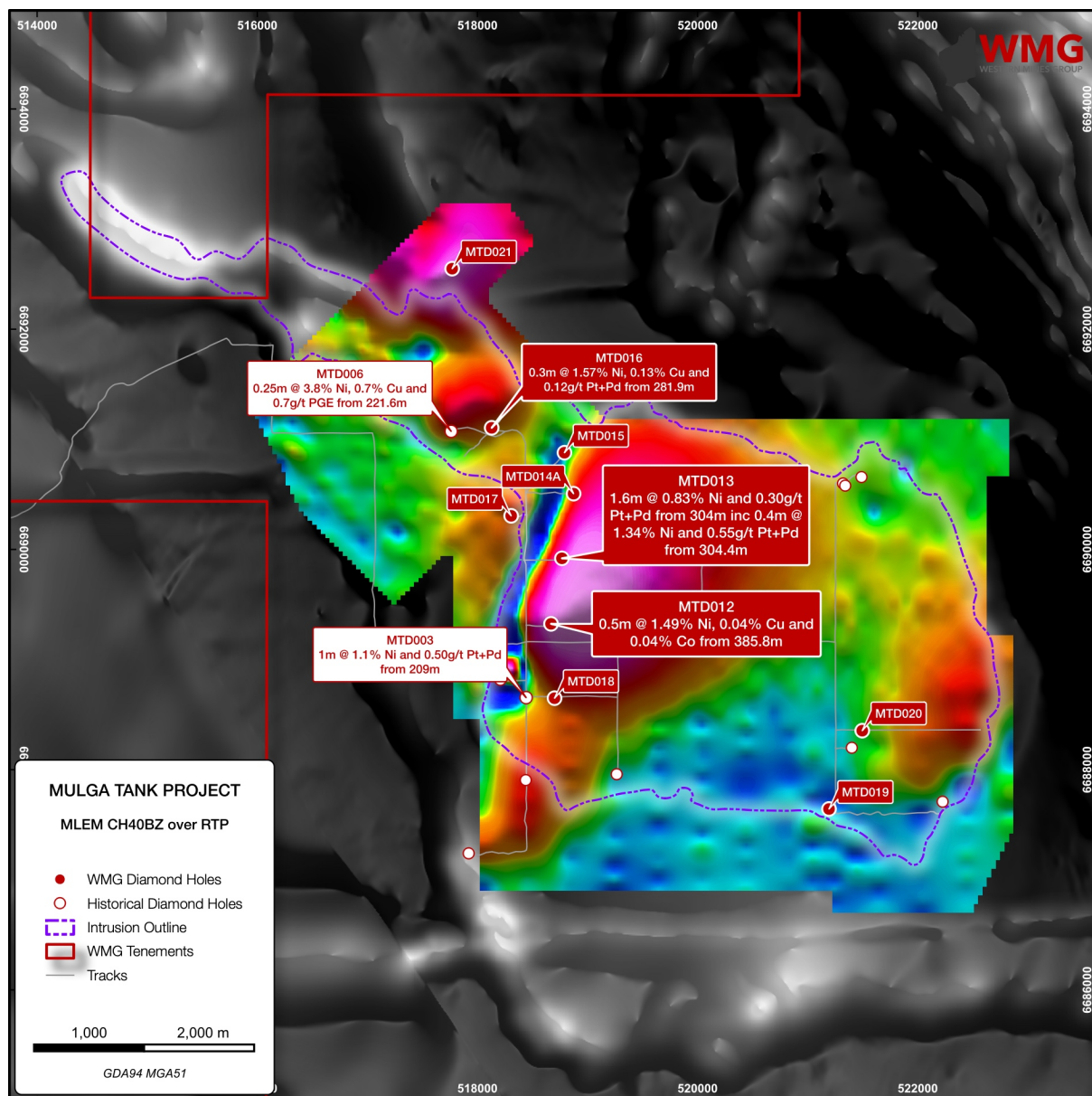


Figure 3: Location of holes MTD012, MTD013 and MTD016 on MLEM late channel CH40BZ image

Hole MTD013 returned the highest number of anomalous results with 50 of the 99 samples taken from this hole, over a total of 38.6m. The hole intersected ~275m of komatiite affinity mesocumulate dunite which contained multiple zones of thin nickel sulphide veinlets (*ASX, Multiple Zones of Visible Nickel Sulphides in Hole MTD013, 16 May 2022*). Geochemical assay results confirm Ni-Cu-PGE mineralisation with significant anomalous results including:

- 1.6m at 0.83% Ni and 0.30g/t Pt+Pd from 304m, including 0.4m at 1.34% Ni, 0.04% Co and 0.55g/t Pt+Pd from 304.4m
- 0.4m at 1.29% Ni and 0.43g/t Pt+Pd from 153.6m
- 0.4m at 0.53% Ni from 150.6m
- 0.4m at 0.43% Ni from 147.6m

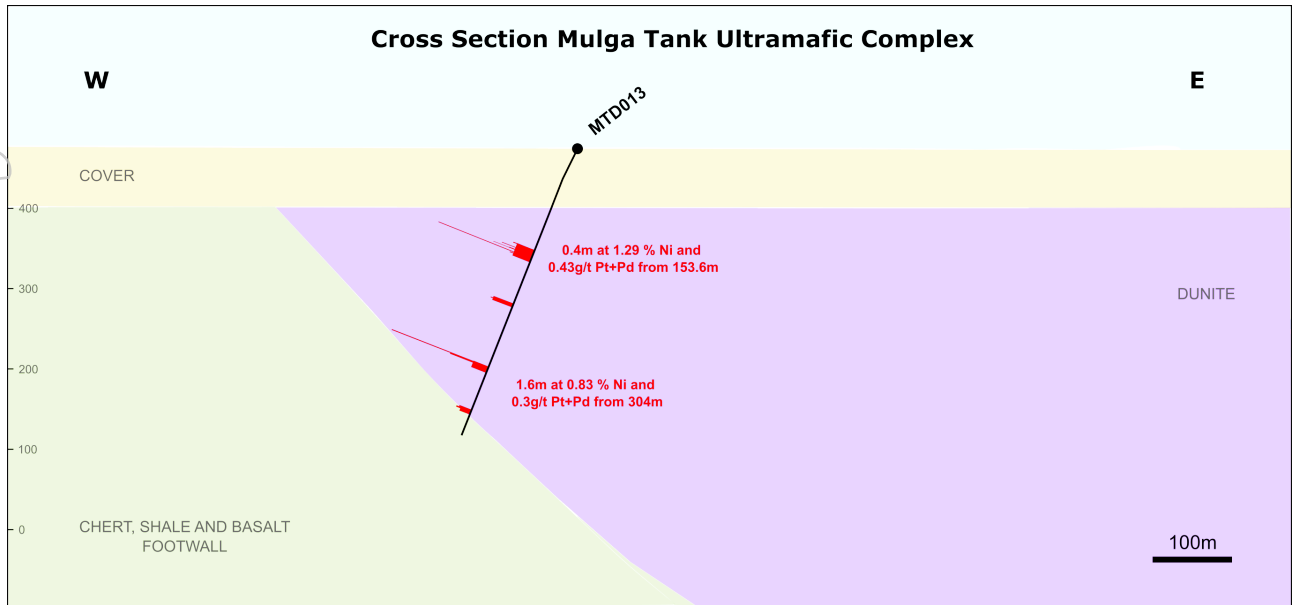


Figure 5: Cross Section of the western margin of the Mulga Tank Ultramafic Complex around hole MTD013

Hole MTD016 intersected ~136m of komatiite affinity ortho-mesocumulate dunite which contained multiple thin nickel-copper sulphide veinlets. Geochemical assay results for 31 samples covering a 20m interval down the hole from 270m to 290m confirmed the presence of Ni-Cu-PGE mineralisation with significant anomalous results including:

- 0.9m at 1.06% Ni, 0.06% Cu and 0.05g/t Pt+Pd from 281.6m, including 0.3m at 1.57% Ni, 0.13% Cu and 0.12g/t Pt+Pd from 281.9m
- 0.3m at 0.58% Ni, 0.01% Cu, 0.01g/t Pt+Pd from 283.1m
- 1m at 0.56% Ni from 289m

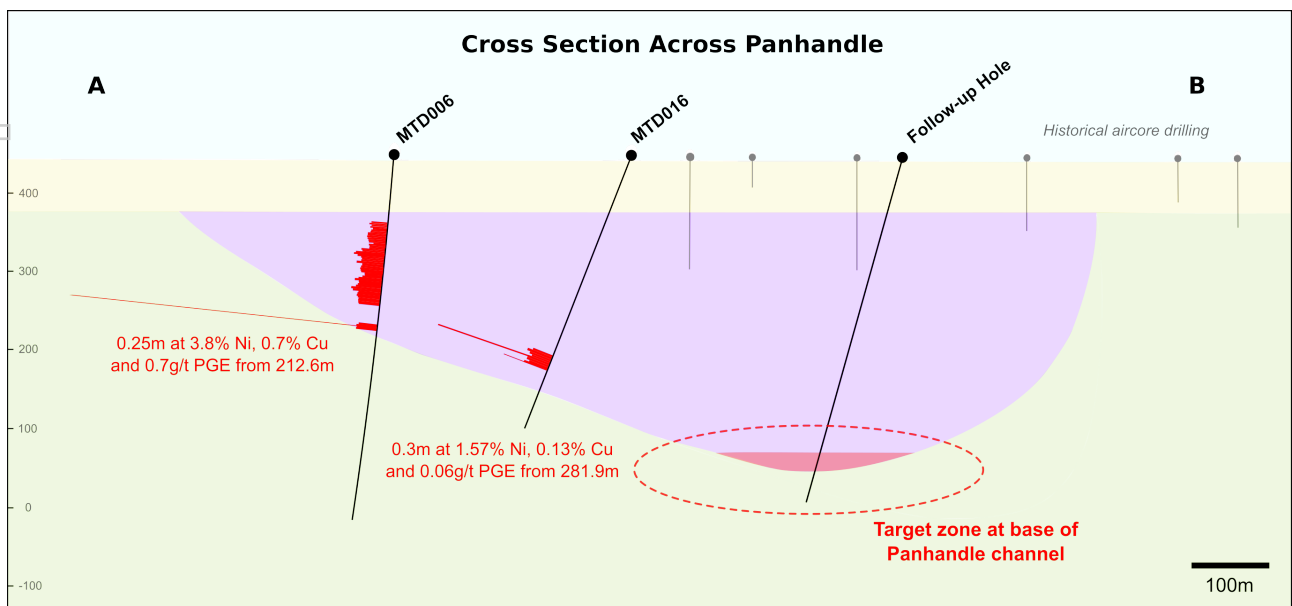


Figure 6: Cross Section across the Panhandle between holes MTD006 and MTD016

The Company is currently formulating plans for a follow up drilling program towards the end of 2022. WMG's systematic exploration approach combining geophysical, geological and geochemical vectoring work continues to build a robust exploration model for the discovery of multiple nickel sulphide deposits within this very large and highly prospective ultramafic intrusion.

JASPER HILL

The Jasper Hill Project comprises tenements E39/2073, E39/2079 and prospecting licence application P39/6267. The project is located approximately 80km southeast of Laverton and covers part of the poorly exposed Merolia Greenstone Belt, a NNW trending belt, up to 20km wide, that can be traced over 110km in a SSE direction from the Burtville Mining Centre. The project area is lightly explored, due to being partly under shallow cover, but is contiguous to the historic producing mines of Lord Byron (160,000oz at 1.0g/t Au) immediately to the south and Fish (87,000oz at 4.1g/t Au), to the east. The basalt, BIF and ferruginous chert sequence hosting the Lord Byron deposit extends into WMG's tenement areas.

During the year the Company strategically expanded the project area, acquiring neighbouring tenement E39/2073 (ASX, *WMG Acquires Key Ground at Jasper Hill Gold Project, 8 October 2021; Completion of Jasper Hill Tenement Acquisition, 11 November 2021*) after having pegged prospecting tenement application P39/6267 (ASX, *Jasper Hill Gold Project Grant and Project Expansion, 2 August 2021*). This expansion consolidates an exciting 3km long mineralised gold trend that is significantly under explored and largely held in private ownership over the last 30 years.

Historical shallow, wide spaced, RAB and RC drilling during the 1980's highlights a number of robust gold results within the tenements including: **AJ10 14m at 1.58g/t Au** from 14m, including **2m at 8.1g/t Au** from 16m, **PDH02 13m at 1.44g/t Au** from 15m, including **5m at 3.11g/t Au** from 15m and **PDH03 18m at 1.28g/t Au** from 14m, including **4m at 3.35g/t Au from 14m** - with little or no follow up work since that time. Significant historical drilling results from tenement E39/2073 are shown in Table 3 below.

