ANNUAL REPORT 2022

ASX: VAL

VALOR RESOURCES

VALOR RESOURCES

CONTENTS

CORPORATE DIRECTORY

Directors
Mr. George Bauk (Executive Chairman)
Mr. Brian McMaster (Non-Executive Director)
Ms. Paula Smith (Non-Executive Director) – Resigned 19 August 2022
Mr. Gary Billingsley (Non-Executive Director)

Company Secretary
Ms. Paula Smith – Resigned 19 August 2022
Mr. Joe Graziano – Appointed 19 August 2022

Principle Place of Business/Registered Office
Level 3, 101 St Georges Terrace
PERTH, WA 6000
Telephone: +61 411 649 551
Website: www.valorresources.com.au

Share Registry
Automic Registry Services Pty Ltd
Level 2, 267 St Georges Terrace
PERTH, WA 6000
Telephone: + 61 8 9324 2099
Facsimile: + 61 8 9321 2337

Auditors
BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2,
5 Spring Street,
PERTH, WA 6000

Stock Exchange
Australian Securities Exchange Limited
(Home Exchange: Perth, WA)
ASX Code: VAL

VALOR RESOURCES

CHAIRMAN'S LETTER

Dear shareholders,

During the past financial year, the company has advanced its exploration portfolios in both Canada and Peru, focussed on minerals that will have a significant benefit to global targets of reaching a net zero carbon emission.

With global demand for electricity set to grow around 50% by 2040, nuclear power is set to play a prominent role in meeting this growing demand whilst satisfying the global objective of net zero carbon emissions. As a result, uranium demand is expected to rise by approximately 160% over the next few decades. Whilst Canada is currently the third largest producer of uranium in the world, it also has the highest grade of uranium produced globally, averaging over 2% U_3O_8. All of Canada's uranium production comes from the world famous Athabasca Basin uranium province.

At Valor, we have developed a large portfolio of uranium focussed projects in and around the Athabasca Basin in Canada. Over the past 12 months, the company has undertaken a significant amount of exploration activity to advance these projects. The exploration team has completed a comprehensive review of all the historical data, digitised the data, undertaken a number of on-ground programs, flown several extensive airborne gravity surveys and completed our first maiden drill program at Hook Lake.

What we have uncovered is a significant number of new targets ready to be drilled in the next 12 months. We have identified exciting new targets at Hook Lake, Cluff Lake, Hidden Bay and Surprise Creek, each with their own stand out reasons to drill, which we must now prioritise in preparation for drilling.

Whilst undertaking the exploration program, the team in Canada has done an outstanding job in engaging local communities around our projects, including employing local community member for the Hook Lake drill program. We look forward to continued engagement with all the communities at our Canadian projects.

Whilst our Canadian Uranium projects have been our number one priority, the Company has also advanced the Peruvian Copper Silver Projects over the past 12 months.

Copper plays a significant role in the net zero carbon emission journey, with a large focus on the key driver of the electrification of the transport industry with particular reference to the electric vehicle. The world currently produces over 22 million tonnes of copper per annum and this is expected to grow over the coming decades. Peru is the second largest producer of copper, and this is why we are focussed on Peru for copper.

During the past 12 months, we have undertaken a significant amount of work in Peru. After the initial review of our Picha Project, we established an in-country exploration team and completed a number of exploration activities including on-ground sampling and mapping along with an IP / resistivity survey. The team also increased our land holding from 20km^2 to 200km^2 and added another project to the fold, the Charaque Project, which is 30km from Picha, where we have established a 60km^2 land position.

The Peru team has submitted a drill permit application and is now working with the Peruvian government to ensure the drill permit is granted whilst also finalising the landowner agreements, with the aim of undertaking a 5,000m initial drill program.

Whilst we are extremely excited with the diverse portfolio of assets across multiple commodities and countries, we realise the need to streamline our focus as a company. We are currently reviewing a number of strategic options that will provide the best shareholder value and market appreciation.

I would like to thank my fellow directors for the efforts and support over the past 12 months. I would like to pay a special thanks to Paula Smith for her efforts including the support for the flow through funding completed late last year and wish her well in the future. Thanks to the exploration teams in both Canada and Peru led by Robin Wilson our exploration manager.

2022/23 is an exciting year for Valor shareholders as we continue to explore our properties and have our defining moment with a significant discovery.

Your faithfully

George Bauk

Executive Chairman

VALOR RESOURCES

DIRECTORS' REPORT

The Directors present their report for Valor Resources Limited and its subsidiaries ("Valor" or "the Group") for the year ended 30 June 2022.

DIRECTORS

The names, qualifications and experience of the Group's Directors in office at any time during the year are as follows. Directors were in office for this entire year unless otherwise stated.

