



BOSS
ENERGY LTD

ABN 38 116 834 336

Annual Report 2022

Boss Energy Limited
ABN 38 116 834 336

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Corporate Directory

DIRECTORS

Mr Peter O'Connor
Mr Duncan Craib
Mr Bryn Jones
Mr Wyatt Buck
Ms Jan Honeyman

Non-Executive Chairman
Managing Director
Non-Executive Director
Non-Executive Director
Non-Executive Director

COMPANY SECRETARY

Mr Mathew O'Hara

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

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AUDITORS

KPMG
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STOCK EXCHANGE LISTINGS

Australian Securities Exchange (ASX Code: BOE)
OTCQX Market (OTCQX Code: BQSSF)

SHARE REGISTRY

Automic Registry Services
Level 5, 126 Phillip Street
Surry Hills NSW 2000
Ph: +61 2 9698 5414

Chairman's Letter

Dear Shareholder,

As investors, we are all well aware that there are many ways to measure a company's success. We also learn over time that there are pros and cons surrounding the accuracy of each of these benchmarks, particularly when they are applied over a relatively short period.

However, even after allowing for this sobering reality of investment analysis, I have no hesitation in declaring that by virtually any indicator, it has been a year of exceptional achievement for your Company.

It is often the case that the simplest analysis is the most telling. In the public company sphere, this title falls to market capitalisation which, while taking no account of relevant considerations such as prevailing market conditions and the like, reflects a company's success in creating shareholder wealth over a given period.

Given my long career in funds management, this is understandably a factor close to my heart, as it undoubtedly is to all Boss shareholders. With this in mind, I am delighted to write that the market value of our Company increased from A\$410 million to A\$624 million over the 12 months to June 30, 2022. In the process, Boss was admitted to the S&P/ASX300 Index, which opens the door for more global investors to become shareholders in our Company.

These are undoubtedly major milestones. However, as Chairman, I derive more satisfaction from knowing that the price reflects the immense progress we have made towards our goal of being Australia's next uranium producer.

We started FY2022 having just released the highly successful Enhanced Feasibility Study for our Honeymoon project. This enabled us to initiate a host of workstreams and secure senior personnel to assist with finalising key aspects of the project's design and final equipment selection. The rapid advances we made on numerous fronts culminated in the Board making a Final Investment Decision to develop Honeymoon in June 2022.

In parallel with the preparations for the start of production, your Company also undertook significant exploration at Honeymoon with the aim of increasing the initial production rate and mine life. In this respect, it is also important to remember that the Enhanced Feasibility Study was based on just 50 per cent of the total Honeymoon Resource, leaving significant growth potential.

The strong progress we have made at Honeymoon comes against a backdrop of a rapidly changing environment for uranium. The impact of the war in Ukraine on gas prices, combined with the ongoing global push to reduce carbon emissions, has led to a growing recognition that uranium has a pivotal role to play in enabling the world to meet its energy needs.

These factors have helped drive the uranium spot price from US\$32/lb at the start of the financial year to around US\$48/lb at the time of writing. This compares with Boss' forecast all-in cost of US\$31.9/lb. As a result of the price increase, Boss' strategic holding of 1.25Mlbs of U₃O₈ now has a spot market value of US\$60 million. Boss paid US\$30.15/lb for this in March 2021 for a total cost of US\$37.7 million.

In March this year, Boss raised A\$125 million via a share placement and share purchase plan, both of which were priced at \$2.15 a share. The proceeds mean Boss is fully-funded through to production. Importantly, the Company has no debt and has the added contingency offered by the strategic uranium reserve. This puts us in an enviable financial position with an extremely robust balance sheet, which in turn provides significant flexibility and pricing leverage in respect to negotiating terms of offtake agreements.

To help achieve our growth ambitions, we have made several key appointments. These include Jan Honeyman who joined the Board as a Non-executive Director in February 2022. She brings to us significant global knowledge and experience as a senior human resources executive in what are currently very competitive markets for key personnel. Subsequent to the end of the financial year, Andre Potgieter was appointed as Chief Financial Officer. Mr Potgieter is a highly experienced finance professional with more than 25 years' involvement in mining operations and construction projects, including both EPCM-executed and self-perform projects.

As I said at the outset, it has been a highly successful year for your Company on all fronts. On behalf of the Board, I would like to thank the Federal Government and the South Australian Government for supporting our plan to re-start Honeymoon. Honeymoon is fully permitted with all Native Title Agreements in place and holds an approved federal government export licence for 3.3Mlbs of U₃O₈. The support we have received from authorities from both governments is much appreciated.

In addition to the outstanding progress at Honeymoon, Boss has also continued to implement its commitment to sector-leading ESG policies. As part of this approach, the Board of Directors has ultimate responsibility for Company strategy, performance, and providing oversight of risks. This means that ESG considerations are fully embedded in Boss' culture. I would like to thank my fellow Directors for their immense assistance in this area.

I also thank our management team, staff and contractors for your hard work and commitment to achieving our goals across all the areas I have discussed above. And you, our shareholders, for the strong support you have given us over the journey.

Yours sincerely,



Peter O'Connor

Chairman

Directors' Report

Review of Operations

Honeymoon Uranium Project, South Australia

Boss Energy has one of the few uranium projects ready to participate in the early stages of the new uranium bull market; it truly is a product for this time. Against a backdrop of strengthening uranium prices, the Company has been proactively identifying, addressing, and positioning the Honeymoon Project (**Honeymoon**) to be Australia's next producer of up to 3.3M lbs per annum.

Honeymoon is unique in that it contains a fully permitted uranium mine with \$170 million of established infrastructure including a plant in good condition which has been held under care and maintenance, that has produced and exported uranium from the geographically stable jurisdiction of South Australia; where it holds approved Heritage and Native Title mining agreements.

Since acquiring the technically and financially robust project in December 2015, Boss' strategy has been to develop a larger processing facility utilising Ion Exchange technology to improve the economics of Honeymoon, thereby increasing the production profile and reducing operating costs.



Figure 1: Boss' Honeymoon Uranium Project, 80km north-west of Broken Hill in South Australia.

Pathway to Production

On 16 March 2022, Boss announced it had launched a \$125 million equity raising to fund the development of Honeymoon through to first production. The capital raising comprised a two-tranche share placement to raise up to \$120 million (before costs) and a Share Purchase Plan (**SPP**) was offered to eligible Boss shareholders with registered addresses in Australia or New Zealand to raise up to an additional \$5 million (before costs). The placement and the SPP were priced at \$2.15 a share.

Directors' Report

The equity raising allows Boss to:

- **Fund development** – fund \$113 million development costs (including contingency) whilst maintaining its strategic holding of 1.25Mlbs of U₃O₈ and balance sheet flexibility;
- **Secure long-lead time items** – including IX columns & Water Treatment Plant to further de-risk development;
- **Restart development** – post Front-end Engineering Design (**FEED**) and subject to COVID-19 logistic and sourcing issues, commence construction with production expected in December quarter 2023;
- **Continue engagement with utilities for long-term contracts** – continue negotiations with potential offtake partners on the right terms to lock in robust margins, however raising ensures Boss is not reliant on offtake for development funding and remains well capitalised to maximise the benefit of the rising Uranium market;
- **Well capitalised balance sheet** – use of equity to fund development de-risks project and retains maximum financial flexibility through commissioning and for future growth initiatives; and
- **Continue exploration focus** – substantial scope to extend LOM and/or increase production profile.

On 31 March 2022, Boss announced it had completed the FEED study. The FEED study focussed on progressing the design of the processing plant and infrastructure as well as optimising the mining and wellfields to enable a detailed capital cost estimate to be prepared to a level of accuracy of +/- 10%.

Based on the FEED study, the total capital estimate for the development of Honeymoon is A\$113 million (including a contingency allowance of approximately 8%) which is within 6.6% of the estimate outlined in the Enhanced Feasibility Study (**EFS**) released in June 2021.

The FEED study showed Honeymoon will be a technically and financially robust project. Importantly, the FEED study confirmed that the cost estimates in the EFS remain accurate.

The key highlights in the Honeymoon EFS include:

- Honeymoon is economically robust with an IRR of 47% at a US\$60/lb U₃O₈ price;
- Honeymoon is technically robust, with nameplate production of 2.45Mlb U₃O₈ per annum at an AISC of US\$25.60 over the LOM; and
- Potential to extend beyond initial 11-year mine life through near mine satellite deposits.

Final Investment Decision to Develop Honeymoon

Following the Company's successful \$125 million equity raising and FEED study, Boss announced on 1 June 2022, that it had made a Final Investment Decision (**FID**).

The decision means that Boss could accelerate construction, ensuring Honeymoon remains on track for first production in the December quarter of 2023, ramping up to a steady-state rate of 2.45Mlb of U₃O₈ a year.

Directors' Report

Strategic holding of 1.25Mlbs of Uranium

The Company also holds a strategic 1.25Mlbs of uranium stockpile valued at approximately US\$60 million¹.

The strategic uranium holding provides several significant benefits for Boss, including:

- Enhanced financial position to support the planned re-start of Honeymoon;
- Increased flexibility in project funding and offtake negotiations with customers;
- De-risking Honeymoon re-start during commissioning phase;
- Remaining fully leveraged to any future appreciation of uranium price on the back of tight supply-demand fundamentals.

The strategic uranium stockpile is highly valuable to Boss on several levels as the Company seeks to secure offtake agreements, ensuring it has maximum flexibility and pricing leverage in its offtake negotiations.

Exploration activities

Boss continues its successful exploration strategy that has significantly expanded the global JORC resource from 16.6Mlbs to 71.6Mlbs (~433% increase) since acquiring Honeymoon in December 2015.

The Company's focus on exploration is aimed at increasing Honeymoon's production profile and extending its mine life. The strategy is two-fold:

1. Targeting the greenfields exploration targets to advance identified zones of potential high-grade mineralisation; and
2. Upgrading the satellite JORC resources of the Jason's and Gould's Dam Deposits.

Exploration drilling, which was part of the Company's Accelerated Discovery Initiative (ADI), was undertaken in November and December 2021, and May 2022. The A\$275,000 exploration grant forms part of the Growth State Agenda that aims to accelerate mineral discoveries through innovative exploration and research projects in regional and frontier terrains throughout South Australia.

The highly successful ADI campaign opened new highly prospective areas for exploration, extending known mineralisation and improving the Company's geological understanding of uranium mineralisation away from the Honeymoon deposit. The first phase of the program comprised 37 holes for 4,448m across three lightly explored prospects close to the Honeymoon Restart Area (HRA). The second phase comprised 28 holes for 3,201m across three prospects both close to the HRA and up to ~14km east. The new data will be used in conjunction with existing datasets to identify further exploration targets and plan future drilling programs. The Company will also continue to explore new and innovative ways to identify further exploration targets within its tenement package.

It is envisaged that these new mineralisation target areas will form the basis of a study to assess and define production ramp up to produce more than 3Mlb/annum U₃O₈ equivalent. Increasing production does not form part of the current Honeymoon restart feasibility studies, but provision has been made in the plant design to incorporate this production. The Company believes that with improving market conditions, it is prudent to progress with the exploitation of the known satellite deposits.

In addition to the exploration drilling, delineation data was obtained on the eastern boundaries of the HRA ahead of wellfield development commencing in August 2022, in preparation for Honeymoon's restart.

¹ Based on a U₃O₈ spot price of US\$48.00/lb.

Directors' Report

Earn-in Agreement with Global miner to fund Base and Precious Metals Exploration

On 10 February 2022, Boss announced it had entered into an exploration earn-in agreement with First Quantum Minerals Ltd (TSE:FM) (**FQM**) in respect to base and precious metal rights over five tenements within the Honeymoon Project.

The agreement provides FQM with the right to earn a 51% interest in any base or precious metal discovery at Honeymoon by spending \$6 million on exploration and a further 24% interest by sole-funding expenditure up until a Decision to Mine.

The agreement enables Boss to remain fully focussed on its core business of uranium exploration, development and production while having exposure at no cost to the significant potential associated with a base and precious metals exploration program led by a global major.

Appointment of Non-Executive Director and General Recruitment

On 16 February 2022, Boss announced that it had appointed highly experienced Human Resources executive Jan Honeyman as a Non-executive Director.

Boss has been successful in recruiting Operational and Project personnel, majority who are South Australian based on well-referenced existing networks, forgoing the need for market-based recruiting.

In addition, Boss deemed it important to move quickly to secure key personnel to deliver a detailed project execution plan to ensure wellfield development and construction activities on Honeymoon's restart upon FID.

With much of the expertise in-house, a number of key milestones in preparation of production development have already been accomplished.

Development Progress

At date of writing, Boss remains on track to be Australia's next uranium producer by December next year.

The Company is on budget and on time, the construction and refurbishment is going to plan and the outlook for uranium continues to strengthen as the world looks to nuclear as the solution to the energy crisis and global warming.

Significant development advances have been made on Honeymoon in wellfield development, camp and infrastructure services and CAPEX procurement.

Wellfield drilling is underway with the first 12 of the planned 86 pre-start wells successfully drilled and cased. Wellfield construction contractors, who will conduct the mechanical, piping and electrical works, have begun preliminary testing and inspections.