HoleID	Easting (MGA51)	Northing (MGA51)	Max Depth (m)	Azimuth	Dip	From (m)	To (m)	Interval (m)	Grade (g/t Au)
AJ10	505,876	6,776,775	48	90	-60	14 inc. 16	28 18	14 2	1.58 8.10
AJ16	506,088	6,776,010	32	85	-60	12 22	18 23	6 1	0.57 1.27
AJ26	506,143	6,775,419	37	90	-60	2	4	2	1.32
PDH01	506,162	6,775,417	40	90	-70	10 15 30	12 16 32	2 1 2	1.20 0.53 0.57
PDH02	506,163	6,775,437	44	90	-70	15 inc 15	28 20	13 5	1.44 3.11
PDH03	506,162	6,775,479	41	90	-70	14 inc. 14 and 26	32 18 28	18 4 2	1.28 3.35 2.06
PDH06	506,156	6,775,437	44	90	-70	29 inc. 29 and 38	42 31 39	13 3 1	0.62 1.27 1.20

Table 3: Tenement E39/2073 Selected Significant Historical Intersections >1.0g/t Au

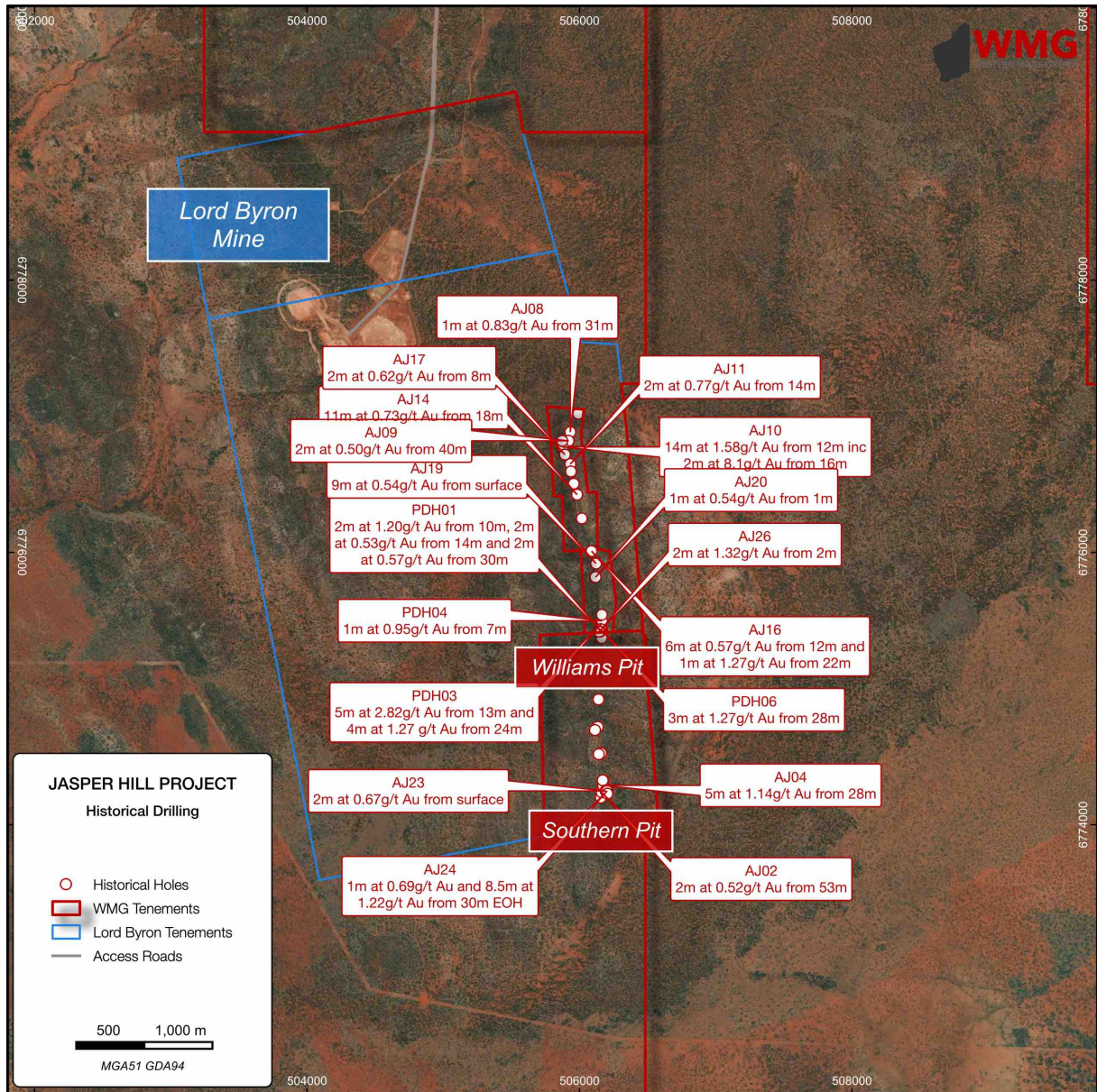


Figure 7: Mineralised Trend and Significant Drill Intersections (E39/2073 and P39/6267)

Field reconnaissance work involving geological mapping and locating historical drill collars was undertaken during the year along with a high-resolution ground magnetic survey over part of tenement E39/2073.

The Company plans to complete a litho-structural interpretation and drill targeting work, to advance the project ready for an initial RC drilling program.

ROCK OF AGES

The Rock of Ages Project comprises prospecting licence P38/4203 and is located approximately 32km southeast of Laverton. The project lies on the Laverton Greenstone Belt, around 4.5km south of the historical Burtville Mining Centre and is surrounded by Focus Minerals (ASX:FML) Laverton Gold Project, with the neighbouring deposits of Burtville (206,000oz at 0.96g/t Au) and Karridale (1.19Moz at 1.33g/t Au) within a 5km radius. The tenement contains the historical Rock of Ages workings, a series of shallow mine workings over approximately 600m strike, associated with quartz veining and ferruginous cherts, within felsic volcanics. Historical records indicate 2,074oz Au was mined from the workings between 1902 and 1911 at an average grade of 50g/t Au.

During the year, WMG completed the Company's maiden drilling program at the project, with an initial 5 hole reverse circulation (RC) drilling program totalling 654m (ASX, *Completion of Rock of Ages RC Drilling, 9 September 2021*). This trial program was designed to test beneath the main central cluster of shafts and workings and area of extensive mullock dumps. The holes ranged in depth from 120m to 150m depth targeting an inferred sub-vertical mineralised horizon dipping towards the west. The holes were drilled across 4 lines along the strike of the trend of shafts and workings.

The drilling predominantly intersected sheared felsic volcanics, which were often heavily weathered down to approximately 80-90m. An initial 288 samples were collected for geochemical assay, with 4 metre composites taken from 0m to 40m down each hole and 2 metre composites taken from 40m to end of each hole. Based on the composite sample results (ASX, *Maiden Drilling Intersects High-Grade Gold at Rock of Ages, 14 October 2021*) a further 52 individual 1 metre samples were selected and submitted for follow up geochemical assay (*Further Assays Confirm High-Grade Gold at Rock of Ages, 21 December 2021*). All samples were processed by the ALS laboratory in Perth for gold analysis by fire assay and significant intersections are shown in the table below.

HoleID	Easting (MGA51)	Northing (MGA51)	Max Depth (m)	Azimuth	Dip	From (m)	To (m)	Interval (m)	Grade Au (g/t)
RARC001	465810	6813000	126	90	-60	45	48	3	0.18
						118	119	1	0.83
RARC002	465800	6812965	138	90	-60	55	60	5	0.45
						67	68	1	0.42
						87	88	1	0.13
RARC003	465820	6812930	120	90	-60	56	60	4	0.41
						112	114	2	1.69
						inc. 112	113	1	2.92
RARC005	465795	6812930	150	90	-60	91	96	5	3.12
						inc 91	92	1	10.85
						141	142	1	0.39
RARC006	465820	6183035	120	90	-60	47	52	5	0.19
						59	60	1	1.88
						64	65	1	0.14
						85	88	3	2.66
						inc 86	87	1	6.82
						113	114	1	0.45

Table 4: Significant Intersections for WMG RC 1m Samples at Rock of Ages
(significant intersections at 0.1g/t Au cut off, with maximum 1m internal dilution)

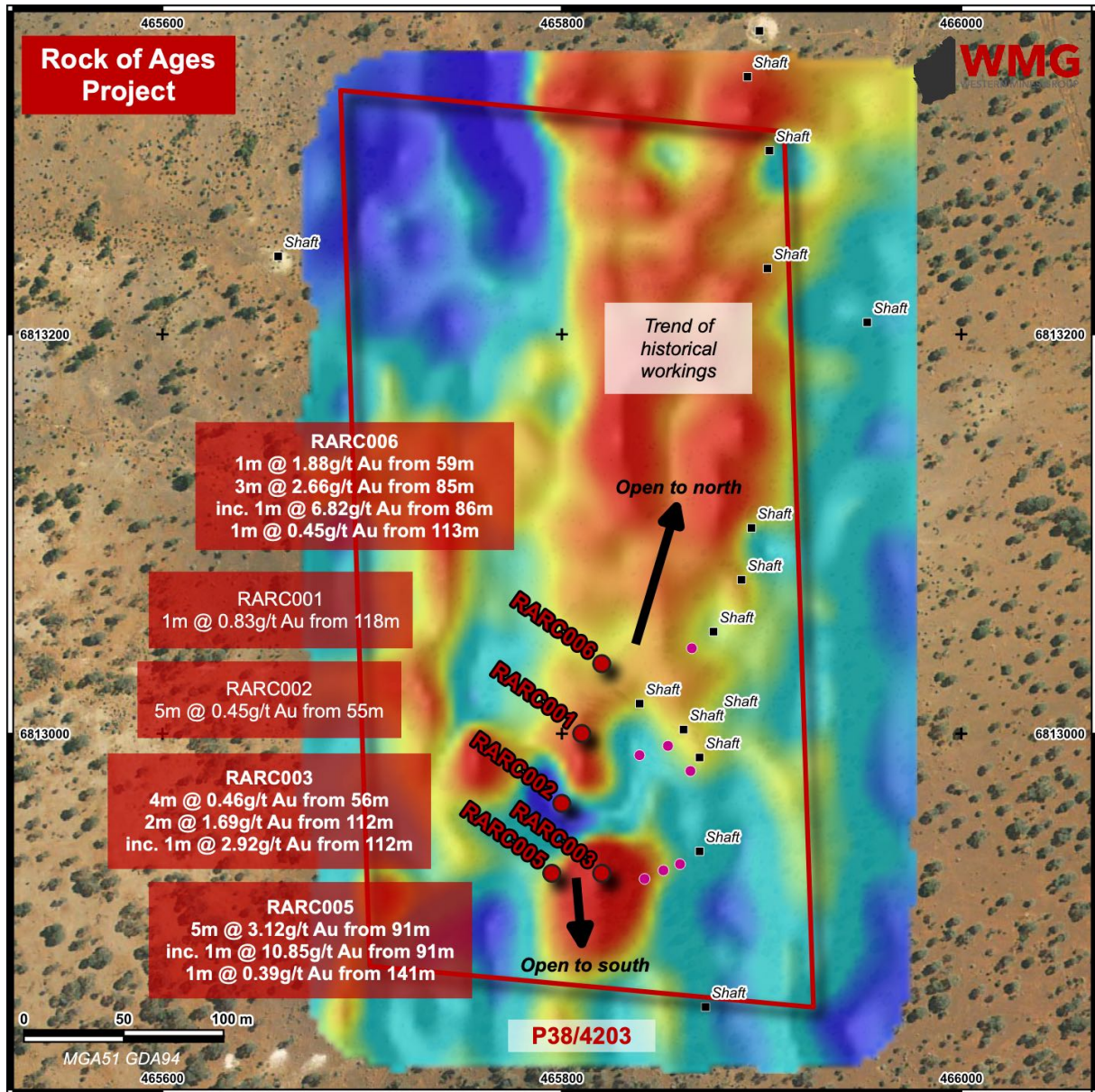


Figure 8: Rock of Ages Drilling Results on Ground Magnetics RTP Image

WMG is very encouraged by the high-grade gold intersections identified by the drilling in this maiden program, with standout results from the 1 metre samples of **RARC005 5m at 3.12g/t Au** from 91m, including **1m at 10.85g/t Au** from 91m and **RARC006 3m at 2.66g/t Au** from 85m, including **1m at 6.82g/t Au** from 86m, and **1m at 1.88g/t Au** from 58m (*Further Assays Confirm High-Grade Gold at Rock of Ages, 21 December 2021*).

Mineralisation remains open at depth and along strike to the north and south and shows evidence for up to 5 stacked gold lodes that appear to correlate well between drill holes. Generally better assay results were seen in fresher, less weathered rock versus the highly weathered upper saprolite.

The combination of these three factors (grade, multiple lodes, better results in fresh rock) lends strong support for further drill testing, where broader high-grade zones may hopefully be encountered at depth.

MELITA

The Melita Project comprises exploration licence E40/379, covering an area of approximately 105km². The project is located 20km south-southeast of Leonora and to the north of the Kookynie, Niagara and Orient Well-Butterfly gold mining centres, in the heart of the WA Goldfields. The Kookynie area has seen recent upswing in exploration activity, with WMG's Melita Project surrounded by the likes of Genesis Minerals (ASX:GMD), Saturn Metals (ASX:STN), Azure Minerals (ASX:AZS), KIN Mining (ASX:KIN) and the recently listed Mt Malcolm Mines (ASX:M2M) and Iris Metals (ASX:IR1).

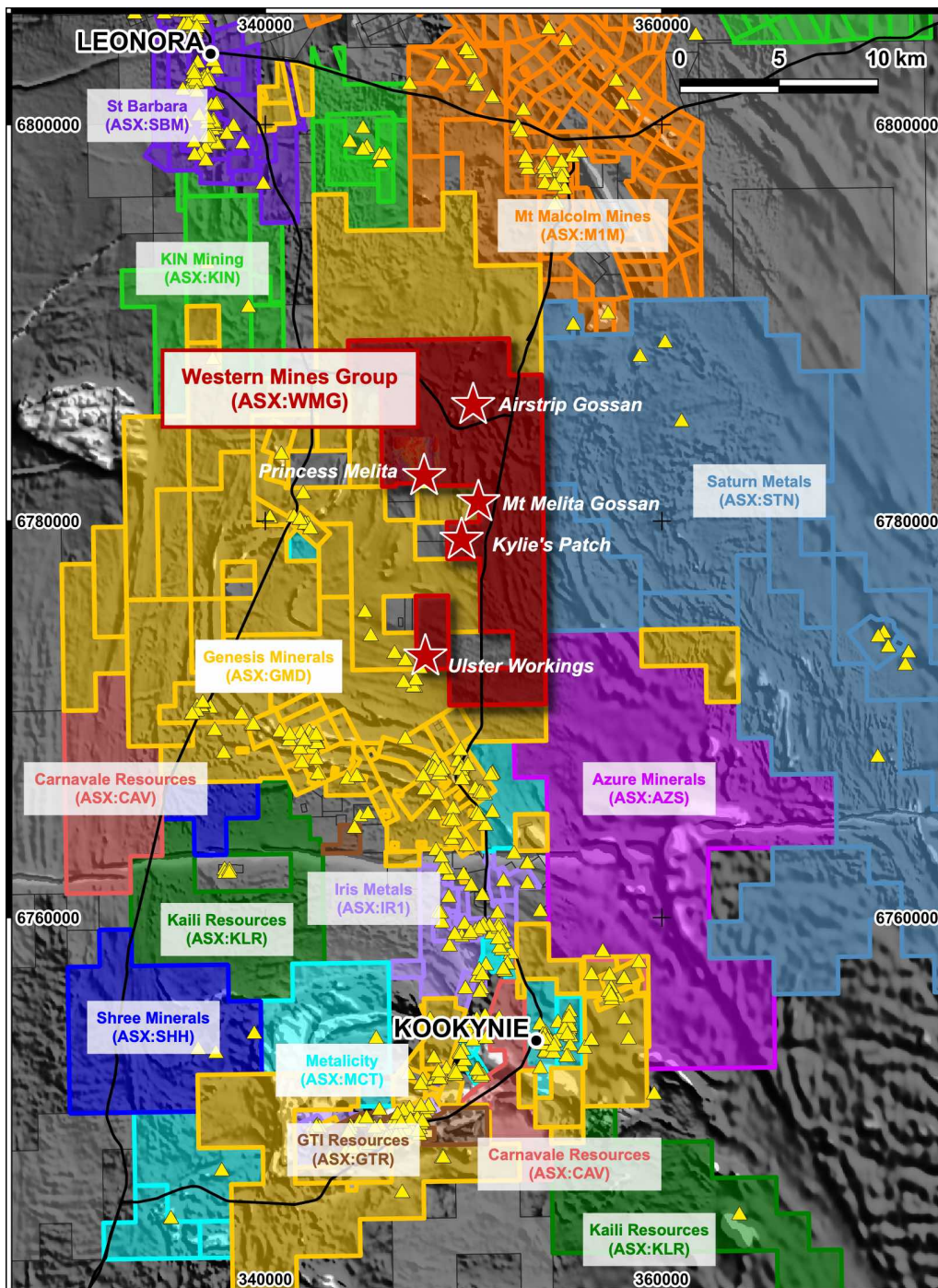


Figure 9: Location of Melita Project

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A historical review of the Company's tenement area highlights it to be prospective for both gold and Cu-Pb-Zn VMS-style mineralisation. WMG undertook series of field exploration programs during the year (ASX, *Major Field Program Commences at Melita, 11 August 2021*) with a first phase of fieldwork over the Princess Melita high-grade gold workings and Airstrip Cu-Pb-Zn Gossan areas (ASX, *Completion of Initial Field Program at Melita, 16 September 2021*) and a second phase focused on Kylie's Patch, an area of recent gold nugget discoveries by local prospectors; as well as a number of other target areas identified from desktop and remote sensing work.