MR. GEORGE BAUK

Executive Chairman

Mr Bauk is an experienced company director with over 15 years' experience as a listed company director in Australia with the resources industry in both production and exploration with assets in Western Australia and internationally. He is an experienced executive, with 30 years' experience in the resources industry. Mr Bauk holds a Bachelor of Business (Accounting and Finance) from Edith Cowan University, is a Fellow of the CPA and has an MBA from the University of New England. Mr Bauk has held global operational and corporate roles with WMC Resources and Western Metals. Mr Bauk has a strong background in strategic management, business planning, building teams, finance and capital/debt raising, and experience with a variety of commodities in particular rare earths, gold and industrial minerals. During his time as Managing Director of Northern Minerals, he led its rapid development from greenfields heavy rare earth explorer to one of a few global producers of high value dysprosium outside of China. Mr Bauk is a passionate member of the WA resources industry having previously held a number of senior governing positions with the Chamber of Minerals and Energy including Vice President.

Mr Bauk is currently a director of BlackEarth Minerals NL (appointed 17 March 2016), Lithium Australia Limited (appointed 17 July 2015) and PVW Resources Limited (appointed 1 February 2021). Mr Bauk was previously a director of Northern Minerals Limited (appointed 1 March 2010, resigned 7 June 2020) and Gascoyne Resources Limited (appointed 7 August 2020, resigned 31 January 2022). He has not held any other listed directorships in the past three years.

MR. GARY BILLINGSLEY

Non-Executive Director

Mr Billingsley has over 37 years' experience as a listed company director in Canada in the resources industry from exploration through to production in both oil and gas and mining. He has global experience having worked on projects located in Canada, the US and Africa. With 48 years' experience in the resources industry, Mr Billingsley has held several operational and corporate roles from Chief Mine Geologist to President and CEO of both small and large public companies. Besides a technical background, he has experience on the corporate financial side including fund raising and serving on board committees including Audit, Compensation, Corporate Governance and Environment, Health and Safety committees. His public company experience covers commodities including oil and gas, base metals, gold, diamonds, uranium, potash and rare earths. Mr Billingsley's career includes leading the team that put Saskatchewan's largest gold mine into production, discovering several diamond-bearing kimberlites in Saskatchewan, one of which has now completed final feasibility and playing an instrumental role in taking a potash company public that was subsequently purchased by BHP.

Mr Billingsley is currently a director of TSX-V listed Aurex Energy Corp. (appointed November 2011), Wescan Goldfields Inc. (appointed April 2005), and Hanstone Gold Corp. (appointed November 2021). He has not held any other listed directorships in the past three years.

MR. BRIAN MCMASTER

Non-Executive Director

Mr McMaster is a Chartered Accountant and has over 25 years' experience in the areas of venture capital and project financing, corporate reconstruction and turnaround/performance improvement. Mr McMaster is the principal of Garrison Capital a boutique venture capital firm and formerly was a partner of the restructuring firm KordaMentha and prior to that was a partner at Ernst & Young. His experience includes significant working periods in the United States, South America, Asia and India.

Mr McMaster is currently a director of AIM traded Harvest Minerals Limited (appointed 1 April 2014), AIM traded Jangada Mines plc (appointed 30 June 2015), AIM quoted Arc Minerals Limited (appointed 1 August 2017).

Mr McMaster was previously a director of LSE quoted Contango Holdings Limited (appointed 26 October 2017, resigned 30 June 2020). He has not held any other listed directorships in the past three years.

MS. PAULA SMITH (Resigned 19 August 2022)

Non-Executive Director & Company Secretary

Ms. Smith is a finance professional with over 17 years' experience and is presently a director of a consulting and secretarial advisory firm specialising in business advisory, consulting and back office support (finance and secretarial) to SMEs and ASX listed entities. Prior to that Ms. Smith held senior roles in advisory firms KordaMentha and Ernst & Young. Ms. Smith holds a Bachelor of Commerce/Law (Hons), is a qualified Chartered Accountant and a Graduate of the Australian Institute of Company Directors.

She has not held any other listed directorships over the past three years.

MR. JOE GRAZIANO (Appointed 19 August 2022)

Company Secretary

Mr. Graziano has over 25 years' experience providing a wide range of business, financial and strategic advice to small cap unlisted and listed public companies as well as privately owned businesses in Western Australia's resource driven industries, particularly mining, banking and finance, professional services and logistics. He has the knowledge and experience in Corporate Advisory. He also has experience in Mergers & Acquisitions, Capital Raisings, ASX compliance and regulatory requirements as well as Family Offices and Investment Advisory Boards.

INTERESTS IN THE SECURITIES OF THE GROUP

As at the date of this report, the interests of the Directors in the securities of Valor Resources Limited are:

Director	Ordinary Shares	Performance Rights
Mr. George Bauk	42,333,333	120,000,000
Mr. Gary Billingsley	-	60,000,000
Mr. Brian McMaster	204,030,143	-

RESULTS OF OPERATIONS

The Group's net loss after taxation attributable to the members of Valor Resources Limited for the year ended 30 June 2022 was $3,671,584 (2021: $2,428,452).

DIVIDENDS

No dividend was paid or declared by the Group during the year and up to the date of this report (2021: Nil).

CORPORATE STRUCTURE

Valor Resources Limited is a company limited by shares which is incorporated and domiciled in Australia.

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activities of companies within the Group during the financial year were mineral exploration and examination of new resource opportunities.