Boss has also made rapid progress re-commissioning site accommodation, with 80 rooms now completely refurbished and in use.

The rest of the camp services have also been recommissioned, allowing the camp management contract for camp services, including messing, laundry and maintenance, to be awarded, with the successful tenderer due to start next month.

A local earth works contractor has mobilised for the upgrade of the 22km-long access road to site. This is designed to improve weather and wear-resilience.

Directors' Report

The strong progress on site comes as Boss accelerates the procurement process. More than 60 procurement packages have been issued valued at approximately \$14.4 million. The packages awarded to date are in line with the feasibility cost estimates and represent 13 per cent of the project's total forecast capital cost of \$113 million.

Other Developments

On 16 February 2022, Boss advised that its shares had been approved to trade on the OTCQX® Best Market in the US. The OTCQX Market is designed for established, investor-focused U.S. and international companies. To qualify for OTCQX, companies must meet high financial standards, follow best practice corporate governance and demonstrate compliance with applicable securities laws. Graduating to the OTCQX Market marks an important milestone for companies, enabling them to demonstrate their qualifications and build visibility among US investors.

On 19 September 2022, S&P Dow Jones Indices announced the inclusion of Boss Energy in the S&P/ASX 300.

Cash Flows

The Group had unrestricted cash and cash equivalents as at 30 June 2022 of \$132.64 million, representing an increase of \$111.77 million during the year resulting from the following key activities:

- Proceeds from capital raisings undertaken during the year totalling \$118.88 million, net of costs;
- Expenditure on completion of the EFS, technical studies and exploration activities at Honeymoon, totalling \$4.49 million;
- Payments for ongoing corporate and operational expenditure, totalling \$3.45 million; and
- Receipt of Research and Development tax refunds and other government grants during the year, totalling \$0.49 million.

The unrestricted cash balance as at 30 June 2022 excludes a fully cash-backed environmental bond of \$8.92 million. Furthermore, as at 30 June 2022 the Group has no long-term debt obligations.

Reference to Previous ASX announcements

In relation to the results of the Enhanced Feasibility Study announced on 21 June 2021, the Company confirms that all material assumptions underpinning the production target and forecast financial information included in that announcement continue to apply and have not materially changed.

The mineral resource estimates in this report were reported by the Company in accordance with ASX listing rule 5.8 on 25 February 2019. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcement and that all material assumptions and technical parameters underpinning the estimates in the previous announcement continue to apply and have not materially changed.

Forward-Looking Statements

This report includes forward-looking statements. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Boss, which could cause actual results to differ materially from such statements. Boss makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of this announcement.

Directors' Report

Mineral Resource Statement

The following information is provided in accordance with Listing Rule 5.21.

Mineral Resource Estimation Governance Statement

BOSS ensures that the Mineral Resource estimates are subject to appropriate levels of governance and internal controls. The Mineral Resources have been generated by employees and consultants of the Company who are experienced in best practices in modelling and estimation methods and have undertaken reviews of the quality and suitability of the underlying information used to generate the resource estimations. The Mineral Resource estimates follow standard industry methodology using geological interpretation and assay results from samples acquired through drilling.

BOSS reports its Mineral Resources in accordance with the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code) (2012 Edition). Competent Persons named by the Company qualify as Competent Persons as defined in the JORC Code. There has been no movement in the Mineral Resource between 2021 and 2022 and as such the table below sets out Mineral Resources for both 2021 and 2022 for the Honeymoon Uranium Project in South Australia.

Honeymoon Project Mineral Resource at 30 June 2022 and 30 June 2021

Lower cut-off of 250 ppm U_3O_8

Resource Classification	Tonnage (Million Tonnes)	Average Grade (ppm U_3O_8)	Contained Metal (Kt, U_3O_8)	Contained Metal (Mlb, U_3O_8)
Jason's (March 2017)				
Inferred	6.2	790	4.9	10.7
Gould's Dam (April 2016)				
Indicated	4.4	650	2.9	6.3
Inferred	17.7	480	8.5	18.7
Honeymoon Re-Start Area (January 2019)				
Measured	3.1	1,100	3.4	7.6
Indicated	14.0	610	8.7	19
Inferred	7.0	590	4.1	9.1
TOTAL HONEYMOON URANIUM PROJECT				
Measured	3.1	1,100	3.4	7.6
Indicated	18.4	630	12.0	25.5
Inferred	30.9	570	18.0	38.5
Total	52.4	620	32.5	71.6

Directors' Report

Your Directors present their report on the Group for the year ended 30 June 2022.

Directors

The names of the Directors in office at any time during or since the end of the year are set out below. Directors were in office for the entire period unless otherwise stated.

Mr Peter O'Connor	(Non-Executive Chairman)
Mr Duncan Craib	(Managing Director and Chief Executive Officer)
Mr Wyatt Buck	(Non-Executive Director)
Mr Bryn Jones	(Non-Executive Director – transitioned from Technical Director 1 August 2021)
Ms Jan Honeyman	(Non-Executive Director – appointed 21 February 2022)
Mr Dudley Kingsnorth	(Non-Executive Director – resigned 30 November 2021)

Information on Current Directors

Mr Peter O'Connor Non-Executive Chairman

Appointed 21 January 2020

Mr O'Connor has extensive global experience in the funds management industry and has worked with public and private companies in developed and emerging economies. He was co-founder, director and deputy chairman of IMS Selection Management Ltd, which had \$10 billion under management or advice from 1998 - 2008. Following the sale of IMS to BNP Paribas in 2008, he was deputy chairman of FundQuest UK Ltd, with \$10 billion under management. FundQuest globally had \$35 billion of assets under management from 2008 - 2010.

Mr O'Connor is a Non-Executive Director of Blue Ocean Monitoring Limited (May 2014 – present), an unlisted company. During the three year period to the end of the financial year, Mr O'Connor has also been a Non-Executive Director of Northern Star Resources Limited (May 2012 – February 2021).

Mr Duncan Craib Managing Director and Chief Executive Officer

Appointed 1 August 2017

Mr Craib is Managing Director and CEO having joined the company on 9 January 2017. He is a Chartered Accountant by profession specialising in the mining, having gained vast experience in executive roles held in Australia, United Kingdom, Namibia, and China. Mr Craib most recently served as Finance Director to Swakop Uranium (Pty) Ltd from 2012 to 2016, where he was heavily involved in the US\$2.5 billion development and construction of its world-class Husab uranium mine in Namibia. At nameplate production, Husab will be one of the largest global mining and processing uranium, mining 150Mt annually and generating 15Mt of ore to produce 15Mlbs of uranium oxide.

From 2008 - 2012, Duncan served in London as CFO and Company Secretary to Kalahari Minerals Plc and its 43% holding in Extract Resources Ltd, 100% owners of the Husab uranium mine prior to its sale to China General Nuclear in April 2012 for US\$2.1 billion.

In September 2021, Duncan was appointed Chairperson of the Uranium Forum for the Minerals Council of Australia.

During the three year period to the end of the financial year, Mr Craib held no directorships with any other listed companies.

Directors' Report

Mr Wyatt Buck Non-Executive Director

Appointed 1 October 2020

Mr Buck uranium experience began with Cameco Corporation, where he was employed for 15 years between 1991-2006 in various roles, culminating as GM of the McArthur River Uranium Mine and Key Lake Mill, the largest uranium mining operation in the world. He then held senior operational roles with Paladin Energy Ltd (ASX: PDN) as General Manager and Managing Director of the Langer Heinrich Uranium Project in Namibia from the commencement of construction in February 2006 through to design level production. From September 2009 to May 2011, Mr Buck was Executive GM Operations at Paladin with direct operational responsibility for its Langer Heinrich and Kayelekera uranium projects.

Since 2011, Mr Buck has acted as Operations Director with First Quantum Minerals (TSX: FM), overseeing mining operations in Finland, Spain, Turkey, Australia and Mauritania. He has been involved in the production of various commodities including gold, copper, nickel, zinc and PGMs, including the restart of Western Australia's Ravensthorpe nickel laterite mine in 2020. During the three year period to the end of the financial year, Mr Buck held no directorships with any other listed companies.

Mr Bryn Jones Non-Executive Director

Appointed Technical Director on 15 September 2019 and moved to Non-Executive Director on 1 August 2021

Mr Jones is an industrial chemist and a Fellow of the Australasian Institute of Mining and Metallurgy, with more than 20 years of experience in the Australian uranium industry. He has worked in all aspects of the mining cycle, particularly in uranium in-situ recovery (ISR) and mine development and production. Mr Jones spent nearly 10 years in roles with ISR uranium producer Heathgate Resources, owned by US-based nuclear company General Atomics. Heathgate is the owner and operator of the Beverley and Beverley North Uranium Mines in South Australia, Australia's only other operating ISR uranium mine. More recently he was the Chief Operating Officer of Canadian-based uranium developer Laramide Resources Ltd and the previous Managing Director of Uranium Equities Limited.

Mr Jones is currently Managing Director of entX Ltd, a Non-Executive Director of DevEx Resources Limited (September 2009 – present) and Australian Rare Earths Limited (July 2021 - present). During the three year period to the end of the financial year, Mr Jones has also been a Non-Executive Director of Salt Lake Potash Limited (June 2017 – May 2021).

Ms Jan Honeyman Non-Executive Director

Appointed 21 February 2022

Ms Honeyman has attained the highest-level global experience within the Human Resources (HR) area, most recently with global miner First Quantum Minerals (TSX: FM) where she was the Director of HR for 16 years. This role involved leading the HR function across the First Quantum group of companies with over 20,000 employees world-wide. This position involved business acquisition strategy from a human resource perspective, workforce and talent management, providing leadership for, and management of, over 100 HR professionals across 11 countries and also included working with the Board Compensation Committee on Executive Compensation.

Prior to this, Ms Honeyman was the Global Director, Talent Management with KBR Energy & Chemicals in Houston, USA at KBR and was a Global Director HR, Infrastructure PL for KBR (a division of Halliburton).

During the three year period to the end of the financial year, Ms Honeyman held no directorships with any other listed companies.

Directors' Report

Mr Mathew O'Hara Company Secretary and Chief Financial Officer

Appointed 1 March 2019, resigned as Chief Financial Officer on 18 July 2022

Mr O'Hara is a Chartered Accountant and has over 16 years' experience in corporate finance, accounting and governance. He has been employed by, and acted as, Non-Executive Director, Company Secretary and Chief Financial Officer of several companies in the resources sector. Prior to these roles Mr O'Hara spent several years with an international accounting firm specialising in the Corporate Finance, Advisory and Audit divisions gaining significant experience with ASX, TSX and AIM listed clients across a diverse range of industries.

Mr O'Hara is a Non-Executive Director of African Gold Limited (April 2020 – present), Benz Mining Corp (April 2020 – present) and Peak Minerals Limited (June 2021 – present). During the three year period to the end of the financial year, Mr O'Hara has also been a Non-Executive Director of Carbine Resources Limited (September 2018 – July 2021).

Mr Andre Potgieter Chief Financial Officer

Appointed 18 July 2022

Mr Potgieter is a highly experienced finance professional with more than 25 years' involvement in mining operations and construction projects, including both EPCM-executed and self-perform projects. He has held senior roles in the mining industry with leading global companies such as First Quantum Minerals Ltd (FQM) and Freeport-McMoRan Inc. In these positions, he has managed multi-billion-dollar budgets while providing financial guidance and support from initial feasibility through to capital reviews, mobilisation, construction, commissioning, and project close out.

Mr Potgieter held the role of Cost Control Manager for FQM's Cobre Panama Project where he led the entire cost control effort for the project and associated operations, which had a Project Construction budget of US\$6.7 billion. Most recently, Mr Potgieter had been FQM's Business Development Manager, identifying and analysing all new investment opportunities and making appropriate recommendations.

During the three year period to the end of the financial year, Mr Potgieter held no directorships with any other listed companies.

Meetings of Directors

During the financial year, in addition to Technical and Risk Committee and Audit and Remuneration Committee meetings, a total of 6 full Board meetings of Directors were held. Attendances by each Director during the year were as follows:

	Number of meetings eligible to attend	Number of meetings attended
Mr Peter O'Connor	6	5
Mr Duncan Craib	6	6
Mr Wyatt Buck	6	6
Mr Bryn Jones	6	6
Ms Jan Honeyman	2	2
Mr Dudley Kingsnorth	2	2

Dividends Paid or Recommended

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

Directors' Report

Principal Activities

During the period the Group continued advancing the restart strategy for its 100%-owned Honeymoon Uranium Project in South Australia, including completion of a \$125 million capital raising to fund the development of the Honeymoon Uranium Project which was followed by a Final Investment Decision by the Board in June 2022. In addition to this the Company still holds 1.25Mlbs of uranium for long term capital appreciation which has been valued as at 30 June 2022 at a spot price of US\$50.00/lb.

Operating Results

The profit of the Group for the year ended 30 June 2022 after providing for income tax amounted to \$31,186,993 (2021: \$864,749).

Financial Position

The net assets of the Group are \$236,566,929 as at 30 June 2022 (2021: \$85,459,584).