PRINCESS MELITA GOLD WORKINGS

An area of approximately 2.1km width and 2.3km strike around the historical Princess Melita gold workings was explored during the first field program. This area covered two parallel north-south striking trends of historical workings, and recent gold prospecting nugget patches and scrapings, associated with three satellite based alteration targets.

A total of 714 sieved soil samples were collected at a general 200m x 50m spacing, with a number of areas of interest infilled in greater detail down to 100m x 50m spacing. These samples were submitted to ALS in Perth for multi-element gold and pathfinder element geochemical analysis. A high-resolution ground magnetic survey was completed over the same exploration area, with just over 105 line kms of data collected at 50m line spacing along east-west line across the north-south trend of geology.

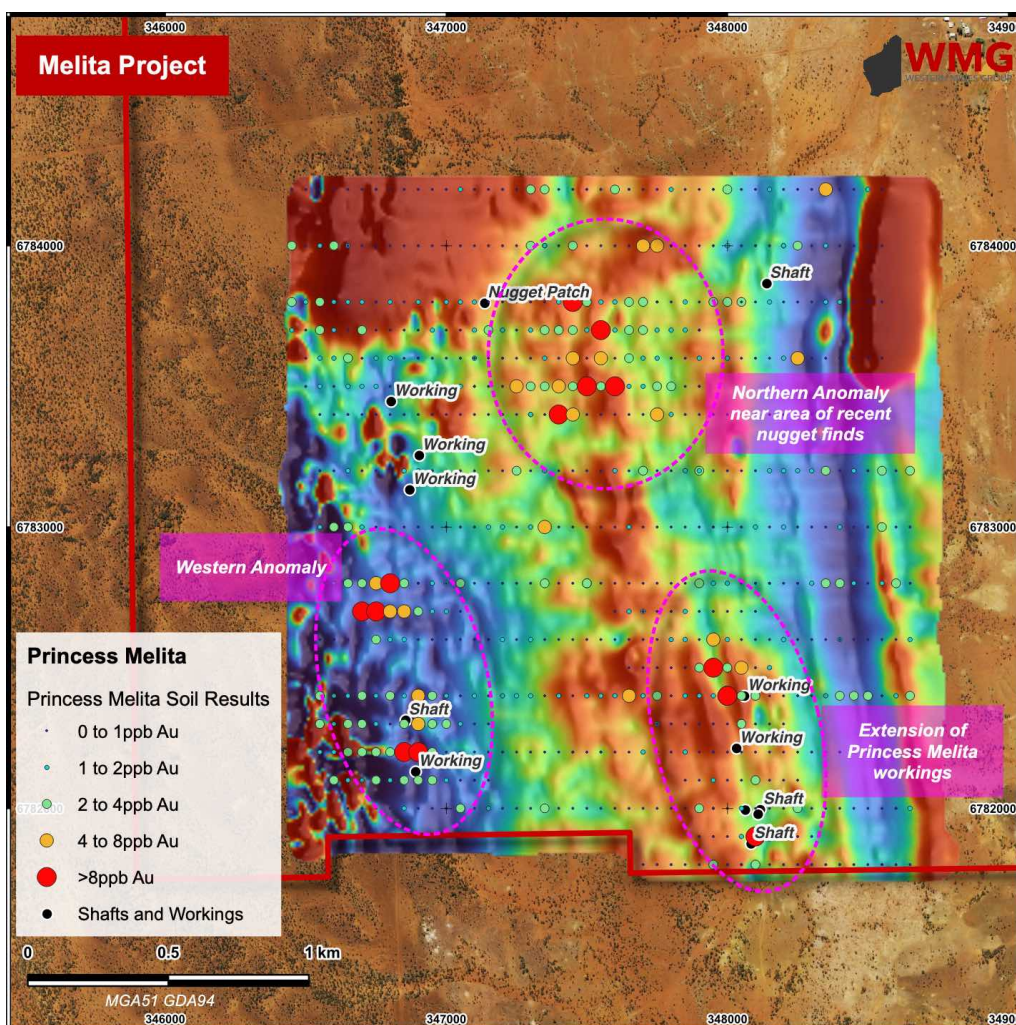


Figure 10: Princess Melita Exploration Area Gold Results (GMAG RTP image)

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Gold assay results and initial processing of the ground magnetic survey data are shown in Figure 10 above. Three area of anomalous gold results were identified by the work: the northern extension of the Princess Melita workings, a western anomaly associated with a trend of historical workings and a magnetic low feature and a far northern anomaly, along strike from the Princess Melita workings and close to an area of recent prospecting activity.

AIRSTRIP CU-PB-ZN GOSSAN

An area of approximately 0.6km width and 1.3km strike around the Airstrip Cu-Pb-Zn Gossan, first identified in the 1970's and confirmed by recent WMG rock chip sampling (*ASX, Major Field Exploration Program Commences at Melita, 11 August 2021*), was explored during the first phase of the program.

A total of 224 sieved soil samples were collected at a general 100m x 50m spacing, with the known gossanous area infilled in greater detail down to 50m x 25m spacing. A high-resolution ground magnetic survey was completed over the same exploration area, with just over 16 line km of data collected at 40m line spacing along east-west line across the north-south trend of geology

Geochemical assay results and initial processing of the ground magnetic survey data are shown in Figures 11A and 11B below. A zinc-in-soil anomaly (along with elevated copper) is seen extending south over 500m to 800m strike, from the area of outcropping Cu-Pb-Zn gossan identified by WMG and historical rock chip results. These results appear to sit in the up dip location of a buried magnetic high-feature. Broad spaced historical lag sampling across the area also shows a second possible Cu-Zn anomaly approximately 1km to the north-northeast

A gold-in-soil anomaly has also been identified by the assay results extending over 500m strike in the northeast part of the survey area, associated with a magnetic low feature.

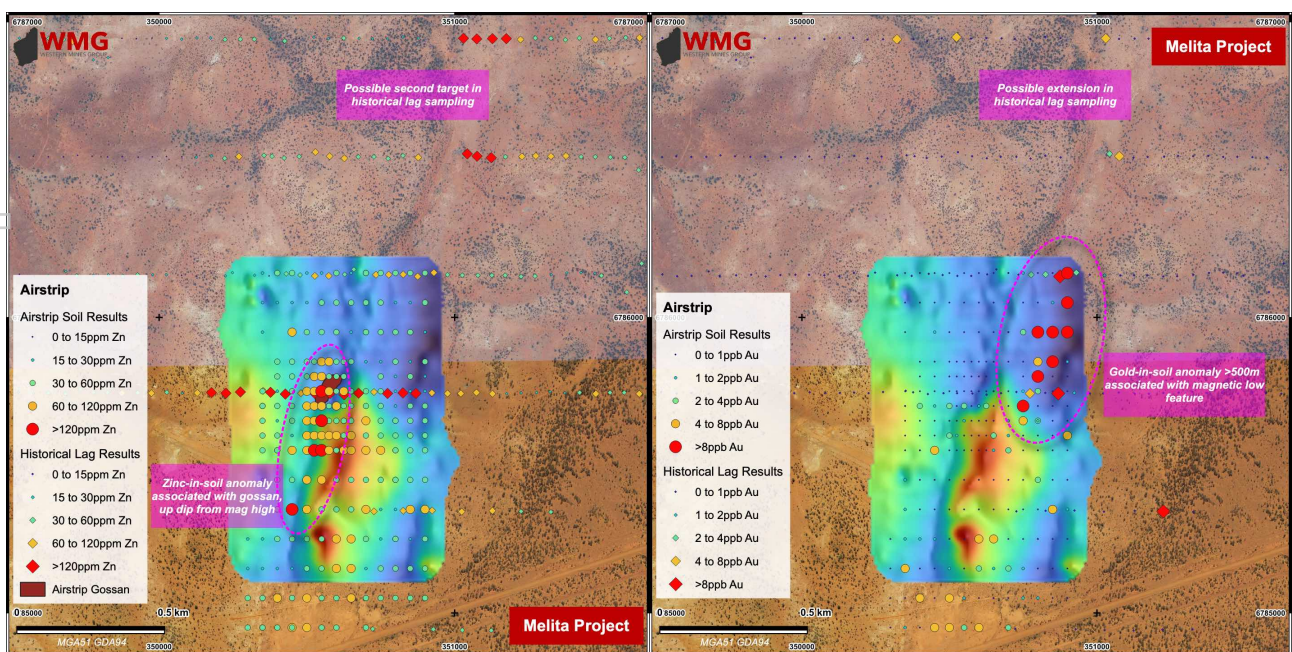


Figure 11A and 11B: Airstrip Gossan Exploration Area Zinc and Gold Results (GMAG RTP image)

PAVAROTTI

The Pavarotti Project comprises exploration licence E77/2478 and exploration licence application E77/2746. The project is located approximately 50km north-northeast of Southern Cross and lies on the western side of the Koolyanobbing Greenstone Belt, a northwest trending sequence of mafic and ultramafic volcanic and intrusive rocks with lesser sediments intercalated with BIF horizons forming prominent ridges. The BIF horizons have been exploited since the 1960s, with several open pit iron ore mines that are currently owned by Mineral Resources (ASX:MIN).

The western basal ultramafic sequence of the Koolyanobbing Greenstone Belt has been explored intermittently for nickel sulphide mineralisation since the 1970s, with nickel gossans and Kambalda-style channel hosted nickel sulphide mineralisation in komatiite ultramafic volcanics first identified by BHP. This work mostly focused on the Jocks Dream deposit located between WMG's tenements E77/2478 and E77/2746, but also identified the Pavarotti and Jocks Fury Prospects within E77/2746.

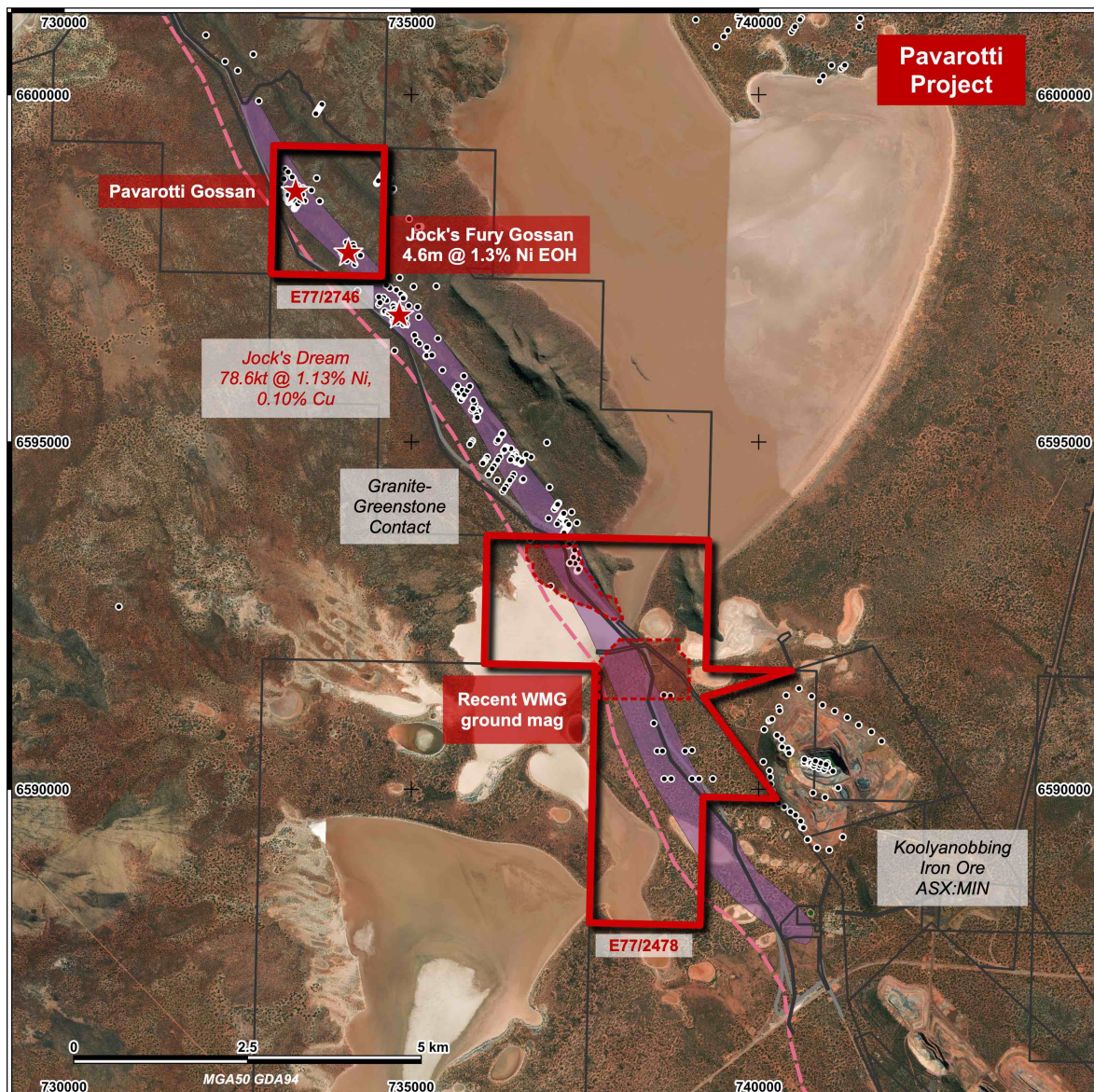


Figure 12: Pavarotti Tenement Areas

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During the year the Company negotiated the sale of the iron ore rights at the project to Mineral Resources Ltd, receiving a cash payment of \$200,000 ex GST and a future production royalty of up to 1.25% as the sale consideration (ASX, *Sale of Pavarotti Project Iron Ore Rights, 4 April 2022*). The cash payment represents a nice return on the acquisition cost of the project (\$39,891), whilst WMG still maintains 100% of the rights to all other mineral commodities within the tenements and continues to remain focused on the Ni-Cu-PGE potential of the project.