REVIEW OF OPERATIONS

CANADIAN URANIUM PROJECTS – ATHABASCA BASIN

The Company has commenced work on all eight of its uranium projects in the Athabasca Basin, highlighted by the maiden drilling program at the Hook Lake Project. Work has comprised of extensive data reviews of historical exploration, completing a number of field programs, several large airborne surveys and the drill program at Hook Lake. The programs have uncovered a significant number of uranium targets that ultimately require drilling.

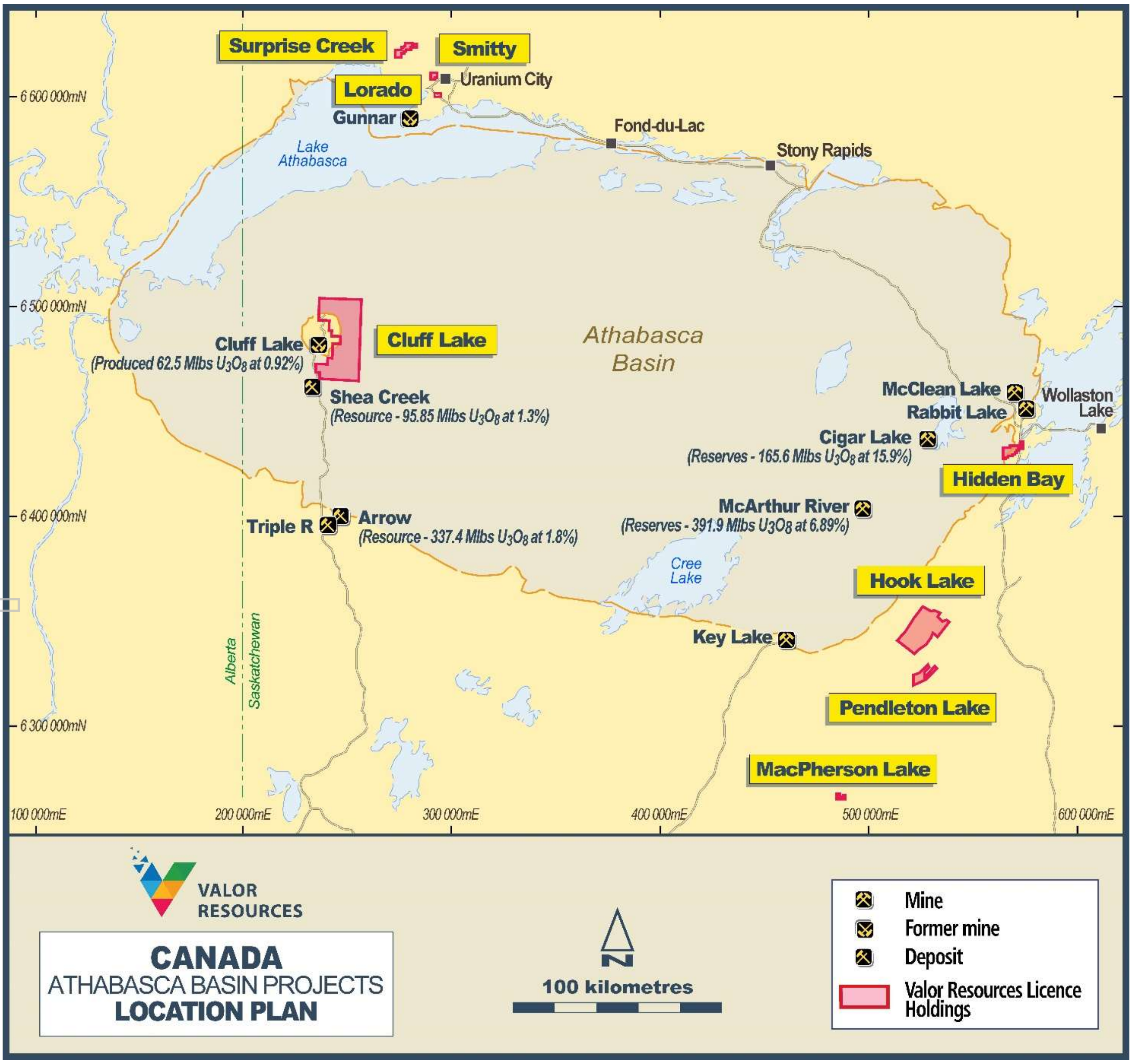

Figure 1: Canada Project Locations

VALOR RESOURCES

HOOK LAKE PROJECT

Early in 2022, Valor completed an initial drill program that hit elevated radioactivity and associated alteration at the Hook Lake Uranium project. The eight hole, 1,757m diamond drilling program was focused on the S-Zone, with six drillholes there (see Figure 2) and another two at the V-Grid target. Initial results include the following:

- Elevated radioactivity > 300 cps and alteration zones encountered in several holes as S-Zone target, including 2.5m from 105.5m @ 160ppm U_3O_8 in DDHL22-002 (released Sept 2022)
- Uraninite mineralisation recorded in drill hole DDHL22-002 at S-Zone within a 3.5m downhole length sub-vertical zone of elevated radioactivity and alteration.