Significant Changes in State of Affairs

- Approval by the Board in June 2022 of a FID to develop the Honeymoon Uranium Project with first production scheduled for Q4, 2023.
- Completion of its FEED study in March 2022 which confirmed cost estimates were in line with the EFS completed in June 2021.
- Completion of a \$120 million equity raising and a \$5 million SPP in April 2022 both completed at a price of \$2.15 per share. Funds raised were used to fund the upfront development expenditure to bring the Honeymoon Uranium Project into production.
- Appointment of Ms Jan Honeyman as a Non-Executive Director in February 2022 and resignation of Mr Dudley Kingsnorth in November 2021. Mr Bryn Jones moved from Technical Director to Non-Executive Director during August 2021.
- Completion of a capital consolidation on a one-for-eight basis in November 2021, following shareholder approval.

Matters subsequent to end of financial year

The following events occurred between the end of the financial year and the date of this report:

- On 2 September 2022, Boss was advised that it will be admitted to the S&P/ASX 300 effective from the open of trade on Monday, 19 September 2022; and
- On 6 September 2022, the Company announced significant advances made in wellfield development, camp and infrastructure services and procurement. More than 60 procurement packages have been issued valued at approximately \$14.4 million. The packages awarded to date represent 13% of the projects total forecast capital cost of \$113 million.

Directors' Report

Other than that, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

Future Developments, Prospects and Business Strategies

Disclosure of further information regarding likely developments in the operations of the Group in future financial periods and the expected results of those operations is likely to result in unreasonable prejudice of those operations, or that state of affairs of the Group in future financial periods.

Environmental Issues

The Group is aware of its environmental obligations with regards to its exploration and development activities and ensures that it complies with all regulations at all times.

Options and Performance Rights

At the date of this report there are 1,400,793 unquoted share options and no quoted options or performance rights on issue.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of these proceedings. The Group was not a party to any such proceedings during the year.

Indemnifying Officers or Auditor

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by them in their capacity as Officer, or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. The Company has agreed to pay a premium for Directors and Officers Insurance.

Non-audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 25 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

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

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2022, as required under section 307C of the Corporations Act 2001, has been received and is included within the financial report.

Directors' Report

Officers of the company who are former partners of KPMG

There are no officers of the company who are former partners of KPMG.

Auditor

KPMG continues in office in accordance with section 327 of the Corporations Act 2001.

REMUNERATION REPORT - AUDITED

The Remuneration Report, which has been audited, outlines the Director and executive remuneration arrangements for the Group and the Company, in accordance with the requirements of the *Corporations Act* and its Regulations.

Executive and Key Management Personnel (KMP) Remuneration Principles and Strategy

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders. The Board ensures that executive reward satisfies the following key criteria for good reward corporate governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage/alignment of executive compensation
- Transparency
- Capital management

The Group has structured an executive framework that is market competitive and complementary to the reward strategy for the organisation. The Board's policy for determining the nature and amount of remuneration for executives of the Group is as follows:

- The remuneration policy, setting the terms and conditions for executives, was developed and approved by the Board. All executives receive remuneration, part of which may include superannuation, and from time to time, securities. Securities issued to Directors are subject to approval by Shareholders. The Board reviews executive packages regularly by reference to the Group's performance, executive's performance and comparable market based information peer companies. The Board may in its discretion establish a performance-based incentive structure to provide reward in addition to fixed remuneration on such terms as the Board may determine.
- All remuneration paid to directors and specified executives is valued at the cost to the Company and expensed. Options are valued using various valuation models dependant on the terms and conditions of the options.
- During the year ended 30 June 2022, the Company engaged an independent remuneration consultant to provide support in relation to the design of a new incentive plan for FY2023. Following the Final Investment Decision in relation to the Honeymoon Project in June 2022, the Company is seeking to develop an incentive plan which is geared towards motivating and retaining executives and other key talent, both during the development phase and the production phase, and also supports the acquisition of future talent. The new incentive design, which will include both short term and long term components, will take into consideration the performance measures utilised in the FY2022 KMP STI and LTI issues so as to ensure there is no overlap.

Directors' Report

REMUNERATION REPORT – AUDITED (continued)

Non-Executive Remuneration

At the 2021 Annual General Meeting held on 24 November 2021, Shareholders approved the maximum annual aggregate remuneration for non-executive directors to be \$750,000.

It is recognised that non-executive director remuneration is ideally structured to exclude equity-based remuneration. However, whilst the Company is in a pre-development phase and the full Board, including the non-executive directors, are included in the operations of the Company more intimately than may be the case with producing companies, the non-executive directors may be entitled to participate in equity-based remuneration schemes. All Directors (Executive and Non-Executive) are entitled to have their indemnity insurance paid by the Company.

Additional Information for Consideration of Shareholder Wealth

This table summarises the earnings of the Group and other factors that are considered to affect shareholder wealth for the five years to 30 June 2022.

	2022*	2021	2020	2019	2018
Profit/(loss) after income tax (\$)	31,186,993	864,749	(5,084,467)	(1,221,691)	(4,685,079)
Share price at financial year end (\$)	1.77	0.18	0.05	0.04	0.07
Total dividends declared (cents/share)	-	-	-	-	-
Returns of capital (cents/share)	-	-	-	-	-
Basic gain/(loss) per share (cents/share)	10.33	0.05	(0.32)	(0.08)	(0.39)

*The Company undertook a consolidation of its issued capital on the basis that every 8 Shares be consolidated into 1 Share during the financial year ended 30 June 2022.

Voting and comments made at the Company's 2021 Annual General Meeting (AGM)

At the 2021 AGM, 99.01% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2021. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Service Agreements

A summary of service agreements with Executives effective during the financial year is set out below. These details are in addition to the share options issued as share based payment compensation.

Executive	Term of Agreement	Role	Salary/annum (incl superannuation) (\$)	Termination notice period
Duncan Craib	Not specified	Managing Director and CEO	440,000	3 months
Andre Potgieter*	Not specified	CFO	300,000	3 months
Mathew O'Hara*	Not specified	Company Secretary & CFO	79,200	3 months

*Mr Potgieter commenced as Chief Financial Officer on 18 July 2022, replacing Mr O'Hara who remains as Company Secretary.

Directors' Report

REMUNERATION REPORT – AUDITED (continued)

Details of Remuneration for Year Ended 30 June 2022

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of director. The KMP of the group consist of all Directors and the Company Secretary/CFO.

2022	Short-term			Post-employment	Share-based payments	Total	Proportion performance related (%)
	Salary & fees	Cash bonus***	Annual leave	Superannuation	Options		
Non-Executive							
Peter O'Connor	109,091	-	-	10,909	-	120,000	-
Wyatt Buck	68,182	-	-	6,818	-	75,000	-
Bryn Jones	52,011	95,025	-	9,642	-	156,678	-
Jan Honeyman*	20,478	-	-	2,048	-	22,526	-
Dudley Kingsnorth**	20,833	-	-	2,083	-	22,916	-
Executive							
Duncan Craib	416,432	171,784	40,397	23,568	435,585	1,087,766	40
Other KMP							
Mathew O'Hara	72,000	36,000	1,565	10,800	53,123	173,488	31
	759,027	302,809	41,962	65,868	488,708	1,658,374	29

* Ms Honeyman was appointed as Non-Executive Director on 21 February 2022.

** Mr Kingsnorth resigned as Non-Executive Director on 30 November 2021.

***Cash bonuses were paid to certain KMP in August 2021 based on performance for the financial year ended 30 June 2021. Mr Jones bonus was based on his services provided as Technical Director. He transitioned to a Non-Executive Director on 1 August 2021.

Details of Remuneration for Year Ended 30 June 2021

2021	Short-term			Post-employment	Share-based payments	Total	Proportion performance related (%)
	Salary & fees	Cash bonus	Annual leave	Superannuation	Options or Shares		
Non-Executive							
Peter O'Connor	100,000	-	-	9,500	-	109,500	-
Wyatt Buck*	34,247	-	-	3,253	109,650	147,150	75
Dudley Kingsnorth**	45,662	-	-	4,338	109,650	159,650	69
Executive							
Duncan Craib	320,000	-	22,909	21,694	160,000	524,603	30
Bryn Jones	180,000	-	15,162	17,100	102,400	314,662	33
Other KMP							
Mathew O'Hara	72,000	-	6,569	6,840	22,000	107,409	20
	751,909		44,640	62,725	503,700	1,362,974	37

* Mr Buck was appointed as Non-Executive Director on 1 October 2020.

** Mr Kingsnorth was appointed as Non-Executive Director on 1 July 2020.

Directors' Report

REMUNERATION REPORT – AUDITED (continued)

Other Transactions with KMP and Their Related Parties

A number of KMP, or their related parties, hold positions in other entities that may result in them having control or significant influence over the financial or operating policies of those entities. Where the Group transacts with the KMP and their related parties, the terms and conditions of these transactions are no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-KMP related entities on an arm's length basis.

Share Based Payment Compensation

The Company has a discretionary equity-based incentive plan in place in order to preserve cash balances whilst aligning employee incentives with shareholder interests. This can include the issue of shares, options or performance rights in order to remunerate and incentive employees.

During the prior year, the Remuneration Committee sought independent advice from leading remuneration consultants, BDO Remuneration and Reward Services, who undertook an independent review of the Company's remuneration, including benchmarking against the Company's peers. The key aim of the remuneration review was to retain and attract high calibre talent. The remuneration review outcomes, in relation to share based payment compensation, included the introduction of a short term incentive program under which eligible KMP are granted zero exercise priced options (ZEPOs) vesting after achievement of annual personal performance hurdles determined by the Board and the executive remaining at the Company and the introduction of a long term incentive program is under which eligible KMP are granted ZEPOs vesting after three years subject to the Company reaching defined performance hurdles and the KMP remaining at the Company. During the year ended 30 June 2022, the Company issued a total of 676,334 ZEPOs under the short-term incentive program and 724,459 ZEPOs under the long-term incentive program.

Shares issued as a part of remuneration

No shares were issued to KMP's of the Group as part of their remuneration.

Options issued as a part of remuneration

On 29 September 2021, the Company issued a total of 425,396 ZEPOs under the short-term incentive program and 425,396 ZEPOs under the long-term incentive program. In addition to that and following shareholder approval received at the 2021 Annual General Meeting held on 24 November 2021, the Company also issued 250,938 ZEPOs under the short-term incentive program and 299,063 ZEPOs under the long-term incentive program to Managing Director and Chief Executive Officer, Mr Duncan Craib. When exercised, each ZEPO is convertible into one ordinary share of Boss Energy Limited. These ZEPOs were granted with nil additional consideration. The Company completed a capital consolidation, on an eight-for-one basis, during the financial year ended 30 June 2022 and hence all balances are shown on a post-consolidation basis. Details of ZEPOs over ordinary shares in the Company provided as remuneration to KMP are set out below.

KMP	Grant date	Number	Exercise Price	Value of ZEPO's granted (\$)	Vesting date	Expiry date
Duncan Craib	24-Nov-21	250,938	Nil	672,513	30-Jun-23	30-Jun-25
Duncan Craib	24-Nov-21	299,063	Nil	801,488	30-Jun-24	30-Jun-26
Mathew O'Hara	29-Sept-21	37,125	Nil	75,735	30-Jun-23	30-Jun-25
Mathew O'Hara	29-Sept-21	37,125	Nil	75,735	30-Jun-24	30-Jun-26

Directors' Report

REMUNERATION REPORT – AUDITED (continued)

Share Based Payment Compensation (continued)

Options issued as a part of remuneration (continued)

The assessed fair value at grant date of options granted to KMP is allocated equally over the period from grant date to vesting date, and the total amount is included in these remuneration tables. Fair values at grant date are determined using the share price at grant date. Further details are set out in Note 26.

No options over ordinary shares in the Company were cancelled during the year.

Performance Rights issued as part of remuneration

No performance rights were issued to KMP's of the Group as part of their remuneration.

Additional Disclosures Relating to KMP

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of KMP of the Group, including their personally related parties is set out below. The Company completed a capital consolidation, on an eight-for-one basis, during the financial year ended 30 June 2022 and hence all balances are shown on a post-consolidation basis.

2022 – Ordinary Shares	Balance at start of year/Appointment date	Received following option exercise	Shares purchased	Shares disposed	Balance at end of year/ Resignation date
Peter O'Connor	855,000	1,976,351	-	(650,000)	2,181,351
Duncan Craib	1,250,000	4,235,039	-	(1,250,000)	4,235,039
Wyatt Buck	41,099	456,081	-	(41,099)	456,081
Bryn Jones	315,623	1,129,344	-	(500,000)	944,967
Jan Honeyman*	-	-	-	-	-
Dudley Kingsnorth**	43,750	-	-	-	43,750
Mathew O'Hara	50,000	705,840	-	-	755,840
	2,555,472	8,502,655	-	(2,441,099)	8,617,028

* Ms Honeyman was appointed as Non-Executive Director on 21 February 2022.

** Mr Kingsnorth resigned as Non-Executive Director on 30 November 2021. He held 43,750 ordinary shares on his date of resignation.