A review of the historical exploration at the project highlights the area around Jocks Fury gossan as highly prospective and likely the Company's primary target (ASX, *Nickel Exploration Update: High Priority Targets Identified, 17 November 2021*).

Historical rock chip samples from Jock's Fury show anomalous results of up to **0.74% Ni, 0.11% Cu and 0.22g/t Pt+Pd over 140m strike**. BHP drilled several shallow holes at Jocks Fury in the late 1960's including **H202 intersecting 4.6m at 1.28% Ni, 597ppm Cu, 293ppm Co** from 42.7m to the end of hole (EOH) and **H273 intersecting 16.8m at 0.78% Ni, 360ppm Cu, 285ppm Co** from 12.2m, including **3.1m at 1.60% Ni, 865ppm Cu, 700ppm Co** from 24.4m. These results do not appear to have been adequately tested at depth and this area was largely overlooked in subsequent exploration by Delta Gold (1985 to 1996) and Western Areas (2000 to 2014).

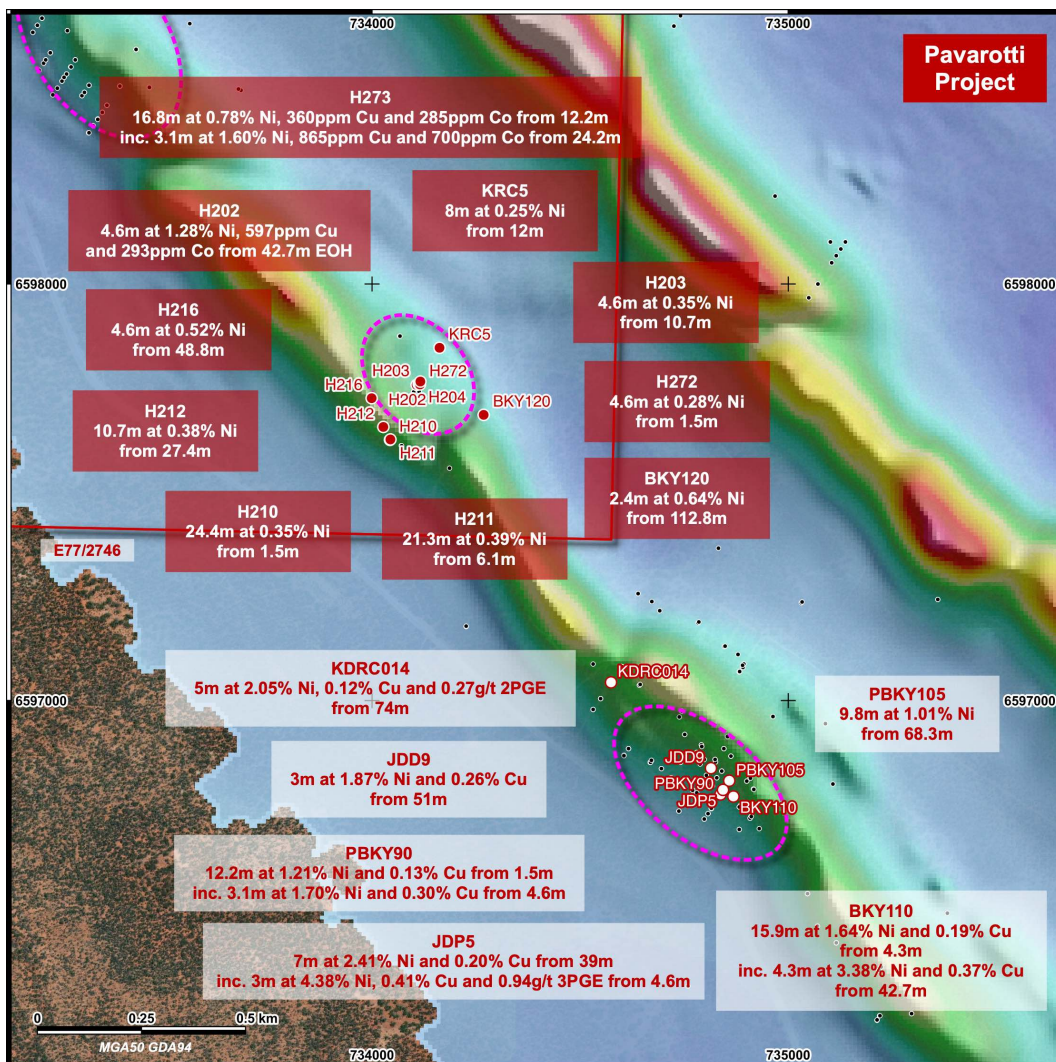


Figure 13: Significant Historical Drilling Intersections around Jocks Fury and Jocks Dream

PINYALLING

The Pinyalling Project comprises exploration licence application E59/2486 covering 55km². The project is located approximately 25km northwest of Paynes Finds and lies at the south-eastern end of the Yalgoo-Singleton Greenstone Belt, within an area known as the Warriedar Fold Belt that comprises a folded sequence of gabbro and dolerite intercalated with basalt, ultramafics, sediments and BIF. The Warriedar Fold Belt hosts a number of historical gold workings at the Pinyalling Mining Centre, 3km north of the tenement area, as well as the Baron Rothschild prospect drilled by Thundelarra Exploration during the 1990s.

During the year WMG received the grant of tenement E59/2486 and the Company has commenced initial desktop studies of the region. This area of the Murchison has recently received a significant uptick in exploration interest and attention, with significant news flow from Tempest Mineral's (ASX:TEM) nearby Meleya Project Orion discovery (ASX:TEM, *Meleya Update - Significant Discovery at Orion Target, 28 March 2022*).

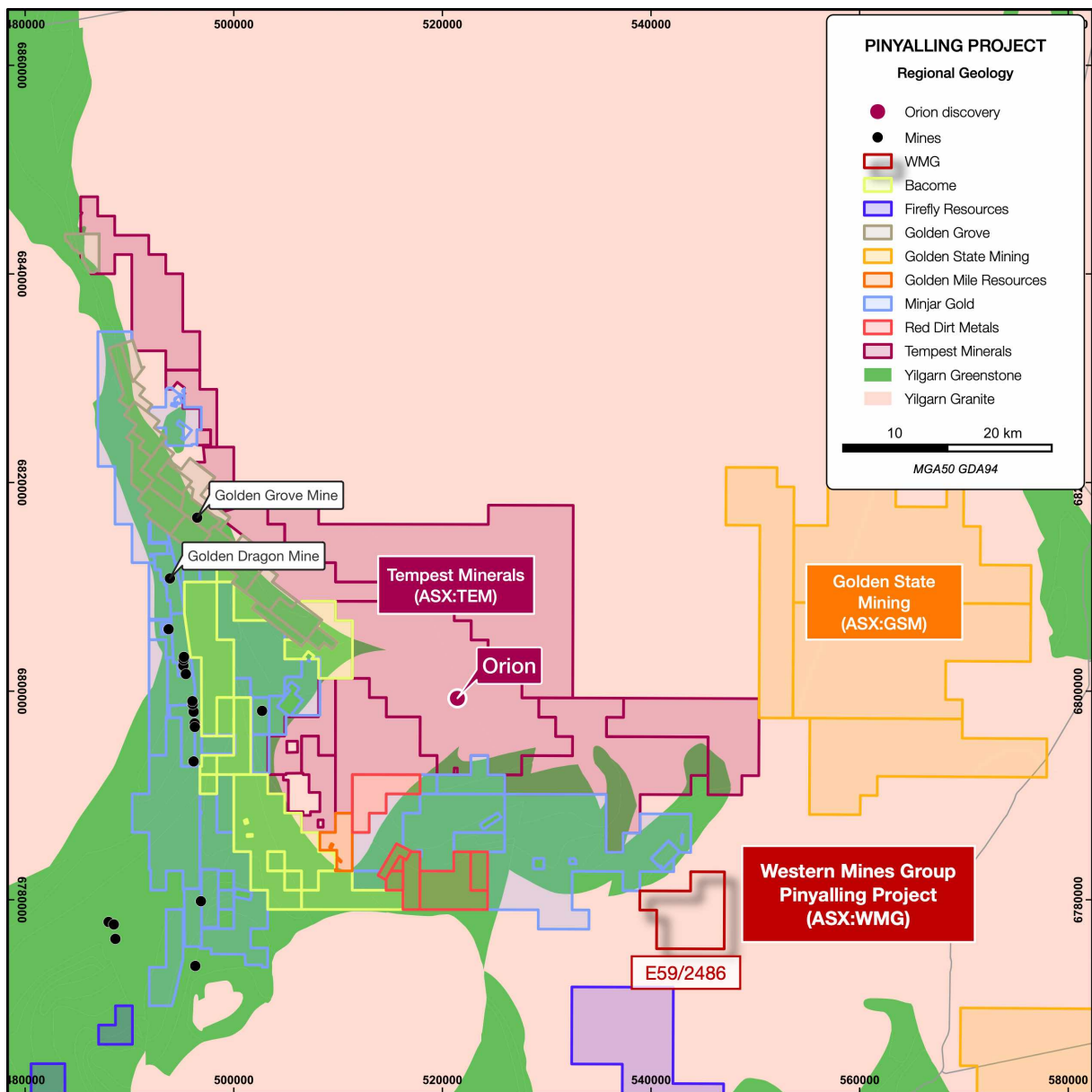


Figure 14: Pinyalling Tenement Area

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Whilst limited previous exploration has been conducted within the tenement area of E59/2486 it was initially pegging following similar logic to Tempest's exploration approach with geological mapping, soil geochemistry and rock chip sampling suggesting the tenement could contain previously unrecognised extensions of the Yalgoo-Singleton Greenstone Belt and Warriedar Fold Belt.

The project also adds lithium potential to the Company's commodity exposure and is located close to Golden State Mining's (ASX:GSM) Payne's Find Lithium Project.

The Company intends to update shareholders on the potential of the project, along with exploration plans once initial desktop work is complete.

YOUANMI

The Youanmi Project comprises exploration licence E57/1119 and prospecting licence P57/1450. The project is located 70km southwest of Sandstone and lies on the eastern side of the Youanmi Greenstone Belt, along the major Youanmi Shear. The Youanmi Shear is the principal feature of the region, north-north-easterly trending crustal scale feature, at least 200km long and 1km wide in the Youanmi area, which represents a major structural division of the Yilgarn Craton. Locally the Youanmi Shear separates the Youanmi Greenstone Belt to the west and the Yuinmery Greenstone Belt to the east.

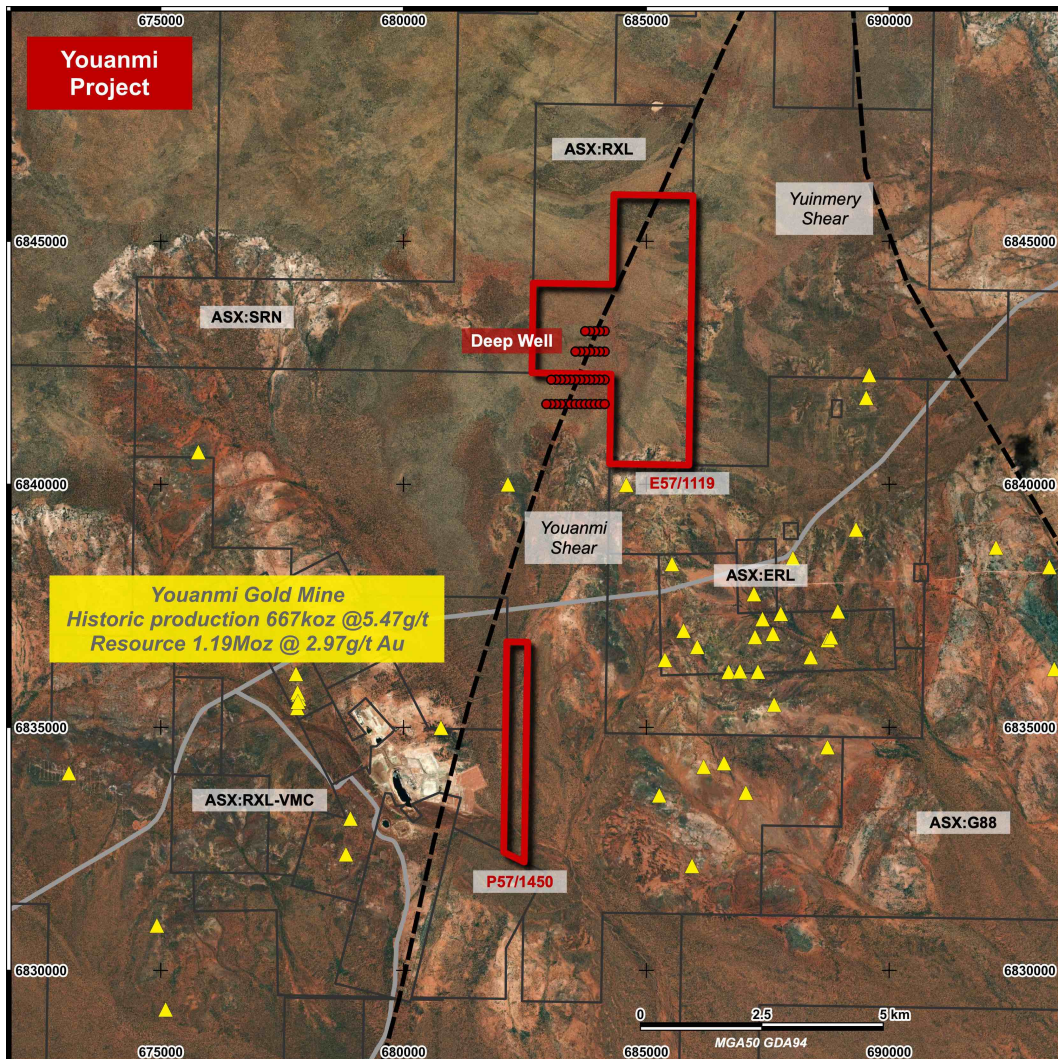


Figure 15: Youanmi Tenement Areas

The tenements are just 2km to 7km from the historic Youanmi Gold Mining Centre, which has produced over 600,000oz of gold since its discovery in the late 1800's, currently owned by Rox Resources (ASX:RXL) and Venus Metals (ASX:VMC). The area has seen a resurgence in exploration activity with the recent discovery of the high-grade Penny North (ASX:RMS) and Grace (ASX:RXL) deposits along the Youanmi Shear.