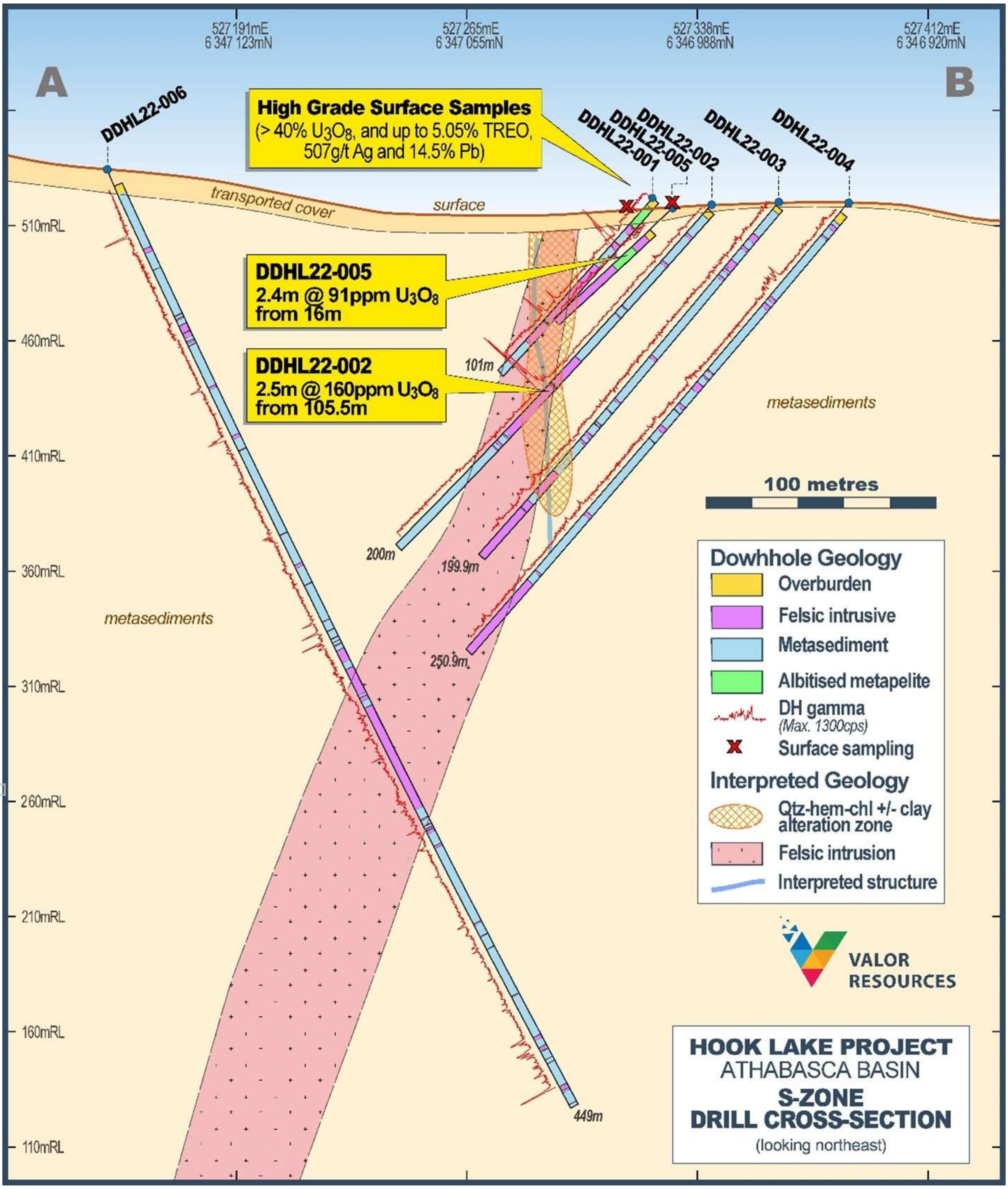

Figure 2: Hook Lake Project – S-Zone Prospect Drilling cross section and geological interpretation

Full details of the drilling program were released in the ASX announcement dated 11 April 2022 and titled "Initial Drill program hits elevated radioactivity and associated alteration at Hook Lake Uranium Project".

An airborne gravity gradiometry (AGG) survey was completed in May 2022 at both Hook Lake and the Hidden Bay Uranium Project in the eastern Athabasca Basin. Results from the AGG survey are being finalised and will be released in the September quarter. Prior to the AGG survey, the Company completed a high-resolution airborne radiometric survey over the northeastern third of the Project. The survey highlighted the S-Zone prospect as well as a cluster of uranium anomalies in the northwestern corner of the project area.

A total of 57 samples were taken from across the Hook Lake Project during the on-ground field program completed in August 2021, which followed up on the airborne radiometric survey. A total of seven rock chip samples were taken from a historical trench located at the S-Zone prospect, with four of these samples returning high-grade uranium, rare earths, silver and lead assays. These samples were taken from in-situ uraninite mineralisation within a biotite or psammitic gneiss. A boulder sample located approximately 300m east of the S-Zone trench also returned high-grade uranium and rare earths with 59.2% U_3O_8 and 5.05% TREO*.