Directors' Report

REMUNERATION REPORT – AUDITED (continued)

Additional Disclosures Relating to KMP (continued)

Option holding

The number of options held during the financial year by each Director and other members of KMP of the Group, including their personally related parties is set out below. The Company completed a capital consolidation, on an eight-for-one basis, during the financial year ended 30 June 2022 and hence all balances are shown on a post-consolidation basis.

2022 – Options over ordinary shares	Balance at start of year/Appointment date	Options granted	Options exercised	Options expired or forfeited	Balance at end of year/ Resignation date
Peter O'Connor	2,625,000	-	(2,625,000)	-	-
Duncan Craib	5,625,000	550,001	(5,625,000)	-	550,001
Wyatt Buck	625,000	-	(625,000)	-	-
Bryn Jones	1,500,000	-	(1,500,000)	-	-
Jan Honeyman*	-	-	-	-	-
Dudley Kingsnorth**	625,000	-	-	-	625,000
Mathew O'Hara	937,500	74,250	(937,500)	-	74,250
	11,937,500	624,251	(11,312,500)	-	1,249,251

* Ms Honeyman was appointed as Non-Executive Director on 21 February 2022.

** Mr Kingsnorth resigned as Non-Executive Director on 30 November 2021. He held 625,000 options on his date of resignation, these were subsequently exercised in March 2022.

Performance Rights holding

No performance rights are held by any current Director or other members of KMP of the Group, including their personally related parties.

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



Peter O'Connor
Chairman

DATED at PERTH this 28th day of September 2022



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Boss Energy Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Boss Energy Limited for the financial year ended 30 June 2022 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

The KPMG logo, consisting of the letters 'KPMG' in a bold, blue, sans-serif font, with a stylized graphic of four vertical bars of increasing height to the left of the letters.

KPMG

A handwritten signature in black ink, appearing to read 'Derek Meates'.

Derek Meates
Partner

Perth

28 September 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2022

		Consolidated	
	Note	2022 \$	2021 \$
Revenue			
Interest revenue	2	245,797	103,089
Gain on investment in uranium and financial assets	2	37,291,067	4,704,407
Other income	2	500,112	373,732
Expenses			
Employees and consultants	2	(2,124,173)	(2,074,034)
Professional and service fees	2	(431,565)	(384,304)
Financing charges	2	(154,568)	(122,880)
Exploration and evaluation expenditure	11	(1,705,308)	(560,161)
Gain on disposal of plant and equipment		-	4,546
Share based payments expense	26	(1,044,294)	(569,700)
Other expenses	2	(1,390,075)	(609,946)
Profit before income tax expense		31,186,993	864,749
Income tax expense	3	-	-
Profit after income tax expense		31,186,993	864,749
Other comprehensive income for the year, net of tax		-	-
Total comprehensive profit for the year		31,186,993	864,749
Basic earnings per share (cents per share)	19	10.33	0.37
Diluted earnings per share (cents per share)	19	10.27	0.35

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2022

		Consolidated	
	Note	2022 \$	2021 \$
CURRENT ASSETS			
Cash and cash equivalents	4	132,642,841	20,873,411
Trade and other receivables	5	641,438	61,813
Other assets	6	103,215	28,369
Total Current Assets		<u>133,387,494</u>	<u>20,963,593</u>
NON-CURRENT ASSETS			
Plant and equipment	7	65,816	50,801
Rights of use asset	8	139,468	-
Investment in uranium	9	90,724,343	53,872,850
Other financial assets	10	8,957,463	9,461,801
Exploration and evaluation expenditure	11	-	10,584,340
Mine development property	12	14,903,915	-
Total Non-Current Assets		<u>114,791,005</u>	<u>73,969,792</u>
TOTAL ASSETS		<u>248,178,499</u>	<u>94,933,385</u>
CURRENT LIABILITIES			
Trade and other payables	13	2,157,042	410,752
Lease liability	23	45,874	-
Employee benefits		181,661	145,586
Total Current Liabilities		<u>2,384,577</u>	<u>556,338</u>
NON-CURRENT LIABILITIES			
Restoration provisions	14	9,131,482	8,917,463
Lease liability	23	95,511	-
Total Non-Current Liabilities		<u>9,226,993</u>	<u>8,917,463</u>
TOTAL LIABILITIES		<u>11,611,570</u>	<u>9,473,801</u>
NET ASSETS		<u>236,566,929</u>	<u>85,459,584</u>
EQUITY			
Issued capital	15	270,493,102	151,617,044
Reserves	16	11,819,006	10,774,712
Accumulated losses	17	(45,745,179)	(76,932,172)
TOTAL EQUITY		<u>236,566,929</u>	<u>85,459,584</u>

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2022

Consolidated	Issued Capital	Accumulated Losses	Share Based Payment Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2021	151,617,044	(76,932,172)	10,774,712	85,459,584
Profit after income tax expense for the year	-	31,186,993	-	31,186,993
Total comprehensive profit for the year	-	31,186,993	-	31,186,993
Shares issued during the year	124,999,512	-	-	124,999,512
Capital raising costs	(6,123,454)	-	-	(6,123,454)
Share based payments	-	-	1,044,294	1,044,294
Balance at 30 June 2022	270,493,102	(45,745,179)	11,819,006	236,566,929
Balance at 1 July 2020	79,306,493	(77,796,921)	10,555,412	12,064,984
Profit after income tax for the year	-	864,749	-	864,749
Total comprehensive profit for the year	-	864,749	-	864,749
Shares issued during the year	75,925,705	-	-	75,925,705
Capital raising costs	(3,965,554)	-	-	(3,965,554)
Share based payments	350,400	-	219,300	569,700
Balance at 30 June 2021	151,617,044	(76,932,172)	10,774,712	85,459,584

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2022

	Note	Consolidated	
		2022 \$ Inflows / (Outflows)	2021 \$
Cash Flows from operating activities			
Payments to suppliers and employees		(3,445,160)	(2,671,197)
Payments for mineral exploration and evaluation		(1,495,611)	(1,043,670)
Proceeds from government grants and tax incentives		497,877	371,497
Net interest		93,512	105,707
Net cash (used in) operating activities	18	<u>(4,349,382)</u>	<u>(3,237,663)</u>
Cash Flows from investing activities			
Payments for mine development activities		(2,993,574)	-
Payments for mineral exploration and evaluation		-	(1,566,200)
Payments associated with investment in uranium		(596,848)	(49,749,637)
Payments for plant and equipment		(28,759)	(18,153)
Payments for security bonds		(153,325)	-
Proceeds from disposal of plant and equipment		2,235	6,781
Proceeds from disposal of financial assets		1,018,995	-
Net cash (used in) investing activities		<u>(2,751,276)</u>	<u>(51,327,209)</u>
Cash Flows from financing activities			
Repayment of promissory note and interest		-	(350,334)
Net proceeds from equity issues		118,876,058	71,960,151
Reduction in lease liability		(14,403)	-
Net cash provided by financing activities		<u>118,861,655</u>	<u>71,609,817</u>
Net increase in cash and cash equivalents		<u>111,760,997</u>	<u>17,044,945</u>
Cash and cash equivalents at beginning of the financial year		20,873,411	3,822,329
Exchange differences on cash and cash equivalents		8,433	6,137
Cash and cash equivalents at the end of the financial year	4	<u><u>132,642,841</u></u>	<u><u>20,873,411</u></u>

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

These consolidated financial statements and notes represent those of Boss Energy Limited (the Company or parent entity) and Controlled Entities (the Group or consolidated entity). Boss Energy Limited is a listed public company incorporated and domiciled in Australia.

The separate financial statements of the parent entity, Boss Energy Limited, have not been presented within this financial report as permitted by the *Corporations Act 2001*. Supplementary information about the parent entity is disclosed in Note 28.

The financial statements were authorised for issue on 28th September 2022 by the Directors of the Company.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS).

Except for cash flow information, the financial statements have been prepared on an accruals basis. Material accounting policies adopted in preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and investments in uranium at fair value through profit or loss.

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 Group'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 within Note 1.

Notes to the Consolidated Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New and amended accounting standards

The Directors have reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are relevant to the Group's operations and effective for annual reporting periods commencing on or after 1 July 2021.

The Group has adopted all the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to accounting policies.

Future effects of the implementation of these standards will depend on future details.

New and amended accounting standards and interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these financial statements. The Group has not elected to adopt any new Accounting Standards or Interpretations prior to their applicable date of implementation.

There are no standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Summary of Significant Accounting Policies

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

a) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Boss Energy Ltd) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of controlled entities is contained in Note 20.

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

Notes to the Consolidated Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

When the Group changes the proportion of ownership of a non-controlling interest, the difference between the fair value of the consideration paid or received and the adjustment to the balance of the non-controlling interest, is recognised in equity as an adjustment to retained earnings. Such an adjustment to retained earnings does not meet definitions of profit and loss, or other comprehensive income, so is not disclosed in the statement of profit or loss and other comprehensive income. Consideration paid or received for a non-controlling interest is valued as at the transaction date, not as at an earlier authorisation or contract date, because it does not meet the definition of a share-based payment.

b) 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.

c) 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 current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve 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 twelve months after the reporting period. All other assets are classified as non-current.

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

Notes to the Consolidated Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Cash and Cash Equivalents

Cash on hand and in banks and short-term deposits are stated at nominal value. For the purpose of the consolidated statement of cash flows, cash includes cash on hand and in banks, readily convertible to cash within 90 days, net of outstanding bank overdrafts.

e) Foreign Currency Translation

The consolidated financial statements are presented in Australian dollars (AUD), which is also the functional currency of the parent company.

Foreign currency transactions are translated into the functional currency of the parent company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year end exchange rates are recognised in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

In the Groups financial statements, all assets, liabilities and transactions of group entities with a functional currency other than AUD (the Groups presentation currency) are translated into AUD upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into AUD at the closing rate at the reporting date. Income and expenses have been translated into the Group's presentation currency at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into AUD at the closing rate.

f) Financial Instruments

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and are solely principal and interest. All other financial instrument assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income. Financial assets may be impaired based on an expected credit loss model to recognise an allowance. Such impairment is measured with a 12-month expected credit loss model unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime expected credit loss model is adopted

For financial liabilities, the portion of the change in fair value that relates to the Group's credit risk is presented in other comprehensive income.

Hedge accounting requirements align the accounting treatment with the Group's risk management activities. The Group does not currently have any impaired financial assets, financial liabilities with changes in fair value due to credit risk presented in other comprehensive income, or financial instruments requiring hedge accounting.

Notes to the Consolidated Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Trade and Other Payables

Trade payables and other accounts are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services.

h) Trade and Other Receivables

Trade account receivable amounts due from related parties and other receivables represent the principal amounts due at balance date plus accrued interest less, where applicable, any unearned income and provision for expected credit loss.

i) Income Tax

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary difference at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

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. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the difference will not reverse in the foreseeable future. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

j) Plant and Equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment.

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

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

Notes to the Consolidated Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Depreciation

The depreciable amount of all plant and is depreciated on a straight-line basis over their useful lives to the Group commencing from the time the asset is held ready for use.

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Plant and equipment	16.67% - 40%.

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

l) Exploration and Evaluation Expenditure

For each area of interest, expenditure incurred in the exploration for, and evaluation of, mineral resources are either expensed as incurred, if it relates to expenditure incurred on the Company's exploration licences, or capitalised and recognised as an exploration and evaluation asset, if it relates to expenditure incurred on the Company's Mining Licence (ML6109).

Exploration and evaluation expenditure capitalised are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

Where permits for capitalised areas of interest are not held directly by the Group, the Group has enforceable current rights to the capitalised areas of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in any area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mine development property.

No amortisation is charged during the exploration and evaluation phase. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

m) Mine Development Property

Mine development property represents the costs incurred in preparing mines for production and includes plant and equipment under construction and operating costs incurred before production commences. These costs are capitalised to the extent they are expected to be recouped through the successful exploitation of the related mining leases. When production commences, the accumulated costs are transferred to property, plant and equipment and mine properties, as relevant, and are depreciated according to the rate of depletion of the economically recoverable reserves.

Notes to the Consolidated Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n) Revenue and Other Income

Revenue from contracts with customers is recognised based on the transfer of promised goods or services to customers with an amount that reflects the consideration to which the Group expects to be entitled to in exchange for those goods or services.

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

Research and development tax offset income compensates the Group for expenses incurred and is recognised in profit or loss as other income in the period in which the expenses are recognised.

Government grants are recognised in profit or loss over the periods in which the entity recognises expenses for the related costs for which the grants are intended to compensate.

Interest income is recognised using the effective interest rate methods, which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of goods and services tax.

o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of any asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

p) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash flows (cash generating units).

Notes to the Consolidated Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

q) Share-Based Payment Transactions

The Company provides benefits to KMP of the Group in the form of share-based payments, whereby the KMP render services in exchange for shares or rights over shares (equity settled transactions). The Company does not provide cash settled share-based payments.

The cost of equity settled transactions with KMP are measured by reference to the fair value of the equity instruments at the date at which they are granted.

The cost of equity settled transactions are recognised, together with a corresponding increase in equity, over the period in which the service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired, and the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised for the period.

No cumulative expense is recognised for awards that ultimately do not vest (in respect of non-market vesting conditions).

r) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

s) 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.