An initial site visit and a high-resolution ground magnetic survey were completed at the project during the year.

BROKEN HILL BORE

The Broken Hill Bore Project comprises exploration licence E31/1222 and is located approximately 160km northeast of Kalgoorlie, near Edjudina. The Edjudina region hosts a number of significant gold deposits such as Northern Star's (ASX:NST) Carosue Dam Project, the Edjudina Gold Camp, 9km south of the project and the Patricia workings along strike. The Yarri and Porphyry Gold Camps are located in the Murrin Domain 18km to the west and the Deep South Deposits in the Linden Domain to the north east.

A review of historical WAMEX reports and an initial site visit were undertaken during the period.

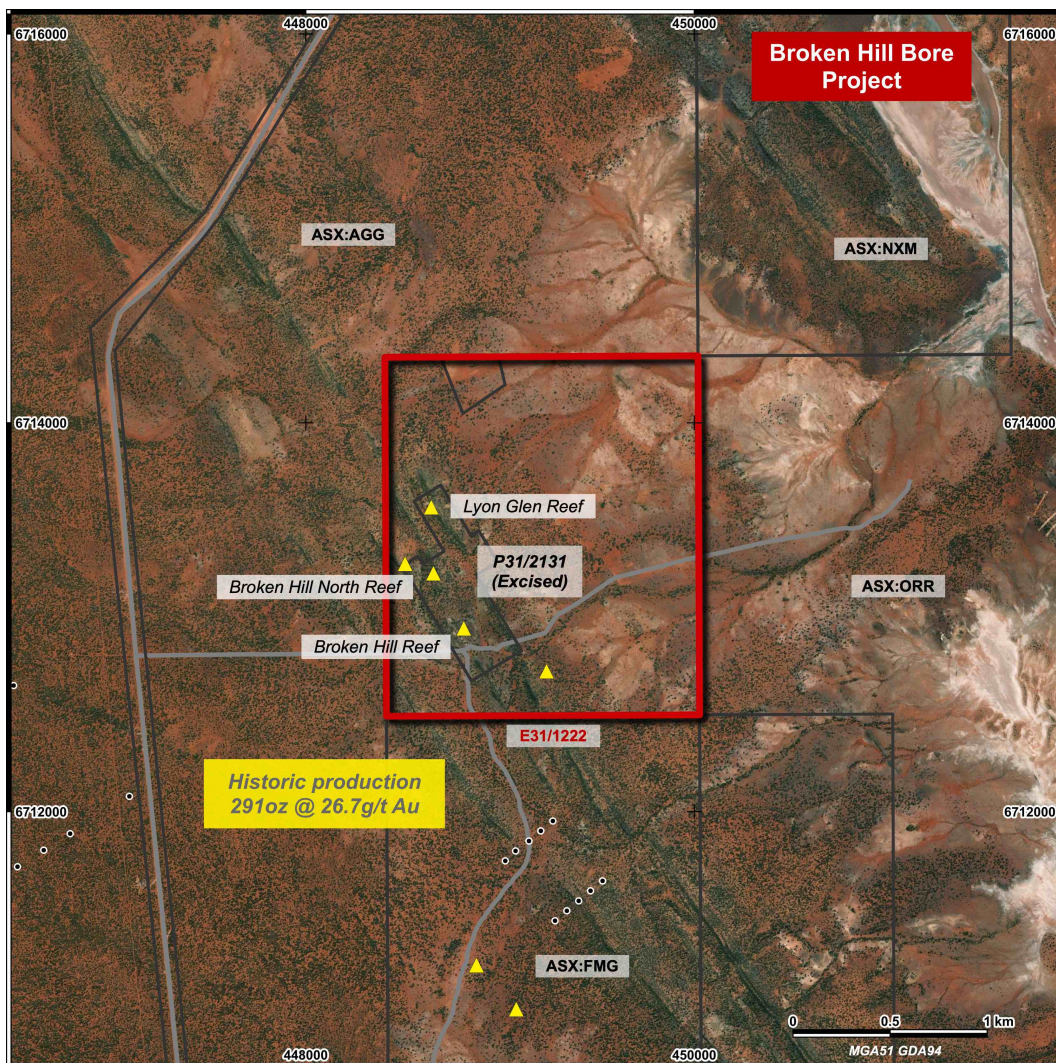


Figure 16: Broken Hill Bore Tenement Area

DIRECTORS' REPORT

The Directors present their report, together with the Financial Statements, on the Company for the year ended 30 June 2022.

DIRECTORS

The following persons were Directors of the Company during the whole of the financial period and up to the date of this report, unless otherwise stated:

Mr Rex Turkington (Non-Executive Chairman)

Dr Caedmon Marriott (Managing Director)

Mr Paul Burton (Non-Executive Director)

Mr Francesco Cannavo (Non-Executive Director)

Dr Benjamin Grguric (Non-Executive Director) (appointed 19 September 2022)

PRINCIPAL ACTIVITIES

During the financial year the principal continuing activities of the company consisted of exploration and development of its tenement assets.

DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial year.

OPERATING RESULTS AND FINANCIAL POSITION

During the year, the Company made a loss after providing for income tax of \$1,071,653 (2021: \$902,949). The focus of the Company during the year was the continuing mineral exploration of various projects in Western Australia, in particular the Company's flagship Mulga Tank Ni-Cu-PGE Project. A description of the Company's mineral projects and exploration activities was detailed in the Review of Operations prior to the Directors' Report.

As at the year end 30 June 2022 the Company held cash and cash equivalents of \$3,682,150 (2021: \$335,490).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On the 20 July 2021, the Company was officially admitted to the Australian Securities Exchange, raising \$5,500,000 before costs upon the issue of 27,500,000 fully paid ordinary shares valued at 20 cents per share.

On 11 November 2021, the Company acquired a new tenement E39/2073 at the Jasper Hill Project. The consideration for this was 350,000 fully paid ordinary shares and 700,000 options over ordinary shares with an exercise price of 30 cents which expire on 11 November 2024.

On 9 December 2021, the Company acquired an application over a tenement at Mulga Tank. The consideration for this was 500,000 fully paid ordinary shares and 500,000 options over ordinary shares with an exercise price of 30 cents which expire on 9 December 2023.

On 27 January 2022, the Company issued 750,000 options over ordinary shares as a one off corporate advisory fee. The options have an exercise price of 30 cents and expire 27 January 2024.

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On 15 February 2022, the company issued 500,000 options over ordinary shares to a consultant. The options have an exercise fee price of 30 cents and expire on 21 February 2025.

On 11 April 2022, the company granted 5,250,000 performance rights to each of the key management personnel as part of their remuneration.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

On 19 September 2022, the Company appointed Dr Benjamin Grguric to the Board as a Non-Executive Director.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Information on likely developments in the operations of the Company and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Company.

ENVIRONMENTAL REGULATION

The Company holds interests in a number of exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There has been no known breaches of the tenement conditions and no such breaches have been notified by any government agency during the year ended 30 June 2022.

INFORMATION ON DIRECTORS

Name:	Rex Turkington
Title:	Non-Executive Chairman
Qualifications:	Rex holds a First Class Honours degree in Economics, is a Graduate of the Australian Institute of Company Directors (GAICD) and is an Associate of the Financial Services Institute of Australia (AFINSIA).
Experience and Expertise:	Rex Turkington is a highly experienced Corporate Advisor and Economist who has worked extensively in the Financial Services and Stockbroking Industry in Australia, specialising in the natural resources sector. Rex has extensive experience with equities, derivatives, foreign exchange and commodities and has participated in numerous Initial Public Offerings and Capital Raising for ASX listed companies. Currently Rex is Managing Director of South Pacific Securities, an Advisory Company, offering Corporate Finance and Investor Relations advice to Listed Companies. He was previously Chairman of ASX oil and gas explorer Key Petroleum Ltd (ASX:KEY) and Non-Executive Director of TNG Ltd (ASX:TNG), developing the world class Mt Peake V-Ti-Fe Project in the Northern Territory.
Other Current Directorships:	Nil

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Former Directorships (last 3 years): Key Petroleum (ASX:KEY) (resigned August 2020)

Interests in Shares: Nil

Interests in Options: 4,000,000 options over ordinary shares

Name: **Dr Caedmon Marriott**

Title: Managing Director

Qualifications: Caedmon graduated with MSci (Geological Sciences) and MA (Natural Sciences – Geology) from the University of Cambridge, has obtained a PhD in Earth Sciences from the University of Oxford and is also a Chartered Financial Analyst. Caedmon is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM) and the Australian Institute of Geoscientists (MAIG).

Experience and Expertise: Caedmon has over 19 years' experience in mineral exploration and equity capital markets, in various roles across geological exploration, fund management, mining project evaluation and corporate finance. Caedmon was previously Managing Director of Western Australian gold and nickel explorer Aldoro Resources (ASX:ARN) and prior to that Managing Director of private exploration company Hanno Resources, responsible for establishing and managing the company's frontier exploration in Western Sahara. Prior to Hanno Resources, Caedmon worked as a buy-side mining analyst at GLG Global Mining Fund, Och-Ziff Capital and JPMorgan Natural Resources Fund, and in mining corporate finance and equity research with Ambrian Partners and GMP Securities.

Other Current Directorships: Nil

Former Directorships (last 3 years): Managing Director, Aldoro Resources Ltd (ASX:ARN) (November 2019 to November 2020) and Non-Executive Director, Golden Mile Resources Ltd (ASX:G88) (January 2020 to August 2021)

Interests in Shares: 600,000 fully paid ordinary shares

Interests in Options: 3,000,000 options over ordinary shares

Name: **Paul Burton**

Title: Non-Executive Director

Qualifications: Paul is a graduate of the Australian Institute of Company Directors (GAICD), a fellow of the Association of Applied Geochemists (FAAG), a member of the Australasian and Canadian Institutes of Mining and Metallurgy (MAusIMM, MCIM) and a member of the British Institute of Directors (MIoD).

Experience and Expertise: Paul is currently the Managing Director and CEO of TNG Limited, an ASX listed resources company (ASX:TNG) focused on developing the world class Mt Peake V-Ti-Fe Project in the Northern Territory. Paul has developed a successful career spanning 30 years in exploration and

mining for a range of different commodities throughout Australia and internationally. His track record includes involvement in significant mineral discoveries for diamonds, gold, copper, iron, zinc, lead and strategic metals including vanadium and titanium. Paul has managed successful mineral exploration and feasibility study programs, trained geologists in advanced exploration techniques and held senior and executive roles at Anglo American/De Beers Ltd, Normandy Mining Ltd (Newmont) and Minotaur Exploration (ASX:MEP). In addition Paul has been instrumental in securing world class support for the commercialisation of TNG's proprietary TIVAN technological hydro-metallurgical process, and was instrumental in the TNG spin-off of ASX listed Todd River Resources (ASX:TRT)

Other current Directorships: Managing Director and CEO, TNG Limited (ASX:TNG)

Former Directorships (last 3 years): Nil

Interests in Shares: Nil

Interests in Options: 4,000,000 options over ordinary shares

Name: **Francesco Cannavo**

Title: Non-Executive Director

Experience and Expertise: Francesco is an experienced public company director with significant business and investment experience working with companies operating across various industries, including in particular mining exploration companies, and has been instrumental in assisting several listed and unlisted companies achieve their growth strategies through the raising of investment capital and the acquisition of assets.

Other current Directorships: Non-Executive Director, Golden Mile Resources Ltd (ASX:G88), Non-Executive Director, StemCell United Limited (ASX:SCU)

Former Directorships (last 3 years): Non-Executive Director, Magnum Mining and Exploration Limited (ASX:MGU) (resigned 10 March 2021), Non-Executive Director, Lifespot Health (ASX:LSH) (resigned 20 July 2021), Non-Executive Director, I-Global Holdings Limited (NSX:IGH)

Interests in Shares: 3,000,001 fully paid ordinary shares

Interests in Options: 3,000,000 options over ordinary shares

Name: **Dr Benjamin Grguric**

Title: Non-Executive Director (appointed 19 September 2022)

Qualifications: Benjamin graduated with BSc (Honours) in Geology from the University of Adelaide and has obtained a PhD in Earth Sciences from the University of Cambridge. Benjamin is a fellow of the Australian Institute of Geoscientists (FAIG) and the Society of Economic Geologists (FSEG).

Experience and Expertise: Benjamin has extensive experience in mineral exploration and scientific research, with direct involvement in a number of gold and nickel discoveries. Benjamin is considered a leading expert on WA nickel

sulphide exploration with over 50 peer-reviewed scientific papers. Benjamin is currently an independent consultant to a number of listed exploration and mining companies (including WMG) having spent his early career with WMC Resources/BHP, in particular at the Mt Keith Nickel Operation and was Geoscience Manager - Australia for Norilsk Nickel, directly involved in the discovery of their West Jordan Type 2 nickel sulphide deposit.