Sampling results from the Hook Lake (Zone S) prospect returned:

- **59.2% U_3O_8, 499g/t Ag, 5.05% TREO, 14.4% Pb** (Float)
  - TREO includes **11,797ppm Nd_2O_3** + **Pr_6O_{11}** and **1,825ppm Dy_2O_3**
- **57.4% U_3O_8, 507g/t Ag, 3.68% TREO, 14.5% Pb** (Rock Chip)
  - TREO includes **8,562ppm Nd_2O_3** + **Pr_6O_{11}**and **1,676ppm Dy_2O_3**
- **46.1% U_3O_8, 435g/t Ag, 2.88% TREO, 8.8% Pb** (Rock Chip)
  - TREO includes **7,054ppm Nd_2O_3** + **Pr_6O_{11}** and **1,139ppm Dy_2O_3**
- **6.92% U_3O_8, 0.81% TREO, 2% Pb** (Rock Chip)
- **6.42% U_3O_8, 1.17% TREO, 1.8% Pb** (Rock Chip)

At the West Way prospect, located approximately 6.5km north of the S-Zone prospect, five grab samples of outcrop or subcrop were taken with three of the samples returning anomalous uranium assay results including up to 0.64% U_3O_8 from a quartz vein.

*TREO = Total Rare Earth Oxides = La_2O_3, CeO2, Pr_6O_{11}, Nd_2O_3, Sm_2O_3, Eu_2O_3, Gd_2O_3, Tb_4O_7, Dy_2O_3, Ho_2O_3, Er_2O_3, Yb_2O_3, Y_2O_3.

CLUFF LAKE PROJECT

An extensive data review and targeting process was completed at the Cluff Lake Project (ASX announcement dated 7 June 2022 titled "Highly Prospective Uranium targets identified at Cluff Lake Project near historical uranium mine). The work highlighted seven high-priority targets for on-ground follow-up (see Figure 3). In addition, an extensive airborne gravity gradiometry (AGG) survey was completed, with additional targets expected to be identified when the final data has been reviewed and interpreted. On-ground follow-up of the initial targets was completed post the end of the reporting period.

The AGG survey was completed across approximately 80% of the Cluff Lake Project area (622km^2). A total of 2,755 line kms were flown in the survey, at a line spacing of 200m. To the Company's knowledge, this is the first modern airborne gravity survey completed over the project area.