Notes to the Consolidated Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

t) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Boss Energy Limited, 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.

u) Provision for Restoration

Costs of site restoration are recognised in full at present value as a non-current liability and an equivalent amount may be capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to their present location. The capitalised cost is amortised over the life of the project and the provision is accredited periodically as the discounting of the liability unwinds. The unwinding of the discount is recorded as interest expense. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with clauses of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

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

v) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index, or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Notes to the Consolidated Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

w) Critical Accounting 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.

Investment in Uranium

The investment in uranium is held for long-term capital appreciation. Due to the lack of specific AASB guidance on accounting for investments in uranium the Directors consider that measuring the investment in uranium at fair value provides information that is most relevant to the economic decision-making of users. Consequently, the investment in uranium is presented at fair value through profit and loss which reflects that the nature of the investment being held is for long-term capital appreciation.

Fair value is determined based on the most recent month-end spot prices for uranium published by Numerco and converted to Australian dollars using the Reserve Bank of Australia's indicative foreign exchange rate at the date of the consolidated statement of financial position.

Capitalised Exploration and Evaluation Expenditure

Exploration and evaluation costs have been capitalised on the basis that the Group will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. 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.

Restoration provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the value of an underlying share at grant date or the 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.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

	Consolidated	
	2022	2021
	\$	\$
NOTE 2: SIGNIFICANT INCOMES AND EXPENDITURES		
Income		
Interest income	245,797	103,089
	245,797	103,089
Gain on investment in uranium and financial assets		
Gain on disposal of listed investments	439,574	-
Increase in fair value of listed investments	-	524,991
Increase in fair value of investment in uranium	36,851,493	4,179,416
	37,291,067	4,704,407
Other income		
Research and Development tax rebate	247,877	321,497
Government grants received	250,000	50,000
Other	2,235	2,235
	500,112	373,732
Employees and consultants		
Superannuation	(160,068)	(91,856)
Other employee and consultant charges	(1,964,105)	(1,982,178)
	(2,124,173)	(2,074,034)
Financing charges		
Bank fees including guarantee fees	(151,330)	(111,477)
Interest on leases	(3,238)	-
Interest on promissory notes	-	(11,403)
	(154,568)	(122,880)
Professional and service fees		
Tax, accounting and legal fees	(33,690)	(114,268)
Regulatory fees	(280,741)	(125,904)
Other professional and service fees	(117,134)	(144,132)
	(431,565)	(384,304)
Other expenses		
Depreciation	(40,867)	(68,077)
Expenses associated with investment in uranium	(634,208)	(177,177)
Rent	(99,776)	(73,065)
Other expenses	(615,224)	(291,627)
	(1,390,075)	(609,946)

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

	Consolidated	
	2022	2021
	\$	\$
NOTE 3: INCOME TAX EXPENSE		
Income tax expense		
Current tax	-	-
Deferred tax	-	-
Under/(over) provision in respect of prior years	-	-
	-	-
	-	-
a. Numerical reconciliation of income tax benefit to prima facie tax payable		
Profit from continuing operations before income tax expense	31,186,993	864,749
Tax at the Australian tax rate of 30% (2021: 30%)	9,356,098	259,425
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share based payments	287,181	170,911
Unrealised gains	(10,134,161)	(1,358,170)
Other non-deductible expenses and non-assessable income	(714,037)	(647,770)
Income tax benefit not recognised	1,204,919	1,575,604
Income tax expense	-	-
b. Deferred tax assets – tax losses		
Unused revenue losses	89,869,963	90,042,394
Unused capital losses	27,977,727	20,657,412
Potential tax benefit at the Australian tax rate of 30% (2021: 30%)	35,354,307	33,209,942
c. Deferred tax		
Deferred tax assets at 30 June relates to the following:		
Carry forward tax losses including capital losses	35,354,307	33,209,942
Capital raising costs recognised directly in equity	2,203,782	1,175,611
Rehabilitation liability	2,739,445	-
Other recognised temporary differences	69,265	66,862
Accumulated impairment of assets	-	2,327,967
Gross deferred tax assets	40,366,799	36,780,382
Set-off deferred tax liabilities against deferred tax assets	(16,257,796)	(1,200,672)
Unrecognised deferred tax asset	24,109,003	35,579,710
Deferred tax liabilities at 30 June relates to the following:		
Unrealised gain on strategic uranium investment	(12,309,273)	(1,200,672)
Capitalised mine development costs	(3,948,523)	-
Gross deferred tax liabilities	(16,257,796)	(1,200,672)
Set-off deferred tax liabilities against deferred tax assets	16,257,796	1,200,672
Net deferred tax liabilities	-	-

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 3: INCOME TAX EXPENSE (CONTINUED)

As at 30 June 2022, there is an unrecognised net deferred tax asset of \$24,109,003 (2021: \$35,579,710). The temporary differences have not been brought to account because the Directors do not believe it is appropriate to regard realisation of those deferred tax assets as being probable, for the year 30 June 2022. The benefit of these deferred tax assets will only be obtained if:

- (1) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the temporary differences to be realised;
- (2) the Group continues to comply with the conditions for deductibility imposed by tax legislation; and
- (3) no changes in tax legislation adversely affect the entity in realising the benefit from the deductions for the temporary differences.

No franking credits are available.

Consolidated	
2022	2021
\$	\$

NOTE 4: CASH AND CASH EQUIVALENTS

Cash at bank	4,142,841	10,873,411
Term deposit	128,500,000	10,000,000
	132,642,841	20,873,411

NOTE 5: TRADE AND OTHER RECEIVABLES

Accrued interest receivable	149,178	1,158
GST receivable	492,260	60,655
	641,438	61,813

Receivables are non-interest bearing and generally repayable within 30 days. Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value.

NOTE 6: OTHER ASSETS

Prepaid expenses	9,909	11,503
Short term deposits	93,306	16,866
	103,215	28,369

NOTE 7: PLANT AND EQUIPMENT

Cost	692,575	652,413
Accumulated depreciation	(626,759)	(601,612)
	65,816	50,801
Movements in Carrying Amounts:		
Carrying amount at beginning of the year	50,801	100,725
Additions	43,203	18,153
Disposals	-	-
Depreciation expense	(28,188)	(68,077)
Carrying amount at end of the year	65,816	50,801

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

	Consolidated	
	2022	2021
	\$	\$
NOTE 8: RIGHT OF USE ASSET		
Cost	152,147	-
Accumulated depreciation	(12,679)	-
	139,468	
Movements in carrying amounts:		
Carrying amount at the beginning of the year	-	-
Additions	152,147	-
Disposals	-	-
Depreciation expense	(12,679)	-
Carrying amount at end of the year	139,468	-
NOTE 9: INVESTMENTS IN URANIUM		
Balance at the beginning of the year	53,872,850	-
Purchase of uranium – cost	-	49,870,610
Gain on investment in uranium	36,851,493	4,002,240
Carrying amount at end of the year	90,724,343	53,872,850

During the year ended 30 June 2021, the Company entered two binding contracts to purchase a total amount of 1.25 million pounds of U₃O₈ at an average price of US\$30.15/lb. On 30 April 2021, the Company took delivery of 0.25 million pounds of U₃O₈ resulting in an increase in US\$7,537,500 (A\$9,938,687) on the Company's investment in uranium at the time of purchase. On 30 June 2021, the Company took delivery of the remaining 1 million pounds of U₃O₈ resulting in an increase in US\$30,150,000 (A\$39,754,747) on the Company's investment in uranium at the time of purchase.

The investment in uranium is held for long-term capital appreciation. Due to the lack of specific AASB guidance on accounting for investments in uranium the Directors consider that measuring the investment in uranium at fair value provides information that is most relevant to the economic decision-making of users. Consequently, the investment in uranium is presented at fair value through profit and loss which reflects that the nature of the investment being held is for long-term capital appreciation.

As at 30 June 2022, the spot price of uranium was US\$50.00 per pound. Using a USD/AUD exchange rate of 0.6889, this resulted in a gain on the investment in uranium over the twelve-month period of \$36,851,493. All uranium owned by the Company is stored at the ConverDyn Facility in Metropolis, Illinois.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

	Consolidated	
	2022	2021
	\$	\$
NOTE 10: OTHER FINANCIAL ASSETS		
Security bonds	8,957,463	8,882,380
Financial assets – at fair value through profit or loss	-	579,421
	8,957,463	9,461,801
Listed investments, at fair value		
- Shares in listed corporations	-	579,421

Movement in listed investments at fair value

Opening fair value at beginning of year	579,421	54,430
Increase in fair value of listed investments	439,574	524,991
Proceeds from sale of listed investments	(1,018,995)	-
Closing fair value at end of year	-	579,421

Movement in security bonds

Opening value	8,882,380	8,882,380
Increase in security bonds	75,083	-
Closing value at end of year	8,957,463	8,882,380

Listed investments at fair value comprise an investment in the ordinary issued capital of an ASX listed entity. There are no fixed returns or fixed maturity dates attached to this investment. Movements in the value of listed investments at fair value are recognised in profit or loss. During the year ended 30 June 2022, the Company sold all its listed investments with total proceeds from sale being \$1,018,995.

Security bonds are term deposits held as security and deposits held by service providers. The term deposits are held by Australian banks, with at least 'A' credit rankings, and the Department for Energy and Mining. No impairment provisions are recognised for security bonds as they are expected to be fully recoverable.

NOTE 11: EXPLORATION AND EVALUATION EXPENDITURE

Balance at the beginning of the year	10,584,340	8,813,373
Exploration expenditure incurred	3,642,303	2,235,024
Increase in associated restoration provision (Note 14)	-	96,104
Exploration expenditure expensed	(1,705,308)	(560,161)
Transfer to Mine Development Property following FID	(12,521,335)	-
Balance at the end of the year	-	10,584,340

Following the Company's announcement of a Final Investment Decision on 1 June 2022, any expenditure from that date ceased to be recognised as capitalised exploration and evaluation expenditure under AASB 6 and was transferred to a new asset on the statement of financial position, Mine Development Property, under AASB 136.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

	Consolidated	
	2022	2021
	\$	\$
NOTE 12: MINE DEVELOPMENT PROPERTY		
Balance at the beginning of the year	-	-
Transfer from exploration and evaluation expenditure following FID	12,521,335	-
Additions	2,168,561	-
Increase in associated restoration provision (Note 14)	214,019	-
	14,903,915	-

NOTE 13: TRADE AND OTHER PAYABLES

Trade payables	1,538,295	154,304
Accrued expenditure	618,747	256,448
	2,157,042	410,752

All payables are on industry standard payment terms.

NOTE 14: NON-CURRENT PROVISIONS

Restoration provision	9,131,482	8,917,463
	9,131,482	8,917,463

Movement in restoration provision

Opening carrying amount at the start of the period	8,917,463	8,821,359
Increase in restoration provision	214,019	96,104
Closing carrying amount at the end of the period	9,131,482	8,917,463

Costs of site restoration are recognised in full at present value as a non-current liability and an equivalent amount capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to their present location.

Following the Company's announcement of a Final Investment Decision on 1 June 2022, the South Australian government have advised that they will be undertaking a review of the existing rehabilitation liability. This is expected to take place in Q4, 2022.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

	Consolidated	
	2022	2021
	\$	\$

NOTE 15: ISSUED CAPITAL

a. Movements in issued capital

Issued Capital – share options issued for cash	1,000	1,000
Issued Capital - fully paid ordinary shares	270,492,102	151,616,044
Issued Capital - fully paid ordinary shares	270,493,102	151,617,044

2022	Number	\$
Ordinary Shares		
Balance at 1-Jul-2021	2,278,276,306	151,616,044
Shares issued following exercise of Options on 2-Nov-2021	5,564,516	-
Completion of capital consolidation	(1,998,360,003)	-
Shares issued following exercise of Options on 18-Mar-22	8,958,735	-
Shares issued under a Placement (T1) on 23-Mar-22	42,822,015	92,067,332
Shares issued under SPP on 8-Apr-22	2,325,355	4,999,513
Shares issued under a Placement (T2) on 4-May-22	12,991,938	27,932,667
Capital raising costs	-	(6,123,454)
Balance at 30-Jun-2022	352,578,862	270,492,102

**On 24 November 2021, at the Company's 2021 Annual General Meeting, shareholders approved the consolidation of the Company's issued capital on the basis that every 8 Shares be consolidated into 1 Share.*

2021

Ordinary Shares		
Balance at 1-Jul-2020	1,587,403,008	79,305,493
Shares issued to employees on 21-Aug-20	1,600,000	88,000
Shares issued following vesting of Performance Rights on 8-Oct-2020	10,000,000	-
Shares issued under a Placement on 8-Oct-2020	224,630,597	15,050,250
Shares issued to Directors on 20-Nov-2020 following shareholder approval	4,100,000	262,400
Shares issued to directors on 20-Nov-2020 (as part of 8-Oct-2020 Placement) following shareholder approval	3,365,000	225,455
Shares issued following exercise of Options on 18-Jan-2021	1,849,515	-
Shares issued following exercise of Options on 5-Feb-2021	5,000,000	300,000
Shares issued following vesting of Performance Rights on 5-Feb-2021	3,000,000	-
Shares issued following exercise of Options on 17-Feb-2021	5,000,000	350,000
Shares issued following exercise of Options on 10-Mar-2021	3,756,757	-
Shares issued under a Placement on 1-Apr-2021	428,571,429	60,000,000
Capital raising costs	-	(3,965,554)
Balance at 30-Jun-2021	2,278,276,306	151,616,044

Ordinary shareholders participate in dividends and the proceeds in winding up of the parent entity in proportion to the shares held.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

b. Capital Risk Management

When managing capital, management's objective is to ensure the Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the Company. 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, enter into joint ventures or sell assets.