Other current Directorships:	Nil
Former Directorships (last 3 years):	Nil
Interests in Shares:	93,531 fully paid ordinary shares
Interests in Options:	Nil

"Other Current Directorships" quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

"Former Directorships (last 3 years)" quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

COMPANY SECRETARIES

Lee Tamplin has almost 20 years' experience in a variety of roles covering investment management, financial services and corporate governance in both Australia and the UK. Lee is currently Company Secretary for a number of ASX listed and unlisted public and private companies across a range of industries. Lee has a Degree in Financial Services, a diploma in Financial Planning and is a Graduate of the Australian Institute of Company Directors Course. He is also a member of the Governance Institute of Australia. Prior to joining Automic, Lee was a Senior Client Relationship and Business Development Manager for a global share registry.

Lee is Company Secretary of the following ASX listed companies: Acrow Formwork and Construction Services Limited (ASX:ACF), Cellmid Limited (ASX:CDY), Netccentric Limited (ASX:NCL), North Stawell Minerals Limited (ASX:NSM), Prospect Resources (ASX:PSC) and Pureprofile Limited (ASX:PPL).

Elizabeth Spooner is an experienced governance and compliance professional who works closely with a number of boards of both listed and unlisted public companies in her role at Automic Group. She holds a double degree in Bachelor of Business Administration and Bachelor of Arts majoring in Human Resources, and a Graduate Diploma of Applied Corporate Governance from the Governance Institute. Elizabeth is in the final stages of completing her Juris Doctor degree from Australian National University.

Elizabeth is Company Secretary of the following ASX listed companies: Shekel Brainweigh Ltd (ASX:SBW), StemCell United Limited (ASX:SCU), LiveTiles Limited (ASX:LVT), EDU Holdings Limited (ASX:EDU) and InhaleRx Ltd (ASX:IRX).

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors ("the Board") and of each Board committee held during the year ended 30 June 2022, and the number of meetings attended by each Director were:

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	Full Board		Audit and Risk	
	Attended	Held	Attended	Held
Rex Turkington	12	12	2	2
Caedmon Marriott	12	12	-	-
Paul Burton	12	12	1	2
Francesco Cannavo	11	12	2	2

Held: Represents the number of meetings held during the time the Director held office or was a member of the relevant committee.

REMUNERATION REPORT (AUDITED)

The remuneration report details the key management personnel remuneration arrangements for the Company, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles Used to Determine the Nature and Amount of Remuneration

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ("the Board") ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

All of the Directors of the Company were not entitled to receive any remuneration until 1 July 2021. However Caedmon Marriott was paid as a consultant for management and exploration services prior to listing at a daily rate of \$800.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-Executive Directors Remuneration

Fees and payments to Non-Executive Directors reflect the demands and responsibilities of their role. Non-Executive Directors' fees and payments are reviewed by the Board which serves as the nomination and remuneration Committee.

Executive Remuneration

The Company aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has three components:

- base pay and non-monetary benefits
- share-based payments
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed by the board based on individual and business unit performance, the overall performance of the Company and comparable market remunerations.

The long-term incentives ("LTI") include long service leave and share-based payments. Shares are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholders value relative to the entire market and the increase compared to the Company's direct competitors.

Use of Remuneration Consultants

During the financial year ended 30 June 2022 the Company did not engage remuneration consultants.

Voting and Comments Made at the Company's 2 November 2021 Annual General Meeting (AGM)

At the 2 November 2021 AGM 100% of the votes received supported the adoption of the remuneration report for the period ended 30 June 2021. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of Remuneration

Amounts of Remuneration

Details of the remuneration of key management personnel of the Company are set out in the following tables.

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1 July 2021 to 30 June 2022	Short-term benefits			Post-employment Benefits	Share-based payments	Totals
	Cash salary and fees (\$)	Cash bonus (\$)	Non-Monetary (\$)	Super-annuation (\$)	Equity-settled (\$)	Total (\$)
Non-Executive Directors:						
Rex Turkington	50,000	-	-	5,000	88,477	143,477
Paul Burton	44,000	-	-	-	88,477	132,477
Francesco Cannavo	44,000	-	-	-	10,777	54,777
Executive Directors:						
Caedmon Marriott	210,000	-	13,623	21,000	99,453	344,076
Totals	348,000	-	13,623	26,000	287,184	674,807

* On 11 April 2022, the Company entered into agreements to grant performance rights to the Directors subject to shareholder approval at the AGM. An expense has been recognised in relation to these rights even though they are yet to be issued as required under AASB2: Share Base Payments.

6 May 2020 to 30 June 2021	Short-term benefits			Post-employment Benefits	Share-based payments		Totals
	Cash salary and fees (\$)	Cash bonus (\$)	Non-Monetary (\$)	Super-annuation (\$)	Issued Capital (\$)	Equity-settled (\$)	Total (\$)
Non-Executive Directors:							
Rex Turkington**	-	-	-	-	-	94,686	94,686
Paul Burton**	-	-	-	-	-	94,686	94,686
Francesco Cannavo**	-	-	-	-	-	148,500	148,500
Executive Directors:							
Caedmon Marriott*	62,410	-	-	-	49,500	89,069	200,979
Totals	62,410	-	-	-	49,500	426,941	538,851

* Fees paid relate to consulting service provided in relation to exploration and general management services.

** Non-executive directors were not entitled to any fees until 1 July 2021.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

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	Fixed remuneration		At risk - STI		At risk - LTI	
	2022	6 May 2020 to 30 June 2021	2022	6 May 2020 to 30 June 2021	2022	6 May 2020 to 30 June 2021
Non-Executive Directors:						
Rex Turkington	38%	-	-	-	62%	100%
Paul Burton	33%	-	-	-	67%	100%
Francesco Cannavo	80%	-	-	-	20%	100%
Executive Directors:						
Caedmon Marriott	70%	31%	-	-	30%	69%

Service Agreements

Remuneration and other terms of employment for Key Management Personnel are formalised in service agreements. Details of these agreements are as follows:

Name: Caedmon Marriott
Title: Managing Director
Term of Agreement: Remuneration totalling \$210,000 per annum (plus superannuation)

Name: Rex Turkington
Title: Non-Executive Chairman
Term of Agreement: Remuneration totalling \$50,000 per annum (plus superannuation)

Name: Paul Burton
Title: Non-Executive Director
Term of Agreement: Remuneration totalling \$40,000 per annum (plus superannuation)

Name: Francesco Cannavo
Title: Non-Executive Director
Term of Agreement: Remuneration totalling \$40,000 per annum (plus superannuation)

Name: Benjamin Grguric (appointed 19 September 2022)
Title: Non-Executive Director
Term of Agreement: Remuneration totalling \$40,000 per annum (plus superannuation)

Share-based Compensation

Issue of Shares

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2022.

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Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other Key Management Personnel in this financial year or future reporting years are as follows:

Grant Date	Vesting Date and Exercisable Date	Expiry Date	Exercise Price	Fair Value per Option at Grant Date
26 March 2021	26 March 2021	20 July 2025	\$0.300	\$0.049
26 March 2021	20 July 2022	20 July 2025	\$0.300	\$0.049
26 March 2021	20 July 2023	20 July 2025	\$0.300	\$0.049

Name	Number of Options Granted	Grant Date	Vesting Date and Exercisable Date	Expiry Date	Exercise Price	Fair Value per Option at Grant Date
Caedmon Marriott	1,500,000	26 March 2021	26 March 2021	20 July 2025	\$0.300	\$0.049
	1,500,000	26 March 2021	20 July 2022	20 July 2025	\$0.300	\$0.049
Rex Turkington	1,500,000	26 March 2021	26 March 2021	20 July 2025	\$0.300	\$0.049
	1,500,000	26 March 2021	20 July 2022	20 July 2025	\$0.300	\$0.049
	1,000,000	26 March 2021	20 July 2023	20 July 2025	\$0.300	\$0.049
Paul Burton	1,500,000	26 March 2021	26 March 2021	20 July 2025	\$0.300	\$0.049
	1,500,000	26 March 2021	20 July 2022	20 July 2025	\$0.300	\$0.049
	1,000,000	26 March 2021	20 July 2023	20 July 2025	\$0.300	\$0.049
Francesco Cannavo	3,000,000	26 March 2021	26 March 2021	20 July 2025	\$0.300	\$0.049

Options granted carry no dividend or voting rights.

All options were granted over unissued fully paid ordinary shares in the Company. The number of options granted was determined having regard to non-market based vesting conditions. A proportion of the KMP's options vest based on the provision of service over the vesting period whereby the affected KMP becomes beneficially entitled to the option on vesting date. Options are exercisable by the holder as from the vesting date. There has not been any alteration to the terms or conditions of the grant since the grant date. There are no amounts paid or payable by the recipient in relation to the granting of such options other than on their potential exercise.

Performance Rights

The following performance rights were granted to each of the KMP under the Plan and expenses have been recognised accordance with AASB 2, although they are still subject to shareholders' approval. The terms of the performance rights were:

Western Mines Group Ltd
Directors' Report
30 June 2022

Class	Number Granted	Grant Date*	Vesting Conditions	Expiry Date	Fair Value \$
PR1	1,750,000	11/04/2022	WMG's share price remains above 40 cents/share for a period of 20 business days and holder remains with the Company	11/03/2025	0.23
PR2	1,750,000	11/04/2022	WMG's share price remains above 60 cents/share for a period of 20 business days and holder remains with the Company	11/03/2025	0.19
PR3	1,750,000	11/04/2022	WMG's share price remains above 80 cents/share for a period of 20 business days and holder remains with the Company	11/03/2025	0.16

* For accounting purposes.

Performance Rights	PR1	PR2	PR3	Total
Caedmon Marriott	1,000,000	1,000,000	1,000,000	3,000,000
Rex Turkington	250,000	250,000	250,000	750,000
Paul Burton	250,000	250,000	250,000	750,000
Francesco Cannavo	250,000	250,000	250,000	750,000
Totals	1,750,000	1,750,000	1,750,000	5,250,000

On vesting, each right automatically converts into one ordinary share. The executives do not receive any dividends and are not entitled to vote in relation to the rights during the vesting period. If an executive ceases employment before the rights vest, the rights will be forfeited, except in limited circumstances that are approved by the Board on a case-by-case basis.

The fair value of the rights were determined using a valuation model.

Additional information

The earnings of the Company are summarised below:

	2022	2021
	\$	\$
Other income	200,000	-
Loss after income tax	(1,071,653)	(902,949)

The factors that are considered to affect total shareholders return ("TSR") are summarised below:

	2022	2021
Basic earnings per share (cents per share)	(2.48)	(10.20)
Diluted earnings per share (cents per share)	(2.48)	(10.20)

Additional Disclosures Relating to Key Management Personnel

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of Key Management Personnel of the Company, including their personally related parties, is set out below:

Western Mines Group Ltd
Directors' Report
30 June 2022

Ordinary Shares	Balance at the Start of the Year	Received as part of Remuneration	Additions	Disposals/Other	Balance at the End of the Year
Caedmon Marriott	500,000	-	100,000	-	600,000
Rex Turkington	-	-	-	-	-
Paul Burton	-	-	-	-	-
Francesco Cannavo	3,000,001	-	-	-	3,000,001
Totals	3,500,001	-	100,000	-	3,600,001

Option Holding

The number of options over ordinary shares in the Company held during the financial year by each Director and other members of Key Management Personnel of the Company, including their personally related parties, is set out below:

Options over Ordinary Shares	Balance at the Start of the Period	Granted	Exercised	Expired/Forfeited/Other	Balance at the End of the Period
Caedmon Marriott	3,000,000	-	-	-	3,000,000
Rex Turkington	4,000,000	-	-	-	4,000,000
Paul Burton	4,000,000	-	-	-	4,000,000
Francesco Cannavo	3,000,000	-	-	-	3,000,000
Totals	14,000,000	-	-	-	14,000,000

Other transactions with Key Management Personnel and their Related Parties

During the financial year, payments for exploration and management work performed by Nomad Exploration Pty Ltd (an entity related to Caedmon Marriott) totalled \$73,468, rent paid to Golden Mile Resources Ltd (an entity related to Francesco Cannavo and formerly related to Caedmon Marriott) totalled \$10,200 and investor relations fees paid to Katarina Corporation Pty Ltd (an entity related to Rex Turkington) totalled \$4,647 (Note 20 of the Financial Statements).

This concludes the remuneration report, which has been audited.

SHARES UNDER OPTION

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

Grant Date	Expiry Date	Exercise Price	Number Under Option
18 November 2020	18 November 2023	\$0.300	1,400,000
26 March 2021	20 July 2025	\$0.300	17,000,000
25 June 2021	20 July 2024	\$0.300	2,000,000
11 November 2021	11 November 2024	\$0.300	700,000
9 December 2021	9 December 2024	\$0.300	500,000
20 January 2022	27 January 2024	\$0.300	750,000
15 February 2022	21 February 2025	\$0.300	500,000
Total			22,850,000

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

SHARES UNDER PERFORMANCE RIGHTS

There are a total of 5,250,000 performance rights which have been granted for accounting purpose subject to shareholders' approval.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

There were no ordinary shares of the Company issued on the exercise of options during the year ended 30 June 2022 and up to the date of this report.

SHARES ISSUED ON THE EXERCISE OF PERFORMANCE RIGHTS

There were no ordinary shares of the Company issued on the exercise of performance rights during the year ended 30 June 2022 and up to the date of this report.

INDEMNITY AND INSURANCE OF OFFICERS

The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

INDEMNITY AND INSURANCE OF AUDITOR

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

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 purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 17 to the Financial Statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The Directors are of the opinion that the services as disclosed in Note 17 to the Financial Statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants* issued by the *Accounting Professional and Ethical Standards Board*, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF HLB MANN JUDD (VIC) PARTNERSHIP

There are no officers of the Company who are former partners of HLB Mann Judd (Vic) Partnership.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under *Section 307C* of the *Corporations Act 2001* is set out immediately after this Directors' Report.

AUDITOR

HLB Mann Judd (Vic) Partnership was appointed in accordance with *Section 327* of the *Corporations Act 2001*.

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



Dr Caedmon Marriott, Managing Director
23 September 2022



Auditor's independence declaration

As lead auditor for the audit of the financial report of Western Mines Group Ltd for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read 'HLB Mann Judd'.

HLB Mann Judd
Chartered Accountants

Melbourne
23 September 2022

A handwritten signature in blue ink, appearing to read 'Jude Lau'.