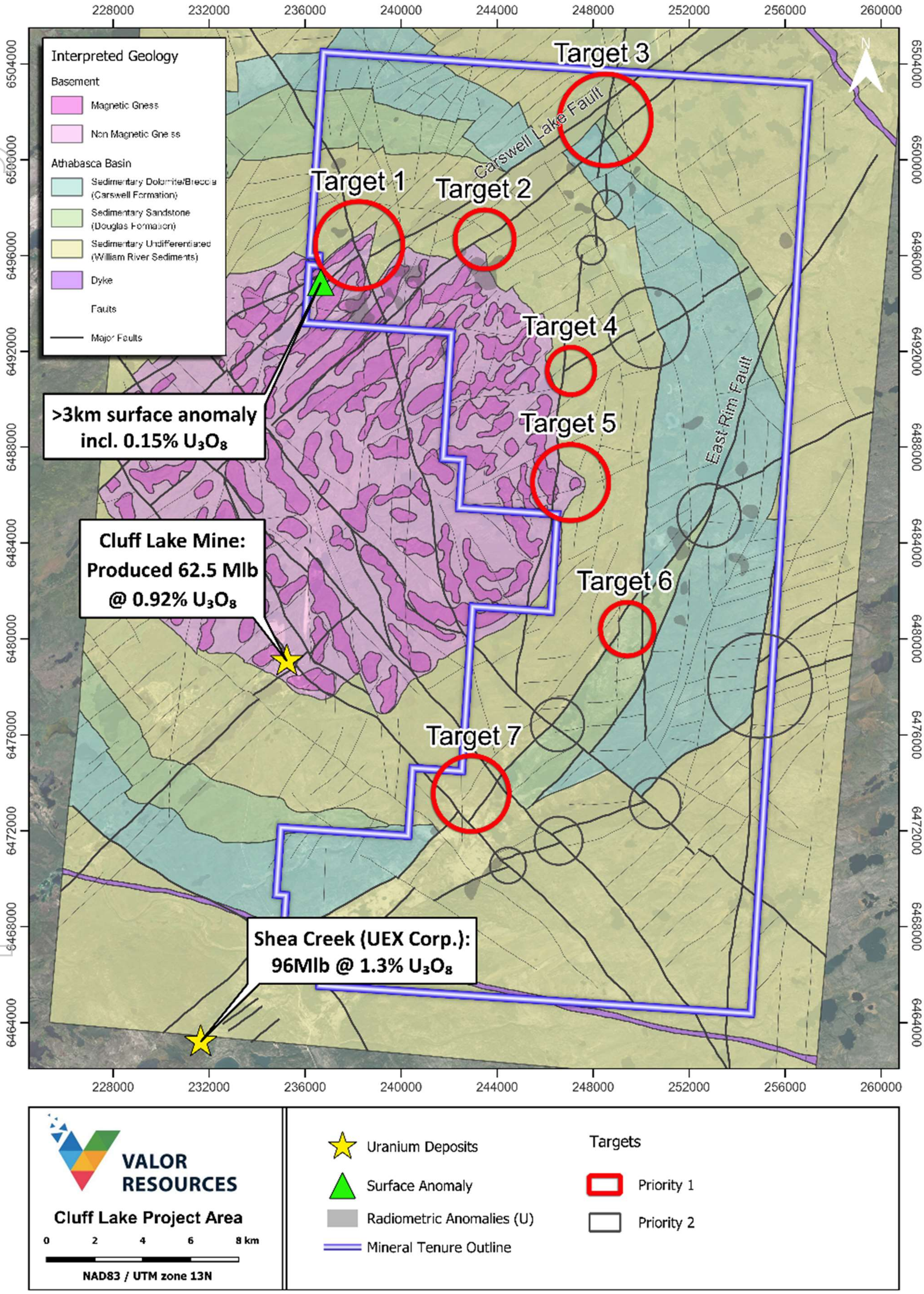

Figure 3: Cluff Lake Project – Targets identified through historical data review and geophysical interpretation

SURPRISE CREEK PROJECT

The Surprise Creek Project comprises four claims and is located approximately 25km northwest of Uranium City, to the west of the Beaverlodge Uranium district. The claims cover an area of 2,370 hectares (23.7km²) and is considered prospective for structurally controlled vein type uranium deposits, a sub-type of the basement hosted unconformity-related uranium deposits.

A detailed historical data review was completed during the year along with a re-interpretation of historical geophysical data from the area (see ASX announcement dated 6th July 2022 titled *Surprise Creek Project historical data review highlights high-grade uranium and copper targets*). The historical data review highlighted both uranium and copper targets, with the uranium mineralisation at the Surprise Creek Fault prospect being the most significant (see Figure 4).

Historical drilling on the Surprise Creek Fault target is highlighted by 2.1m @ 4.37% U_3O_8 from 57m (VT20) including 0.9m @ 7.5% U_3O_8. Other significant historical drilling results at Surprise Creek Fault target include 1.5m @ 0.1% U_3O_8 (VT13), 0.43m @ 0.49% U_3O_8 (VT05) and 0.15m @ 0.83% U_3O_8 (VT02). The Surprise Creek Fault target comprises a uranium geochemical anomaly (>25ppm U) in soils over 500m in strike length and including rock chips up to 6.37% U_3O_8, associated with a north-northwest striking fault system.

The data review also highlighted several copper targets in the southwest of the project area with soil and rock chip anomalies (>150ppm Cu) over a strike length of 1.5km and open to the north and south. Copper target areas include several rock chip samples >0.25% Cu, up to 5.9% Cu and soil samples up to 3,300ppm Cu.

On-ground follow-up of the uranium and copper targets commenced in July 2022 with initial results reported in the September 2022 quarter.