The Company does not have a defined share buy-back plan. No dividends were paid or declared in the years ending 2022 and 2021. The Group is not subject to any externally imposed capital requirements.

	Consolidated	
	2022	2021
	\$	\$
NOTE 16: RESERVES		
Options reserve	11,819,006	10,774,712
	11,819,006	10,774,712
Options reserve	Number of	\$
	Options	
2022		
Balance at 1-Jul-2021	103,000,000	10,774,712
Options issued to employees under ESIP on 29-Sept-2021	6,806,344	608,709
Exercise of Options on 2-Nov-2021	(7,500,000)	-
Options issue to Managing Director on 25-Nov-2021	4,400,000	435,585
Completion of capital consolidation	(93,368,051)	-
Exercise of Options on 18-Mar-2022	(11,937,500)	-
Balance at 30-Jun-2022	1,400,793	11,819,006
2021		
Balance at 1-Jul-2020	118,500,000	10,555,412
Options issued to Directors on 18-Nov-2020	10,000,000	219,300
Exercise of Options on 18-Jan-2021	(6,000,000)	-
Exercise of Options on 5-Feb-2021	(5,000,000)	-
Exercise of Options on 17-Feb-2021	(5,000,000)	-
Exercise of Options on 10-Mar-2021	(9,500,000)	-
Balance at 30-Jun-2021	103,000,000	10,774,712

The options reserve represents the charge for outstanding options and performance rights which have met all conditions precedent to vest, but which have not been exercised.

NOTE 17: ACCUMULATED LOSSES

Accumulated losses at the beginning of the year	(76,932,172)	(77,796,921)
Profit after income tax expense for the year	31,186,993	864,749
Accumulated losses at the end of the year	(45,745,179)	(76,932,172)

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 18: CASHFLOW INFORMATION

a. Reconciliation of net cash used in operating activities with loss after income tax

For the purpose of the statement of cash flows, cash includes cash on hand and at bank and deposits. Cash as at the end of the financial year as shown in the statement of cash flows is reconciled to the related item in the statement of financial position as follows:

	Consolidated	
	2022	2021
	\$	\$
Cash at bank and on hand	132,642,841	20,873,411
Reconciliation of loss after related income tax to net cash used in operating activities:		
Profit after income tax expense	31,186,993	864,749
Adjustments for:		
Depreciation	40,867	68,077
(Gain on) value of uranium investment	(36,217,285)	(4,527,231)
Exchange differences	(11,938)	(1,229)
Share based payment expense	1,044,294	569,700
Previously written off receivable	(2,235)	(2,235)
Interest on promissory notes	-	11,403
(Gain on) disposal of listed investments	(439,574)	-
(Gain on) disposal of fixed assets	-	(4,545)
Net changes in working capital:		
Provisions	36,075	55,686
Payables	159,847	(261,804)
Receivables	(148,020)	2,619
Other assets	1,594	(12,853)
Net cash used in operating activities	(4,349,382)	(3,237,663)

NOTE 19: PROFIT PER SHARE

The profit and weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

Profit for the year attributable to members of the Company	31,186,993	864,749
	Number	Number
Weighted average number of shares outstanding during the year used in calculations of basic profit per share	302,062,302	234,724,889
Weighted average number of shares outstanding during the year used in calculations of diluted profit per share	303,463,095	248,974,889

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 20: DETAILS OF CONTROLLED ENTITIES

Information about Principal Subsidiaries

	Country of Incorporation	Percentage Owned %	
		2022	2021
Parent Entity:			
Boss Energy Limited	Australia		
Subsidiaries of Boss Energy Limited:			
Wattle Mining Pty Ltd	Australia	100	100
Honeymoon Resources Pty Ltd	Australia	100	100
Boss Uranium Pty Ltd	Australia	100	100
Boss Resources Sweden Pty Ltd	Australia	100	100

There have been no other movements in percentage ownership or costs of controlled entities during 2022.

NOTE 21: KEY MANAGEMENT PERSONNEL

Compensation of Key Management Personnel

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Group's KMP For the year ended 30 June 2022.

	Consolidated	
	2022	2021
	\$	\$
Short term employment benefits	800,989	796,549
Other benefits	368,677	62,725
Share based payments	488,708	503,700
	<u>1,658,374</u>	<u>1,362,974</u>

NOTE 22: CONTINGENT LIABILITIES

The contingent liabilities of the Group to the vendor of the Honeymoon Uranium Project, Uranium One Inc, are:

- \$2 million payable in cash and/or shares upon 90 days of continuous production of uranium.
- 10% of positive annual net operating cash flow in the production of uranium, capped at \$3 million in total.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 23: CAPITAL AND LEASING COMMITMENTS

a. Mineral exploration expenditure

The Group has certain obligations to perform minimum exploration work and to expend minimum amounts of money on such work on mining tenements. These obligations may be varied from time to time subject to approval and are expected to be fulfilled in the normal course of the operations of the Group. These commitments have not been provided for in the financial statements. Due to the nature of the Group's operations in exploring and evaluating areas of interest, expenditure may be reduced by seeking exemption from individual commitments, by relinquishment of tenure or any new joint venture arrangements. Expenditure may be increased when new tenements are granted, or joint venture agreements amended.

	Consolidated	
	2022	2021
	\$	\$
Exploration expenditure		
Less than 12 months	390,000	390,000
12 months to 5 years	1,560,000	3,000,000
	1,950,000	3,390,000

b. Right of use asset

A right of use asset is recognised at the commencement date of a lease. The right of use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right of use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right of use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to Consolidated Statement of Profit or Loss and Other Comprehensive Income as incurred.

	Consolidated	
	2022	2021
	\$	\$
Opening balance	-	-
Additions	152,147	-
Depreciation	(12,679)	-
	139,468	-

The Company commenced an office lease on 1 April 2022 with a 3-year term.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 23: CAPITAL AND LEASING COMMITMENTS (CONTINUED)

c. Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index, or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

	Consolidated	
	2022	2021
	\$	\$
Current liability	45,874	-
Non-current liability	95,511	-
	141,385	-
Opening balance	-	-
Initial recognition	152,147	-
Interest	3,238	-
Principal	(14,000)	-
	141,385	-

d. Capital commitments

Following the Company's Final Investment Decision, which was announced on 1 June 2022, the Company has made significant advances in wellfield development, camp and infrastructure services and procurement. A number of procurement packages have been committed to.

As at 30 June 2022, the total value of capital commitments was \$9,122,379.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 24: SEGMENT REPORTING

The Group is organised into one operating segment, focused on conducting exploration and feasibility studies on tenements considered prospective for uranium in Australia. This is based on the internal reports that are being reviewed and used by the Board of Directors who are identified as the Chief Operating Decision Makers in assessing performance and in determining the allocation of resources. As a result, the operating segment information for the financial year ended 30 June 2022 is as disclosed in the statements and notes to the financial statements throughout the report.

Although the Company has one operating segment in Australia, all uranium owned by the Company, being 1.25 million pounds, is currently stored at the ConverDyn Facility in Metropolis, Illinois.

Consolidated	
2022	2021
\$	\$

NOTE 25: AUDITORS' REMUNERATION

The auditor of Boss Energy Limited for the year ended 30 June 2022 is KPMG.

Amounts, received or due and receivable by KPMG for:

Auditing or review services

60,000	37,000
<u>60,000</u>	<u>37,000</u>

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 26: SHARE-BASED PAYMENTS

Value of share-based payments in the financial statements

Share based payments for employees expensed	1,044,294	569,700
	<u>1,044,294</u>	<u>569,700</u>

Set out below are the summaries of Options granted as share based payments:

Options – 2022

Grant date	Expiry date	Ex. Price	Balance 1-Jul-21	Granted during the year	Exercised during the year	Balance 30-Jun-22	Number vested and exercisable
4-Jul-19	30-Jun-22	0.52	625,000	-	(625,000)	-	-
4-Jul-19	30-Jun-22	0.64	625,000	-	(625,000)	-	-
4-Jul-19	30-Jun-22	0.76	625,000	-	(625,000)	-	-
12-Nov-19	30-Jun-23	0.52	2,375,000	-	(2,375,000)	-	-
12-Nov-19	30-Jun-23	0.64	2,375,000	-	(2,375,000)	-	-
12-Nov-19	30-Jun-23	0.76	2,375,000	-	(2,375,000)	-	-
21-Jan-20	30-Jun-23	0.52	875,000	-	(875,000)	-	-
21-Jan-20	30-Jun-23	0.64	875,000	-	(875,000)	-	-
21-Jan-20	30-Jun-23	0.76	875,000	-	(875,000)	-	-
18-Nov-20	30-Jun-23	0.64	625,000	-	(625,000)	-	-
18-Nov-20	30-Jun-23	0.76	625,000	-	(625,000)	-	-
29-Sept-21	30-Jun-25	-	-	425,396	-	425,396	-
29-Sept-21	30-Jun-26	-	-	425,396	-	425,396	-
25-Nov-21	30-Jun-25	-	-	250,938	-	250,938	-
25-Nov-21	30-Jun-26	-	-	299,063	-	299,063	-
			12,875,000	1,400,793	(12,875,000)	1,400,793	-
Weighted average exercise price			\$0.646	-	-	-	-

*On 24 November 2021, at the Company's 2021 Annual General Meeting, shareholders approved the consolidation of the Company's issued capital on the basis that every 8 Shares be consolidated into 1 Share. The table above relating to 2022, shows options on a post-consolidation basis.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 26: SHARE-BASED PAYMENTS (continued)

Options – 2021

Grant date	Expiry date	Ex. Price	Balance 1-Jul-20	Granted during the year	Exercised during the year	Balance 30-Jun-21	Number vested and exercisable
19-Mar-18	19-Mar-21	0.065	3,500,000	-	(3,500,000)	-	-
19-Mar-18	19-Mar-21	0.080	6,000,000	-	(6,000,000)	-	-
19-Mar-18	19-Mar-21	0.095	6,000,000	-	(6,000,000)	-	-
21-Mar-18	31-Dec-21	0.060	5,000,000	-	(5,000,000)	-	-
21-Mar-18	31-Dec-21	0.070	5,000,000	-	(5,000,000)	-	-
4-Jul-19	30-Jun-22	0.065	5,000,000	-	-	5,000,000	5,000,000
4-Jul-19	30-Jun-22	0.080	5,000,000	-	-	5,000,000	5,000,000
4-Jul-19	30-Jun-22	0.095	5,000,000	-	-	5,000,000	5,000,000
12-Nov-19	30-Jun-23	0.065	19,000,000	-	-	19,000,000	19,000,000
12-Nov-19	30-Jun-23	0.080	19,000,000	-	-	19,000,000	19,000,000
12-Nov-19	30-Jun-23	0.095	19,000,000	-	-	19,000,000	19,000,000
21-Jan-20	30-Jun-23	0.065	7,000,000	-	-	7,000,000	7,000,000
21-Jan-20	30-Jun-23	0.080	7,000,000	-	-	7,000,000	7,000,000
21-Jan-20	30-Jun-23	0.095	7,000,000	-	-	7,000,000	7,000,000
18-Nov-20	30-Jun-23	0.080	-	5,000,000	-	5,000,000	5,000,000
18-Nov-20	30-Jun-23	0.095	-	5,000,000	-	5,000,000	5,000,000
			118,500,000	10,000,000	(25,500,000)	103,000,000	103,000,000
Weighted average exercise price			\$0.079	\$0.090	-	\$0.081	\$0.080

During the year ended 30 June 2022, the Company issued a total of 676,334 ZEPOs under the short-term incentive program and 724,459 ZEPOs under the long-term incentive program to certain employees. On meeting individual vesting conditions, which are all non-market based, each ZEPO will convert into one ordinary share with no further consideration. ZEPO's were valued at the closing share price on the grant date, less discounts to reflect the effects of any market based vesting conditions. The expected vesting period for each ZEPO for performance-based vesting conditions is the period from grant date until the date the individual vesting condition is expected to be met.