Jude Lau
Partner

hlb.com.au

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (VIC Partnership) is a member of HLB International, the global advisory and accounting network

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Western Mines Group Ltd

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GENERAL INFORMATION

The Financial Statements cover Western Mines Group Ltd as an individual entity. The Financial Statements are presented in Australian dollars, which is Western Mines Group Ltd's functional and presentation currency.

Western Mines Group Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 3, 33 Ord Street
West Perth WA 6005

A description of the nature of the Company's operations and its principal activities are included in the Directors' Report, which is not part of the Financial Statements.

The Financial Statements were authorised for issue, in accordance with a resolution of Directors, on 23 September 2022. The Directors have the power to amend and reissue the Financial Statements.

Western Mines Group Ltd
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2022

	Note	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
Revenue and income			
Other income	4	200,000	-
Expenses			
Administration expenses		(436,711)	(180,382)
Tenement expenses		(190,878)	(97,626)
Employee benefits expense		(299,623)	-
Depreciation and amortisation expense		(1,598)	-
Share based payment expense		(342,843)	(624,941)
Loss before income tax expense		(1,071,653)	(902,949)
Income tax expense	5	-	-
Loss after income tax expense for the period attributable to the owners of Western Mines Group Ltd		(1,071,653)	(902,949)
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period attributable to the owners of Western Mines Group Ltd		(1,071,653)	(902,949)
		Cents	Cents
Basic earnings per share	24	(2.48)	(10.20)
Diluted earnings per share	24	(2.48)	(10.20)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Western Mines Group Ltd
Statement of Financial Position
As at 30 June 2022

	Note	2022 (\$)	2021 (\$)
Assets			
Current assets			
Cash and cash equivalents	6	3,682,150	335,490
Trade and other receivables	7	98,726	18,395
Other	8	41,024	472,160
Total current assets		3,821,900	826,045
Non-current assets			
Property, plant and equipment		8,012	-
Exploration and evaluation	9	2,205,079	373,810
Total non-current assets		2,213,091	373,810
Total assets		6,034,991	1,199,855
Liabilities			
Current liabilities			
Trade and other payables	10	820,347	130,839
Employee benefits		13,623	-
Provisions	11	-	80,000
Total Current liabilities		833,970	210,839
Total liabilities		833,970	210,839
Net assets		5,201,021	989,016
Equity			
Issued capital	12	5,847,767	1,048,172
Reserves	13	1,327,856	843,793
Accumulated losses		(1,974,602)	(902,949)
Total equity		5,201,021	989,016

The above statement of financial position should be read in conjunction with the accompanying notes

Western Mines Group Ltd
Statement of Changes in Equity
For the year ended 30 June 2022

	Issued Capital (\$)	Reserves (\$)	Accumulated Losses (\$)	Total Equity (\$)
Balance at 6 May 2020	-	-	-	-
Loss after income tax expense for the period	-	-	(902,949)	(902,949)
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	-	(902,949)	(902,949)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (Note 12)	1,048,172	-	-	1,048,172
Share based payment reserve (Note 13)	-	843,793	-	843,793
Balance at 30 June 2021	1,048,172	843,793	(902,949)	989,016
	Issued Capital (\$)	Reserves (\$)	Accumulated Losses (\$)	Total Equity (\$)
Balance at 1 July 2021	1,048,172	843,793	(902,949)	989,016
Loss after income tax expense for the year	-	-	(1,071,653)	(1,071,653)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(1,071,653)	(1,071,653)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (Note 12)	4,799,595	-	-	4,799,595
Share based payment (Note 13)	-	484,063	-	484,063
Balance at 30 June 2022	5,847,767	1,327,856	(1,974,602)	5,201,021

The above statement of changes in equity should be read in conjunction with the accompanying notes

Western Mines Group Ltd
Statement of Cash Flows
For the year ended 30 June 2022

	Note	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
Cash flows from operating activities			
Payments to suppliers (inclusive of GST)		(891,198)	(195,817)
Net cash (used) in operating activities	22	(891,198)	(195,817)
Cash flows from investing activities			
Payments for property, plant and equipment		(9,610)	-
Payments for exploration and evaluation		(1,060,006)	(81,386)
Proceeds from the sale of mineral rights		200,000	-
Net cash (used) in investing activities		(869,616)	(81,386)
Cash flows from financing activities			
Proceeds from issue of shares		5,500,000	831,501
Share issue transaction costs		(392,526)	(218,808)
Net cash from financing activities		5,107,474	612,693
Net increase in cash and cash equivalents		3,346,660	335,490
Cash and cash equivalents at the beginning of the financial year		335,490	-
Cash and cash equivalents at the end of the financial year	6	3,682,150	335,490

The above statement of cash flows should be read in conjunction with the accompanying notes

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NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the Financial Statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

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.

BASIS OF PREPARATION

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

Historical Cost Convention

The Financial Statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the Financial Statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company'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 2.

COMPARATIVES

The Company was incorporated on 6 May 2020. The comparative information covers the period from that date until 30 June 2021.

OPERATING SEGMENTS

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

REVENUE AND INCOME RECOGNITION

The Company recognises revenue and income as follows:

Other Income and Revenue

Other income and revenue is recognised when it is received or when the right to receive payment is established.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INCOME TAX

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

CURRENT AND NON-CURRENT CLASSIFICATION

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

TRADE AND OTHER RECEIVABLES

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

PROPERTY PLANT AND EQUIPMENT

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Computer Equipment	3 years
--------------------	---------

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the period in which the decision is made.

TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

PROVISIONS

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

EMPLOYEE BENEFITS

Short-term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

SHARE-BASED PAYMENTS

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, or performance rights over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Company receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Company or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Company or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

ISSUED CAPITAL

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.

EARNINGS PER SHARE

Basic Earnings per Share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Western Mines Group Ltd, 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 financial year.

Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other 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.

GOODS AND SERVICES TAX ('GST') AND OTHER SIMILAR TAXES

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as 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 tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET MANDATORY OR EARLY ADOPTED

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2022. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

NOTE 2. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based Payment Transactions

The company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes 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.

Exploration and Evaluation Costs

Exploration and evaluation costs have been capitalised on the basis of the accounting policies previously outlined (i.e. position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise 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. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

NOTE 3. OPERATING SEGMENTS

Identification of Reportable Operating Segments

The Company is organised into one operating segment, exploration for minerals within Australia. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

NOTE 4. OTHER INCOME

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
Sale of mineral rights	200,000	-
	200,000	-

During the year the Company sold all iron ore rights at the Pavarotti Project (tenement E77/2478 and tenement application E77/2746). The consideration was \$200,000 and up to a 1.25% future production royalty payable to the Company. The Company maintains a 100% interest in all other minerals at the Pavarotti Project.

NOTE 5. INCOME TAX EXPENSE

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(1,071,653)	(902,949)
Tax at the statutory rate of 25% (2021: 26%)	(267,913)	(234,767)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non deductible expenses	85,710	162,485
Temporary differences	(74,832)	(10,196)
Tax losses not recognised	257,035	82,478
Income tax expense	-	-
	2022 (\$)	2021 (\$)
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	1,345,366	317,224
Potential tax benefit at 25%	336,342	79,306

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

NOTE 6. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2022 (\$)	2021 (\$)
Cash on hand	1	1
Cash at bank	3,682,149	335,489
	3,682,150	335,490

NOTE 7. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES

	2022 (\$)	2021 (\$)
Other receivables	2,000	294
BAS receivable	96,726	18,101
	98,726	18,395

NOTE 8. CURRENT ASSETS - OTHER

	2022 (\$)	2021 (\$)
Prepayments	41,024	-
Deferred IPO costs	-	472,160
	41,024	472,160

On 20 July 2021, the Company was officially admitted to the Australian Securities Exchange, and the deferred IPO costs were recognised as a cost of capital raised.

NOTE 9. NON-CURRENT ASSETS - EXPLORATION AND EVALUATION

	2022 (\$)	2021 (\$)
Exploration and evaluation - at cost	2,205,079	373,810

Reconciliations

Reconciliations of the carrying values at the beginning and end of the current and previous financial year are set out below:

NOTE 9. NON-CURRENT ASSETS - EXPLORATION AND EVALUATION (CONTINUED)

	Exploration and Evaluation (\$)
Balance at 6 May 2020	-
Additions	98,858
Acquisitions of tenements	274,952
	<hr/>
Balance at 30 June 2021	373,810
Additions	1,648,342
Acquisitions of tenements	182,927
	<hr/>
Balance at 30 June 2022	2,205,079
	<hr/>

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the future expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves.

NOTE 10. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
Trade payables	796,193	109,765
Other payables	24,154	21,074
	<hr/>	<hr/>
Total trade and other payables	820,347	130,839
	<hr/>	<hr/>

Refer to Note 15 for further information on financial instruments.

All trade and other payables are unsecured.

NOTE 11. CURRENT LIABILITIES - PROVISIONS

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
Deferred consideration	-	80,000
	<hr/>	<hr/>

Deferred Consideration

The provision represents the obligation to pay contingent consideration following the acquisition of tenements during the period. It is measured at the present value of the estimated liability.

NOTE 11. CURRENT LIABILITIES - PROVISIONS (CONTINUED)

Movements in Provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

2022	Deferred Consideration (\$)
Carrying amount at the start of the year	80,000
Payments	(80,000)
	<hr/>
Carrying amount at the end of the year	-
	<hr/>

NOTE 12. EQUITY - ISSUED CAPITAL

	2022 Shares	2021 Shares	2022 (\$)	2021 (\$)
Ordinary shares - fully paid	44,650,001	16,300,001	5,847,767	1,048,172
	<hr/>			

Movements in Ordinary Share Capital

Details	Date	Shares	Issue Price	\$
Balance	6 May 2020	-		-
Incorporation	6 May 2020	1	\$1.000	1
Founder shares	6 November 2020	6,000,000	\$0.001	6,000
Seed capital	18 November 2020	8,250,000	\$0.100	825,000
Shares issued for acquisition of tenements	18 November 2020	1,400,000	\$0.100	140,000
Shares issued to a Director as remuneration	26 March 2021	495,000	\$0.100	49,500
Seed capital	26 March 2021	5,000	\$0.100	500
Shares issued to IPO lead manager	25 June 2021	150,000	\$0.200	30,000
Less cost of capital raised				(2,829)
Balance	30 June 2021	16,300,001		1,048,172
Shares on issue on initial public offering	16 July 2021	27,500,000	\$0.200	5,500,000
Shares issued to acquire tenement	11 November 2021	350,000	\$0.190	66,500
Shares issued to acquire tenement application	9 December 2021	500,000	\$0.170	85,000
Less cost of capital raised				(851,905)
		<hr/>		
Ordinary shares - fully paid	30 June 2022	44,650,001		5,847,767
		<hr/>		

NOTE 12. EQUITY - ISSUED CAPITAL (CONTINUED)

Ordinary Shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

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

Share Buy-back

There is no current on-market share buy-back.

Capital Risk Management

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

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

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

The Company would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The Company is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 30 June 2021 Annual Report

NOTE 13. EQUITY RESERVES

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
Share-based payments reserve	1,327,856	843,793

Share-based Payments Reserve

The reserve is used to recognise the value of equity benefits provided to employees, Directors and consultants as part of their remuneration, and other parties as part of their compensation for services.

Movements in Reserves

Movements in each class of reserve during the current financial year are set out below:

NOTE 13. EQUITY RESERVES (CONTINUED)

	Share base payments (\$)
Balance at 6 May 2020	-
Share based payments	843,793
	<hr/>
Balance at 30 June 2021	843,793
Share based payments	484,063
	<hr/>
Balance at 30 June 2022	1,327,856
	<hr/>

NOTE 14. EQUITY - DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial year.

NOTE 15. FINANCIAL INSTRUMENTS

Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

Risk management is carried out by senior finance executives by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Company and appropriate procedures, controls and risk limits.

Market Risk

Foreign Currency Risk

The Company is not exposed to significant foreign currency risk.

Price Risk

The Company is not exposed to any significant price risk.

Interest Rate Risk

The Company's main interest rate risk arises from its cash holdings. It does not hold any interest bearing liabilities. An official increase/decrease in interest rates of 100 (2021: 100) basis points on the expected volatility of interest rates using market data and analysts forecasts would have a favourable/adverse effect on loss before tax of \$36,822 (2021: \$3,355) per annum. The percentage change is based a favourable/adverse on the expected volatility of interest rates using market data and analysts forecasts .

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is not exposed to significant credit risk because it is an early stage exploration company that does not generate revenue. The Company ensures that it banks with reputable financial institutions.

NOTE 15. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk

Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The Company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining Contractual Maturities

The following tables detail the Company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

2022	Weighted Average Interest Rate (%)	1 Year or Less	Between 1 and 2 Years	Between 2 and 5 Years	Over 5 Years	Remaining Contractual Maturities (\$)
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and Other Payables	-	820,347	-	-	-	820,347
Total non-derivatives		820,347	-	-	-	820,347
2021	Weighted Average Interest Rate (%)	1 Year or Less	Between 1 and 2 Years	Between 2 and 5 Years	Over 5 Years	Remaining Contractual Maturities (\$)
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and Other Payables	-	130,839	-	-	-	130,839
Deferred consideration	-	80,000	-	-	-	80,000
Total non-derivatives		210,839	-	-	-	210,839

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair Value of Financial Instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value, and none of the Company's financial instruments are recorded at fair value after initial recognition.

NOTE 16. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Company is set out below:

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
Short-term employee benefits	361,623	62,410
Post-employment benefits	26,000	-
Share-based payments	287,184	476,441
	<hr/> 674,807	<hr/> 538,851

NOTE 17. REMUNERATION OF AUDITORS

During the financial period the following fees were paid or payable for services provided by HLB Mann Judd (Vic) Partnership, the auditor of the Company, and its network firms:

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
<i>Audit services - HLB Mann Judd (Vic) Partnership</i>		
Audit or review of the Financial Statements	33,400	26,300
<i>Other services - HLB Mann Judd Corporate Finance Pty Ltd</i>		
Investigating accountant's report	-	12,500
	<hr/> 33,400	<hr/> 38,800

NOTE 18. CONTINGENT LIABILITIES

The Company had no contingent liabilities at 30 June 2022 and 30 June 2021.