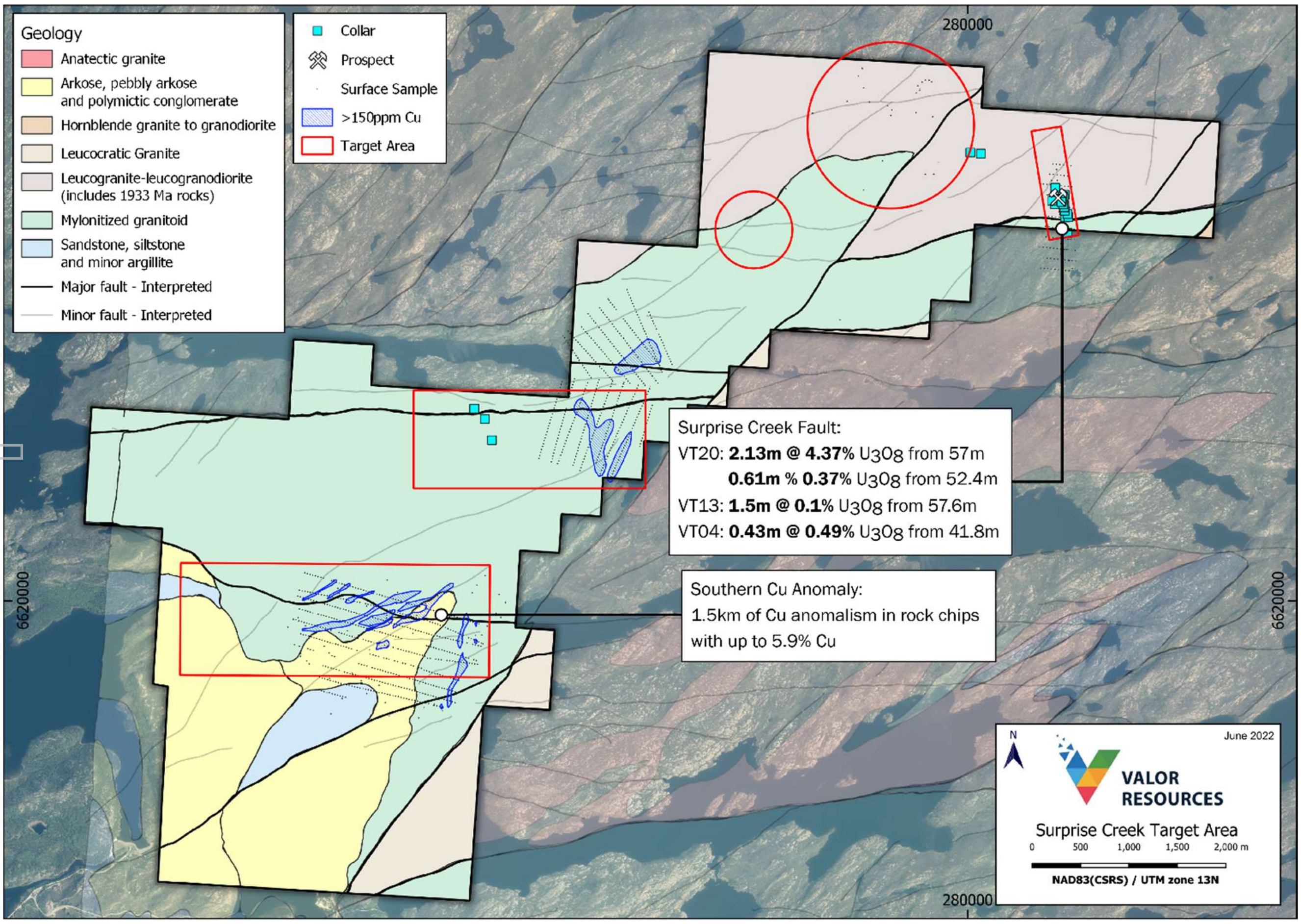

Figure 4: Surprise Creek Project – Uranium and Copper target areas

HIDDEN BAY PROJECT

The Hidden Bay Project comprises a single claim that covers an area of 3,190 hectares (31.9km²) and is located 20km south-southwest of the Rabbit Lake Uranium Mine. The project is prospective for basement hosted unconformity-related uranium deposits being located at the unconformity between the Athabasca Basin Group sediments and the older underlying Archean-Lower Proterozoic basement rocks.

In May 2022 an airborne gravity gradiometry survey was completed over the entire project area. A total of 416 line km were flown at a line spacing of 150m. Final data has been received and processing of the data has revealed six high priority anomalies (see Figure 5 below). The details of the survey, gravity anomalies and a historical data review were released in the ASX announcement dated 9 August titled "Hidden Bay Uranium Project identifies six high priority drill targets", post the end of the reporting period. On-ground follow-up of these anomalies is to commence in August 2022, which will include radon surveys.