Grant date	Expiry date	Exercise Price	Number of Options	Share price at grant date	Discount applied to share price at grant date	Value of Option
29-Sept-21	30-Jun-25	-	425,396	\$2.04	-	\$2.04
29-Sept-21	30-Jun-26	-	425,396	\$2.04	-	\$2.04
25-Nov-21	30-Jun-25	-	250,938	\$2.68	-	\$2.68
25-Nov-21	30-Jun-26	-	299,063	\$2.68	-	\$2.68

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 26: SHARE-BASED PAYMENTS (continued)

Set out below are the summaries of Performance Rights granted as share based payments:

Performance Rights – 2022

Class	Grant date	Expiry date	Balance 1-Jul-21	Granted/(cancelled) during the year	Converted during the year	Balance 30-Jun-22
D	16-Aug-16	25-Aug-21	3,000,000	(3,000,000)	-	-
G	16-Aug-16	25-Aug-21	8,000,000	(8,000,000)	-	-
			11,000,000	(11,000,000)	-	-

Performance Rights – 2021

Class	Grant date	Expiry date	Balance 1-Jul-20	Granted/(cancelled) during the year	Converted during the year	Balance 30-Jun-21
A	17-Nov-15	17-Nov-20	10,000,000	-	(10,000,000)	-
D	16-Aug-16	25-Aug-21	3,000,000	-	-	3,000,000
E	16-Aug-16	25-Aug-21	3,000,000	-	(3,000,000)	-
F	17-Nov-15	17-Nov-20	3,333,333	(3,333,333)	-	-
G	16-Aug-16	25-Aug-21	8,000,000	-	-	8,000,000
			27,333,333	(3,333,333)	(13,000,000)	11,000,000

On meeting vesting conditions, Performance Rights will each convert into one ordinary share with no further consideration. Performance Rights were valued at the closing share price on the grant date, less discounts to reflect the effects of any market based vesting conditions. The expected vesting period for each Performance Right for performance-based vesting conditions is the period until expiry of the performance right.

b. Weighted average remaining contractual life

The weighted average remaining contractual life of share-based payment options outstanding as at 30 June 2022 was 3.52 years (2021: 1.85 years). There were no Performance Rights outstanding as at 30 June 2022 (2021: 0.15 years).

c. Weighted average fair value

The weighted average fair value of options outstanding as at 30 June 2022 was \$2.29 (2021: \$0.018). There were no Performance Rights outstanding as at 30 June 2022 (2021: \$0.058).

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 27: FINANCIAL INSTRUMENTS

Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, available for sale financial assets, trade and other receivables and trade and other payables.

The Group manages its exposure to key financial risks, including interest rate, liquidity and credit risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate risk and assessments of market forecasts for interest rates. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in Note 1 to the financial statements.

The totals of each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Consolidated	
	2022	2021
	\$	\$
Financial Assets		
Cash and cash equivalents	132,642,841	20,873,411
Trade and other receivables	641,438	61,813
Short term deposits	93,306	16,866
Security bonds	8,957,463	8,882,380
Listed investments, at fair value	-	579,421
Total Financial Assets	142,335,048	30,413,891
Financial Liabilities		
Trade and other payables	2,157,042	410,752
Lease liability	141,385	-
Total Financial Liabilities	2,298,427	410,752

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 27: FINANCIAL INSTRUMENTS (continued)

Risk exposures and responses

i. Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

2022	Floating Interest Rate \$	Fixed Interest Rate 1 Year or Less \$	1 to 5 Years \$	Non- Interest Bearing \$	Total \$	Weighted Effective Interest Rate
Financial Assets						
Cash	4,142,774	128,500,000	-	67	132,642,841	1.43%
Trade and other receivables	-	-	-	641,438	641,438	N/A
Short term deposits	-	-	-	93,306	93,306	N/A
Other financial assets	-	8,957,463	-	-	8,957,463	3.14%
Total Financial Assets	4,142,774	137,457,463	-	734,811	142,335,048	1.53%
Financial Liabilities						
Trade and other payables	18,152	-	-	2,138,890	2,157,042	0.11%
Lease liability	-	45,874	95,511	-	141,385	9.00%
Total Financial Liabilities	18,152	45,874	95,511	2,138,890	2,298,427	0.66%
2021	Floating Interest Rate \$	Fixed Interest Rate 1 Year or Less \$	1 to 5 Years \$	Non- Interest Bearing \$	Total \$	Weighted Effective Interest Rate
Financial Assets						
Cash	10,873,345	10,000,000	-	66	20,873,411	0.09%
Trade and other receivables	-	-	-	61,813	61,813	N/A
Short term deposits	-	-	-	16,866	16,866	N/A
Other financial assets	-	8,842,380	-	579,421	9,461,801	0.28%
Total Financial Assets	10,873,345	18,842,380	-	597,511	30,413,891	0.05%
Financial Liabilities						
Trade and other payables	11,911	-	-	398,841	410,752	0.43%
Total Financial Liabilities	11,911	-	-	398,841	410,752	0.43%

ii. Sensitivity Analysis

As at 30 June 2022, if interest rates had changed by +/-75 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Group would have been \$1,060,805 lower/higher (2021: \$223,078 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 27: FINANCIAL INSTRUMENTS (continued)

iii. Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate access to funds are maintained.

iv. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments.

Fair value hierarchy

The following tables detail the Groups assets and liabilities, measured or disclosed at fair value using a three-level hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2022	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets:				
<i>Fair value through profit or loss:</i>				
Listed investments	-	-	-	-
2021				
<i>Fair value through profit or loss:</i>				
Listed investments	579,421	-	-	579,421

Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the balance date are recorded at amounts approximating their carrying amount. The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the last trade price. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 28: PARENT ENTITY DISCLOSURES

	2022	2021
	\$	\$
Statement of Financial Position		
Assets		
Current assets	133,329,862	20,902,429
Non-current assets	105,321,741	64,996,391
Total assets	<u>238,651,603</u>	<u>85,898,820</u>
Liabilities		
Current liabilities	1,989,163	439,236
Non-current liabilities	95,511	-
Total liabilities	<u>2,084,674</u>	<u>439,236</u>
Equity		
Issued capital	270,493,102	151,617,044
Reserves	11,819,006	10,774,712
Accumulated losses	(45,745,179)	(76,932,172)
Total equity	<u>236,566,929</u>	<u>85,459,584</u>
Statement of Profit or Loss and Other Comprehensive Income		
Profit for the year	31,186,993	1,549,990
Total comprehensive profit for the year	<u>31,186,993</u>	<u>1,549,990</u>

Guarantees

Boss Energy Limited has not entered into any guarantees in the current or previous financial year in relation to the debts of its subsidiaries.

Other Commitments and Contingencies

Boss Energy Limited has no commitments to acquire property, plant and equipment and has no contingent liabilities other than those already disclosed in the notes to the financial statements.

Notes to the Consolidated Financial Statements

For the Year Ended 30 June 2022

NOTE 29: RELATED PARTY TRANSACTIONS

As at 30 June 2022, there were no balances owed from/to KMP and or companies associated with the KMP.

NOTE 30: EVENTS SUBSEQUENT TO BALANCE DATE

The following events occurred between the end of the financial year and the date of this report:

- On 2 September 2022, Boss was advised that it will be admitted to the S&P/ASX 300 effective from the open of trade on Monday, 19 September 2022; and
- On 6 September 2022, the Company announced significant advances made in wellfield development, camp and infrastructure services and procurement. More than 60 procurement packages have been issued valued at approximately \$14.4 million. The packages awarded to date represent 13% of the projects total forecast capital cost of \$113 million.

Other than that, between the end of the financial year and the date of this report there are no items, transactions or events of a material or unusual nature likely, in the opinion of the directors, to affect significantly, the results of those operations, or the state of affairs of the Group in future financial years that require disclosure.

Directors' Declaration

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the 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 Group'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 the declarations required by section 295A of the Corporations Act 2001.

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

On behalf of the Directors



Peter O'Connor
Chairman

DATED at PERTH this 28th day of September 2022

Independent Auditor's Report

To the shareholders of Boss Energy Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of Boss Energy Limited (the Company).

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

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

The **Financial Report** comprises:

- Consolidated statement of financial position as at 30 June 2022.
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended.
- Notes including a summary of significant accounting policies.
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

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

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.

This matter was 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 this matter.

Investment in strategic Uranium (\$90,724,343)

Refer to Note 9 to the Financial Report

The key audit matter

The Group held 1.25 million pounds of uranium with a carrying value of \$90.7 million as at 30 June 2022 that was acquired as a long-term investment in strategic uranium for capital appreciation. In the absence of specific guidance on accounting for investments in uranium in the Australian Accounting Standards, the Group's accounting policy to carry investment in strategic uranium at fair value is based upon providing information they consider is most relevant to economic decision making of users. Fair value is determined at each reporting date based on the spot price for uranium at the reporting date and converted to Australian dollars. The fair value change is recognised in profit or loss in the financial period in which it occurs.

We considered this a key audit matter due to judgement required in assessing the appropriateness of the Group's accounting policy under the Australian Accounting Standards, and also due to the significance of this balance on the statement of financial position at the reporting date and profit or loss for the year then ended.

How the matter was addressed in our audit

Our procedures included:

- Evaluated the Group's choice of accounting policy and disclosures against the requirements of the Australian Accounting Standards and in the context of the Group's information they considered relevant to the economic decision making of users. Using our accounting specialists, we challenged this based upon our knowledge of generally accepted principles;
- Obtained direct third-party confirmation of the quantity of uranium held at the third-party storage facility as at 30 June 2022;
- Compared the spot price of uranium and foreign exchange rate used by the Group to determine fair value of the investment to published market spot prices and foreign exchange rates;
- Recalculated the fair value of the investment in uranium as at 30 June 2022 and tested the mathematical accuracy of movement in fair value recognised in profit or loss.

Other Information

Other Information is financial and non-financial information in Boss Energy Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and 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 objective is:

- 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. They 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 the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Boss Energy Limited for the year ended 30 June 2022, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' 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 responsibilities

We have audited the Remuneration Report included in pages 15 to 20 of the Directors' report for the year ended 30 June 2022.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.



KPMG



Derek Meates
Partner

Perth

28 September 2022

Corporate Governance

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition).

Unless disclosed below, all the principles and recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2022 (Reporting Period).

Board Composition

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the annual report and their term of office are detailed in the Director's Report.

The independent Directors of the Company are Mr Peter O'Connor, Mr Wyatt Buck and Ms Jan Honeyman.

When determining the independent status of a Director the Board used the Guidelines detailed in the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations.

Diversity Policy

The Company recognises that a diverse and talented workforce is a competitive advantage and that the Company's success is the result of the quality and skills of our people.

Our policy is to recruit and manage on the basis of qualification for the position and performance, regardless of gender, age, nationality, race, religious beliefs, cultural background, sexuality or physical ability. It is essential that the Company employs the appropriate person for each job and that each person strives for a high level of performance.

The Company's strategies are to:

1. recruit and manage on the basis of an individual's competence, qualification and performance;
2. create a culture that embraces diversity and that rewards people to act in accordance with this policy;
3. appreciate and respect the unique aspects that individual brings to the workplace;
4. foster an inclusive and supportive culture to enable people to develop to their full potential;
5. identify factors to be taken into account in the employee selection process to ensure we have the right person for the right job;
6. take action to prevent and stop discrimination, bullying and harassment; and
7. recognise that employees at all levels of the Company may have domestic responsibilities.

The Board is accountable for ensuring this policy is effectively implemented. Each employee has a responsibility to ensure that these objectives are achieved.

Compliance with ASX Recommendations

Recommendation	Boss Energy Limited Current Practice
<p>1.1 A listed entity should have and disclose a board charter setting out:</p> <ul style="list-style-type: none"> (a) The respective roles and responsibilities of its board and management; and (b) Those matters expressly reserved to the board and those delegated to management. 	<p>The Company has established a Board Charter.</p> <p>The Board Charter sets out the specific responsibilities of the Board in relation to corporate governance, the role of the Board, the Board's relationship with management, the key responsibilities of the Board, the structure of the Board, the role of the chair, the role of Board committees and the occurrence of Board meetings. It is available for review at www.bossenergy.com</p>
<p>1.2 A listed entity should:</p> <ul style="list-style-type: none"> (a) Undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) Provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. 	<p>The Company has implemented a policy of undertaking police and bankruptcy checks on all directors before appointment or putting to shareholders for election.</p> <p>The Company provides all relevant information on all directors in its annual report and on its website.</p>
<p>1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their employment.</p>	<p>The Company requires that a detailed letter of appointment or an executive services agreement is executed with each director and employee prior to the commencement of duties.</p>
<p>1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	<p>The Company's organisation chart reflects the position of the Company Secretary within the Company structure.</p>
<p>1.5 A listed entity should:</p> <ul style="list-style-type: none"> (a) Have and disclose a diversity policy; (b) Through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) Disclose in relation to each reporting period: <ul style="list-style-type: none"> 1. the measurable objectives set for that period to achieve gender diversity; 2. the entity's progress towards achieving those objectives; and 3. either: <ul style="list-style-type: none"> A. the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or 	<p>The Company has adopted a formal Diversity Policy, a summary of which is provided above.</p> <p>As at the date of this Report:</p> <ul style="list-style-type: none"> • The Board comprised five members, 4 of whom were male and one female. • The senior staff comprised 15 people, 11 of whom were male and four females. • The whole organisation comprises twenty people, fifteen of whom are male and five females. <p>The Company was not in the S&P / ASX 300 Index at the commencement of the reporting period.</p>

- B. if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under that Act.

If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be 30% of its directors of each gender within a specified period.