NOTE 19. COMMITMENTS

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
Exploration		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	189,020	111,520
One to five years	305,297	248,233
More than five years	-	-
	<hr/> 494,317	<hr/> 359,753

NOTE 19. COMMITMENTS (CONTINUED)

In order to maintain current rights of tenure to exploration tenements, the Company is required to outlay rentals and to meet the minimum expenditure requirements of the Mineral Resources Authority. Minimum expenditure commitments may be subject to renegotiation and with approval may otherwise be avoided by sale, farm out or relinquishment. These obligations are not provided in the accounts.

NOTE 20. RELATED PARTY TRANSACTIONS

Key Management Personnel

Disclosures relating to key management personnel are set out in Note 16 and the remuneration report included in the Directors' Report.

Transactions with Related Parties

The following transactions occurred with related parties:

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
<i>Payment for goods and services:</i>		
Office rent paid to Golden Mile Resources Ltd (an entity related to Francesco Cannavo and formerly related to Caedmon Marriott)	10,200	2,550
Exploration and management invoices paid to Nomad Exploration Pty Ltd (an entity related to Caedmon Marriott)	73,468	62,410
Investor relations fees paid to Katrina Corporation Pty Ltd (an entity related to Rex Turkington)	4,647	-

Receivable from and Payable to Related Parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
<i>Current payables:</i>		
Trade payable to Golden Mile Resources Ltd (an entity related to Francesco Cannavo)	935	935
Trade payable to Nomad Exploration Pty Ltd (an entity related to Caedmon Marriott)	5,812	22,858
Trade payable to Caedmon Marriott	751	300

Nomad Exploration Pty Ltd, an entity related to Caedmon Marriott, provides ground magnetic surveying, equipment rental and soil sampling services to a number of mineral exploration companies including Western Mines Group Ltd. These services are provided to WMG on arms length terms and conditions. The Board has implemented suitable protocols to ensure compliance in this regard and that all related party transactions are conducted on an arm's length basis.

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

NOTE 21. EVENTS AFTER THE REPORTING PERIOD

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

NOTE 22. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
Loss after income tax expense for the year	(1,071,653)	(902,949)
Adjustments for:		
Depreciation and amortisation	1,598	-
Share based payments	342,843	624,941
Expense from tenement applications (settled with shares and options)	-	39,783
Sale of mineral rights	(200,000)	-
Application for tenement settled via issue of shares and options	115,552	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	(80,331)	(18,395)
Increase in other operating assets	(41,024)	-
Increase in trade and other payables	28,194	60,803
Increase in employee benefits	13,623	-
Net cash (used) in operating activities	<u>(891,198)</u>	<u>(195,817)</u>

NOTE 23. NON-CASH INVESTING AND FINANCING ACTIVITIES

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
Shares and options issued as consideration for tenements	<u>132,928</u>	<u>155,168</u>

NOTE 24. EARNINGS PER SHARE

	2022 (\$)	6 May 2020 to 30 June 2021 (\$)
Loss after income tax attributable to the owners of Western Mines Group Ltd	<u>(1,071,653)</u>	<u>(902,949)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	43,171,782	8,848,813
Weighted average number of ordinary shares used in calculating diluted earnings per share	43,171,782	8,848,813

NOTE 24. EARNINGS PER SHARE (CONTINUED)

	Cents	Cents
Basic earnings per share	(2.48)	(10.20)
Diluted earnings per share	(2.48)	(10.20)

Options that could potentially dilute basic earnings per share in the future, were not included in the calculation of diluted earnings per share because they are anti-dilutive.

NOTE 25. SHARE BASED PAYMENTS

	Number of Options 2022	Weighted Average Exercise Price 2022	Number of Options 2021	Weighted Average Exercise Price 2021
Outstanding at the beginning of the financial year	20,400,000	\$0.300	-	\$0.000
Granted	2,450,000	\$0.300	20,400,000	\$0.300
Outstanding at the end of the financial year	22,850,000	\$0.300	20,400,000	\$0.300
Exercisable at the end of the financial year	16,350,000	\$0.300	11,900,000	\$0.300

Grant Date	Expiry Date	Exercise Price	Balance at the Start of the Period	Granted	Exercised	Expired/ Forfeited/ Other	Balance at the End of the Period
18/11/2020	18/11/2023	\$0.300	1,400,000	-	-	-	1,400,000
26/03/2021	20/07/2025	\$0.300	17,000,000	-	-	-	17,000,000
25/06/2021	20/07/2024	\$0.300	2,000,000	-	-	-	2,000,000
11/11/2021	11/11/2024	\$0.300	-	700,000	-	-	700,000
09/12/2021	09/12/2023	\$0.300	-	500,000	-	-	500,000
21/01/2022	27/01/2024	\$0.300	-	750,000	-	-	750,000
15/02/2022	21/02/2025	\$0.300	-	500,000	-	-	500,000
At 30 June 2022			20,400,000	2,450,000	-	-	22,850,000

Grant Date	Expiry Date	Exercise Price	Balance at the Start of the Period	Granted	Exercised	Expired/ Forfeited/ Other	Balance at the End of the Period
18/11/2020	18/11/2023	\$0.300	-	1,400,000	-	-	1,400,000
26/03/2021	20/07/2025	\$0.300	-	17,000,000	-	-	17,000,000
25/06/2021	20/07/2024	\$0.300	-	2,000,000	-	-	2,000,000
At 30 June 2021			-	20,400,000	-	-	20,400,000

NOTE 25. SHARE BASED PAYMENTS (CONTINUED)

Set out below are the options exercisable at the end of the financial year:

Grant Date	Expiry Date	2022 Number	2021 Number
18/11/2020	18/11/2023	1,400,000	1,400,000
26/03/2021	20/07/2025	10,500,000	10,500,000
25/06/2021	20/07/2024	2,000,000	-
11/11/2021	11/11/2024	700,000	-
09/12/2021	09/12/2023	500,000	-
21/01/2022	27/01/2024	750,000	-
15/02/2022	21/02/2025	500,000	-
		16,350,000	11,900,000

The weighted average share during the financial period was \$0.30 (2021: \$0.30).

The weighted average remaining contractual life of options outstanding at the end of the financial period was 2.78 years (2021: 3.84 years).

For the options granted during the current financial year, the valuation model inputs used to determine fair value at the grant date, are as follows:

Grant Date	Expiry Date	Share Price at Grant Date	Exercise Price	Expected Volatility	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
11/11/2021	11/11/2024	\$0.190	\$0.300	95.00%	-	1.00%	\$0.095
09/12/2021	09/12/2023	\$0.170	\$0.300	95.00%	-	0.55%	\$0.061
21/01/2021	27/01/2024	\$0.190	\$0.300	95.00%	-	0.84%	\$0.074
15/02/2021	21/02/2025	\$0.180	\$0.300	95.00%	-	1.58%	\$0.089

Performance Rights

The following performance rights were granted to each of the KMP under the Plan and an expense has been recognised in accordance with *AASB 2: Share Based Payments*, although they are still subject to shareholder approval. The terms of the performance rights were:

Class	Number Granted	Grant Date*	Expiry Date	Vesting Condition
PR1	1,750,000	11/04/2022	14/03/2025	WMG's share price remains above 40 cents/share for period of 20 business days and holder remains with the Company
PR2	1,750,000	11/04/2022	14/03/2025	WMG's share price remains above 60 cents/share for period of 20 business days and holder remains with the Company
PR3	1,750,000	11/04/2022	14/03/2025	WMG's share price remains above 80 cents/share for period of 20 business days and holder remains with the Company

* for accounting purposes

NOTE 25. SHARE BASED PAYMENTS (CONTINUED)

Name	PR1	PR2	PR3	Total
Caedmon Marriott	1,000,000	1,000,000	1,000,000	3,000,000
Rex Turkington	250,000	250,000	250,000	750,000
Paul Burton	250,000	250,000	250,000	750,000
Francesco Cannavo	250,000	250,000	250,000	750,000
	1,750,000	1,750,000	1,750,000	5,250,000

On vesting, each right automatically converts into one ordinary share. The executives do not receive any dividends and are not entitled to vote in relation to the rights during the vesting period. If an executive ceases employment before the rights vest, the rights will be forfeited, except in limited circumstances that are approved by the Board on a case-by-case basis.

The fair value of the rights was determined using a valuation model, the valuation model inputs used to determine fair value at the grant date, are as follows:

Class	Grant Date	Expiry Date	Share Price at Grant Date	Barrier Price	Expected Volatility	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
PR1	11/04/2022	14/03/2025	\$0.276	\$0.40	76.30%	-	2.33%	\$0.23
PR2	11/04/2022	14/03/2025	\$0.276	\$0.60	76.30%	-	2.33%	\$0.19
PR3	11/04/2022	14/03/2025	\$0.276	\$0.80	76.30%	-	2.33%	\$0.17

DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached Financial Statements and notes comply with the *Corporations Act 2001*, the *Australian Accounting Standards*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached Financial Statements and notes comply with *International Financial Reporting Standards* as issued by the *International Accounting Standards Board* as described in Note 1 to the Financial Statements;
- the attached Financial Statements and notes give a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- 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 declarations required by *Section 295A* of the *Corporations Act 2001*.

Signed in accordance with a Resolution of Directors.

On behalf of the Directors



Dr Caedmon Marriott
Managing Director
23 September 2022



Independent Auditor's Report to the Members of Western Mines Group Ltd

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

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

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

- (a) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("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.

Key Audit Matter	How our audit addressed the key audit matter
Carrying value of exploration and evaluation asset Refer to Note 9 of the Financial Report	
In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> ("AASB 6"), for	Our procedures included but were not limited to: <ul style="list-style-type: none">• Tested the capitalised exploration expenditure incurred in respect of the Company's area of

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each of area of interest, the Company capitalises expenditure incurred in the exploration for and evaluation of mineral resources. These capitalised assets are recorded using the cost model.

Our audit focussed on the Company's assessment of the carrying amount of the capitalised exploration and evaluation asset, because this is one of the significant assets of the Company. There is a risk that the capitalised expenditure no longer meets the recognition criteria of AASB 6. In addition, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

interest by evaluating supporting documentation for consistency to the capitalisation requirements of the Company's accounting policies and the requirements of AASB 6;

- We obtained an understanding of the key processes associated with management's review of the exploration and evaluation asset carrying value;
- We considered and assessed the Directors' assessment of potential indicators of impairment;
- We obtained the exploration budget for 2021/22 and discussed with management the nature of planned on-going activities;
- We enquired with management, read ASX announcements and minutes of Directors' meetings to ensure that the Company had not decided to discontinue exploration and evaluation at its areas of interest; and
- We examined the disclosures made in the financial report against the requirements of applicable Australian Accounting Standards.

Information Other than the Financial Report and Auditor's Report Thereon

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

Our opinion on the financial report does not cover the other information and accordingly 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 Company 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.



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 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 the directors 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 29 to 35 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Western Mines Group Ltd for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

A handwritten signature in blue ink, appearing to read 'HLB Mann Judd'.

**HLB Mann Judd
Chartered Accountants**

Melbourne
23 September 2022

A handwritten signature in blue ink, appearing to read 'Jude Lau'.

**Jude Lau
Partner**

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SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 31 August 2022.

DISTRIBUTION OF EQUITABLE SECURITIES

Analysis of number of equitable security holders by size of holding:

Ordinary Shares	Number of Holders	Percentage of Total Shares	Number of Shares Issued
1 to 1,000	10	0.01	2,845
1,001 to 5,000	93	0.70	311,028
5,001 to 10,000	71	1.38	614,616
10,001 to 100,000	298	27.96	12,482,583
100,001 and over	74	69.95	31,238,929
	546	100.00	44,650,001
Holdings less than a marketable parcel	70	0.36	162,516

EQUITY SECURITY HOLDERS

Twenty Largest Quoted Equity Security Holders

The names of the twenty largest security holders of quoted equity securities are listed below:

Ordinary Shares	Number Held	Percentage of Total Shares Issued
APERTUS CAPITAL PTY LTD	3,000,000	6.72
ILWELLA PTY LTD (NO 2 A/C)	2,670,000	5.98
MR CHRISTOPHER WYNNE	1,729,000	3.87
BELLAIRE CAPITAL PTY LTD (BELLAIRE CAPITAL INVEST A/C)	1,500,000	3.36
YI XIAO	1,500,000	3.36
BRUCE LEGENDRE	1,000,000	2.24
MRS LUYE LI	956,851	2.14
BNP PARIBAS NOMINESS PTY LTD (IB AU NOMS RETAILCLIENT DRP)	914,560	2.05
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	885,000	1.98
MUNCHA CRUNCHA PTY LTD	803,329	1.80
JAF CAPITAL PTY LTD	700,000	1.57
CAEDMON MARRIOTT	600,000	1.34
JOMALCO PTY LTD	600,000	1.34
JAMPHO PTY LTD	550,000	1.23
MR IB OSKAR HANSEN (IB HANSEN FAMILY S/F A/C)	510,158	1.14
DUKETON MINING LIMITED	500,000	1.12
HAPPYBUGS PTY LTD (HAPPYBUGS FAMILY A/C)	500,000	1.12
TITAN PLANT HIRE PTY LTD	475,000	1.06
VA BEN CAPITAL PTY LTD (LGPR INVESTMENT A/C)	437,500	0.98
MR HOAI NAM NGUYEN	409,288	0.92
Top 20 Total	20,240,686	45.32

Western Mines Group Ltd
Shareholder Information
30 June 2022

Unquoted Equity Securities

There are 22,850,000 unlisted options over ordinary shares.

SUBSTANTIAL HOLDERS

Substantial holders in the Company are set out below:

Ordinary Shares	Number Held	Percentage of Total Shares Issued
APERTUS CAPITAL PTY LTD	3,000,000	6.72
ILWELLA PTY LTD (NO 2 A/C)	2,670,000	5.98

VOTING RIGHTS

The voting rights attached to securities on issue are set out below:

Ordinary Shares

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

Options

Do not have voting rights.

TENEMENTS

Description	Tenement Number	Interest Owned (%)
Broken Hill Bore	E31/1222	100.00
Jasper Hill	E39/2073	100.00
Jasper Hill	E39/2079	100.00
Melita	E40/379	100.00
Mulga Tank	E39/2132	100.00
Pavarotti	E77/2476	100.00
Pinyalling	E39/2485	100.00
Rock of Ages	P38/4203	100.00
Youanmi	E57/1119	100.00
Youanmi	P57/1450	100.00

All tenements are located in Western Australia.