1.6	<p>A listed entity should:</p> <p>(a) Have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) Disclose for each reporting period whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>The Board Performance Evaluation Policy is available at www.bossenergy.com</p> <p>During the reporting period, the Board collectively assessed their respective roles and contributions to the Company and determined they were appropriate.</p>
1.7	<p>A listed entity should:</p> <p>(a) Have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) Disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>The Board constantly assesses the performance of the Managing Director, the Company Secretary and other Key Management Personnel during the course of the year.</p>
2.1	<p>The board of a listed entity should:</p> <p>(a) Have a nomination committee which:</p> <ol style="list-style-type: none"> 1) has at least three members, a majority of whom are independent directors; and 2) is chaired by an independent director; and disclose: 3) the charter of the committee; 4) the members of the committee; and 5) as at the end of each reporting period, the number of times the committee met throughout the period, and the individual attendances of the members at those meetings; or <p>(b) If it does not have a nomination committee, disclose the fact and the processes it employs to address board succession issues and to ensure the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>The Board consider that given the current size of the Board and the Company, this function is efficiently achieved with full Board participation and by the Audit and Remuneration Committee.</p> <p>Accordingly, the Board has not established a separate nomination committee. The Board has adopted a Nomination Committee Charter by which it abides. The charter is available at the Company’s website www.bossenergy.com</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the</p>	<p>The Board Charter which is available at www.bossenergy.com incorporates a set of</p>

	board currently has or is looking to achieve in its membership.	skills and abilities that are desirable for the composition of the Board. The Board is satisfied that it currently possesses an appropriate mix of desired skills in the areas of geology, exploration, mining, commerce, the uranium industry and finance to act effectively.
2.3	<p>A listed entity should disclose:</p> <p>(a) The names of the directors considered by the board to be independent directors;</p> <p>(b) If a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) The length of service of each director.</p>	<p>The Company considers that Mr Peter O'Connor, Mr Wyatt Buck and Ms Jan Honeyman are all independent directors on the Board due to the other directors currently acting in an executive capacity or having previously acted in an executive capacity.</p> <p>The Company discloses the length of service for each director in the Director's Report of its annual report.</p>
2.4	A majority of the board of a listed entity should be independent directors.	There are currently three independent directors on the Board out of five in total. The Company complies with this recommendation.
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Mr Peter O'Connor is the Chairman and is considered independent. The Company complies with this recommendation.
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their roles as directors effectively.	<p>The Company has an induction program for all new directors to appropriately familiarise them with the policies and procedures of the Company.</p> <p>The Company encourages and facilitates all Directors to develop their skills, including with the opportunity to attend external seminars to maintain compliance in areas such as risk and disclosure.</p>
3.1	A listed entity should articulate and disclose its values.	<p>The Board has adopted a Code of Conduct, Securities Trading Policy, Whistleblower Policy, Continuous Disclosure Policy and Shareholder Communication Policy which detail frameworks for acceptable corporate behaviour.</p> <p>These are available at the Company's website www.bossenergy.com</p>
3.2	<p>A listed entity should:</p> <p>(a) Have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) Ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	<p>The Company's Code of Conduct is available at www.bossenergy.com</p> <p>It is a requirement of the Board that it is informed of any material breaches, none of which occurred during the reporting period.</p>

<p>3.3 A listed entity should:</p> <ul style="list-style-type: none"> (a) Have and disclose a whistleblower policy; and (b) Ensure that the board or a committee of the board is informed of any material incidents reported under that policy. 	<p>The Company's Whistleblower Policy is available at www.bossenergy.com</p> <p>It is a requirement of the Board that it is informed of any material breaches, none of which occurred during the reporting period.</p>
<p>3.4 A listed entity should:</p> <ul style="list-style-type: none"> (a) Have and disclose an anti-bribery and corruption policy; and (b) Ensure that the board or a committee of the board is informed of any material breaches of that policy. 	<p>The Company has not yet adopted an anti-bribery and corruption policy; however, the Company will look to implement an appropriate policy in the near term.</p>
<p>4.1 The board of a listed entity should:</p> <ul style="list-style-type: none"> (a) Have an audit committee which: <ul style="list-style-type: none"> 1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and 2) is chaired by an independent director, who is not the chair of the board; and disclose: <ul style="list-style-type: none"> 3) the charter of the committee; 4) the relevant qualifications and experience of the members of the committee; and 5) as at the end of each reporting period, the number of times the committee met throughout the period, and the individual attendances of the members at those meetings; or (b) If it does not have an audit committee, disclose the fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner. 	<p>The Company has an Audit and Remuneration Committee which is currently has an interim chair (Bryn Jones); who is not the chair of the Board. However, it does not consist of three members.</p> <p>The Directors require that management report regularly on all financial and commercial aspects of the Company to ensure that they are familiar with all aspects of corporate reporting and believe this to mitigate the risk of not having an independent committee.</p> <p>The Board has adopted a formal policy regarding the appointment, removal and rotation of the Company's external auditor and audit partner.</p>
<p>4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal controls which is operating effectively.</p>	<p>The Board receives a section 295A declaration from the equivalent of the CEO and CFO for each quarterly, half yearly and full year report in advance of approval of these reports.</p>
<p>4.3 A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external</p>	<p>As well as receiving management accounts and financial updates at each Board meeting, the Board receives a section 295A declaration from the equivalent of the CEO and CFO for each</p>

	auditor.	quarterly in advance of approval of these reports.
5.1	A listed entity should have a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1.	The Board has adopted a formal Continuous Disclosure Policy to ensure compliance with the ASX Listing Rules. The Policy is available at www.bossenergy.com
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	The Board approves all material market announcements made by the Company prior to release to the ASX and is notified once release has occurred.
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	The Company complies with this recommendation.
6.1	A listed entity should provide information about itself and its governance to investors via its website.	The Company complies with this recommendation and all relevant information can be found at www.bossenergy.com
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	The Company has developed a Shareholder Communications Strategy to ensure all relevant information is identified and reported accordingly.
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	The Company encourages all shareholders to attend General Meetings of the Company via its notices of meeting, and in the event they cannot attend, to participate by recording their votes. The Company has implemented an online voting system to further encourage participation by shareholders.
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by poll rather than by a show of hands.	The Company puts all resolutions that are subject to the Listing Rules to a poll. Further the Chair has regard for the results of the proxy voting when deciding if a non-Listing Rule resolution should be put to a poll instead of by show of hands.
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	The Company and its share registry actively encourage electronic communication. All new shareholders are issued with a letter encouraging the registration of electronic contact methods.
7.1	The board of a listed entity should: <ul style="list-style-type: none"> (a) have a committee or committees to oversee risk, each of which: <ul style="list-style-type: none"> 1) has at least three members, a majority of whom are independent directors; and 	<p>Mr Wyatt Buck is chair of the Technical and Risk Committee. Mr Buck is independent and not the chair of the Board. The Technical and Risk Committee consists of three directors of which a majority are independent.</p> <p>The Technical and Risk Committee was only formed in October 2020. Prior to this the</p>

<p>2) is chaired by an independent director; and disclose:</p> <p>3) the charter of the committee;</p> <p>4) the members of the committee; and</p> <p>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings: or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>Company did not have an independent committee however, the Directors required that management report regularly on all financial and commercial aspects of the Company to ensure that they are familiar with all aspects of corporate reporting and believe this to mitigate the risk of not having an independent committee.</p>
<p>7.2 The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>The Board currently reviews its risk management strategy on an annual basis at a minimum at a Board level. The Board considers it to be sound.</p>
<p>7.3 A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>The Company is not of the size or scale to warrant the cost of an internal audit function. This function is undertaken by the Board as a whole via the regular and consistent reporting in all risk areas.</p>
<p>7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>The Company does not currently have any material exposure to any economic, environmental and social sustainability risks.</p>
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>1) has at least three members, a majority of whom are independent directors; and</p> <p>2) is chaired by an independent director; and disclose:</p> <p>3) the charter of the committee;</p> <p>4) the members of the committee; and</p> <p>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the</p>	<p>The Company has a Remuneration Committee which is currently chaired by an independent director (Jan Honeyman); who is not the chair of the Board. However, it does not consist of three members.</p> <p>The Board considers industry peers and during the current financial year engaged an independent consultant to evaluate the remuneration for all directors and executives.</p> <p>The Board is cognisant of the fact that it wishes to attract and retain the best people and considers strategies other than monetary to balance the need for the best people and the financial position of the Company.</p>

	members at those meetings; or	
	(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	
8.2	A listed entity should separately disclose its policies and practises regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	The Company discloses its policies on remuneration in the Remuneration Report set out in its Annual Report.
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>The Company recognises that Directors, executives and employees may hold securities in the Company and that most investors are encouraged by these holdings. The Company's Securities Trading Policy (available at www.bossenergy.com) explains and reinforces the Corporations Act 2001 requirements relating to insider trading. The Policy applies to all Directors, executives, employees and consultants and their associates and closely related parties.</p> <p>The Company has an Employee Securities Incentive Plan which has been approved by shareholders. Performance rights and unquoted options have been offered to key management personnel under the plan in prior years.</p>

Additional Information

Class of Shares and Voting Rights

The voting rights attached to the Fully Paid Ordinary Shares of the Company are:

- a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and
- b) on a show of hands every person that is present, who is a member, has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

Options do not carry any voting rights.

Distribution of Shareholders (as at 19 September 2022)

Spread of Holdings	Number of Holders	Number of Shares
1-1,000	4,052	2,107,205
1,001-5,000	4,938	11,965,361
5,001 - 10,000	1,407	10,489,496
10,001 -100,000	1,687	44,233,126
Over 100,001	138	283,783,674
Total	12,222	352,578,862

There are 277 holders of unmarketable parcels comprising a total of 25,567 ordinary shares.

There are currently no shares subject to voluntary escrow.

There is no current on-market buy back taking place.

Company Secretary

Mathew O'Hara

Registered Office

Level 1, 420 Hay Street
Subiaco WA 6008
Telephone: (08) 6263 4494

Share Registry

Automatic Registry Services
Level 5, 126 Phillip Street
Surry Hills NSW 2000
Ph: +61 2 9698 5414

Substantial Shareholders (based on Substantial Shareholder Notices lodged with ASX)

Name	Number of Shares	%
Ausbil Investment Management Limited	20,097,099	5.95%
Paradise Investment Management Pty Ltd	19,934,829	5.65%

Twenty Largest Registered Shareholders (as at 19 September 2022)

Name	Number of Shares	%
1 Citicorp Nominees Pty Limited	64,429,972	18.27
2 HSBC Custody Nominees (Australia) Limited	58,993,978	16.73
3 BNP Paribas Noms Pty Ltd <DRP>	17,081,913	4.84
4 HSBC Custody Nominees (Australia) Limited – A/C 2	15,674,974	4.45
5 National Nominees Limited	14,164,067	4.02
6 Mr Antonius Joseph Smit	11,203,328	3.18
7 BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP>	10,705,157	3.04
8 JP Morgan Nominees Australia Pty Limited	10,597,184	3.01
9 UBS Nominees Pty Ltd	7,325,279	2.08
10 Washington H Soul Pattinson and Company Limited	6,600,000	1.87
11 HSBC Custody Nominees (Australia) Limited <GSCO Customers A/C>	4,598,503	1.30
12 Merrill Lynch (Australia) Nominees Pty Ltd	4,467,957	1.27
13 HSBC Custody Nominees (Australia) Limited	4,459,785	1.26
14 HSBC Custody Nominees (Australia) Limited <NT-COMNWLTH Super Corp A/C>	4,275,942	1.21
15 BNP Paribas Nominees Pty Ltd ACF Clearstream	4,258,043	1.21
16 Mr Duncan Craib <Erracht A/C>	4,235,039	1.20
17 Warbont Nominees Pty Ltd <Unpaid Entrepot A/C>	3,351,034	0.95
18 Epic Feast Pty Ltd	1,979,167	0.56
19 McNeil Nominees Pty Limited	1,920,114	0.54
20 Citicorp Nominees Pty Limited	1,722,413	0.49
TOTAL	252,043,849	71.49

Unquoted Securities (as at 19 September 2022)

Class	Number
Unquoted zero exercise price options, expiring on or before 30 June 2025	642,765
Unquoted zero exercise price options, expiring on or before 30 June 2026	643,893

Unquoted Securities >20% Holders (as at 19 September 2022)

Class	Holder	Number	%
Unquoted zero exercise price options, expiring on or before 30 June 2025	Duncan Craib	250,938	39.04
Unquoted zero exercise price options, expiring on or before 30 June 2026	Duncan Craib	299,063	46.45

Schedule of Mining Tenements

Tenement Name	Location	Licence Number	Interest
Yarramba	South Australia	EL6510	100%
South Eagle	South Australia	EL6081	100%
Gould's Dam	South Australia	EL6512	100%
Katchiwilleroo	South Australia	EL6511	100%
Ethiudna	South Australia	EL6020	100%
Gould's Dam	South Australia	RL83-85	100%
Honeymoon Mine	South Australia	ML6109	100%

**EL6512, 6511, 6020, 6510 and 6081 are subject to an earn-in agreement with FQM in respect to the base and precious metal rights. Refer ASX release dated 10 February 2022 for further information.*