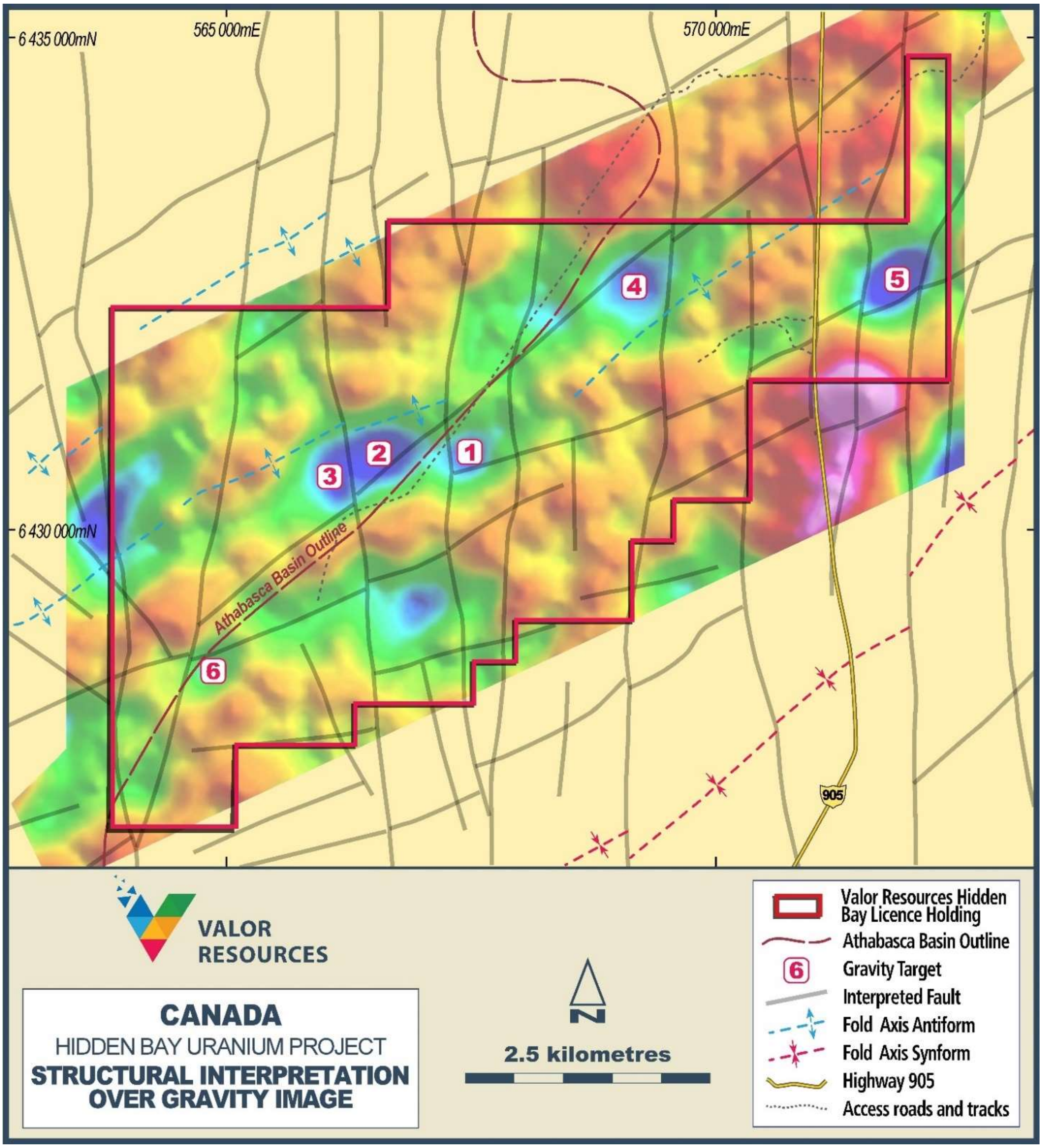

Figure 5: Hidden Bay Project –Targets identified through airborne gravity survey

SMITTY PROJECT

The Smitty Project (8.5km^2) includes part of the historic Smitty Uranium Mine, which is located 4km west of Uranium City. Historical reports state that disseminated pitchblende mineralisation was mined over a strike length of 150m, maximum width of 4.6m and to a depth of 230m between 1953 and 1960. Mineralisation occurs within a breccia mylonite zone along the northeast-trending Boom Lake Fault[1].

LORADO PROJECT

The historical Lorado Uranium Mine is located 10km south of Uranium City and was in production between 1954 and 1960. Underground mining of pitchblende and secondary uranium mineralisation associated with disseminated pyrite and chalcopyrite was conducted along a strike length of 200m to a depth of 213m[2].

PENDLETON LAKE PROJECT

The Project comprises four claims which cover an area of 3,758 hectares (37.5km^2). The claims are positioned just to northeast along strike from the Janice Lake Sedimentary Copper Project being explored by Rio Tinto Exploration Canada**.** The Project is also located just 10km south of the Company's Hook Lake Project.

There are several historical uranium occurrences[3] recorded within the Project all of which lie along the Needle Falls shear zone, a major regional-scale shear zone which traverses the southeast margin of the Project. Limited exploration has been completed along this structure and no exploration has been reported since the late 1970s.

MACPHERSONS LAKE PROJECT

The Project comprises two claims covering an area of 4.1km^2 and is located southwest along strike from the Janice Lake Sedimentary Copper Project, and along the regional-scale Needle Falls shear zone.

PERUVIAN PROJECTS

PICHA COPPER SILVER PROJECT

Valor holds the rights to the Picha Project located in the Moquegua Department of Peru through its 100% owned Peruvian subsidiary, Kiwanda SAC. During the year, as a result of ongoing exploration results, the Company has expanded its landholding at Picha from 20km^2 to around 200km^2.

Figure 6: Picha Project – Sampling at Cumbre Coya target

[1] Saskatchewan Mineral Deposit Index - SMDI 1413
[2] Saskatchewan Mineral Deposit Index - SMDI 1228
[3] Saskatchewan Mineral Deposit Index - SMDI 2015, 2013, 5042

Significant copper and silver sampling assay results confirmed several targets at the Picha Project, in particular the Cumbre Coya, Cobremani, Maricate, Ichucollo and Fundicion targets. Sampling highlights from each of these targets during the year include:

- 41.6m @ 1.12% Cu and 22.8g/t Ag - channel sample (Cobremani)
- 17.6m @ 1.95% Cu and 29.5g/t Ag – channel sample (Maricate)
- 32.85m @ 0.61% Cu and 209.7g/t Ag – channel sample (Cumbre Coya)
- 30m @ 0.79% Cu and 7.5g/t Ag – channel sample (Ichucollo) (released July 2022)
- 0.5m @ 1.88% Cu and 80.9g/t Ag - channel sample (Fundicion)

In December 2021, Induced Polarisation (IP)/Resistivity and ground magnetic surveys were completed at the Picha Project. The IP survey comprised 57 line kms and the ground magnetic survey was 204 line kms covering most of the area of the four central granted mining concessions. The IP survey has outlined a large anomaly in the central and southern portion of the survey area (see Figure 7). The anomaly is approximately 2km long in a north-south direction and 2km across at its widest point (NE-SW orientation). The anomaly reflects potential sulphide mineralisation at depth relating to a large porphyry body.

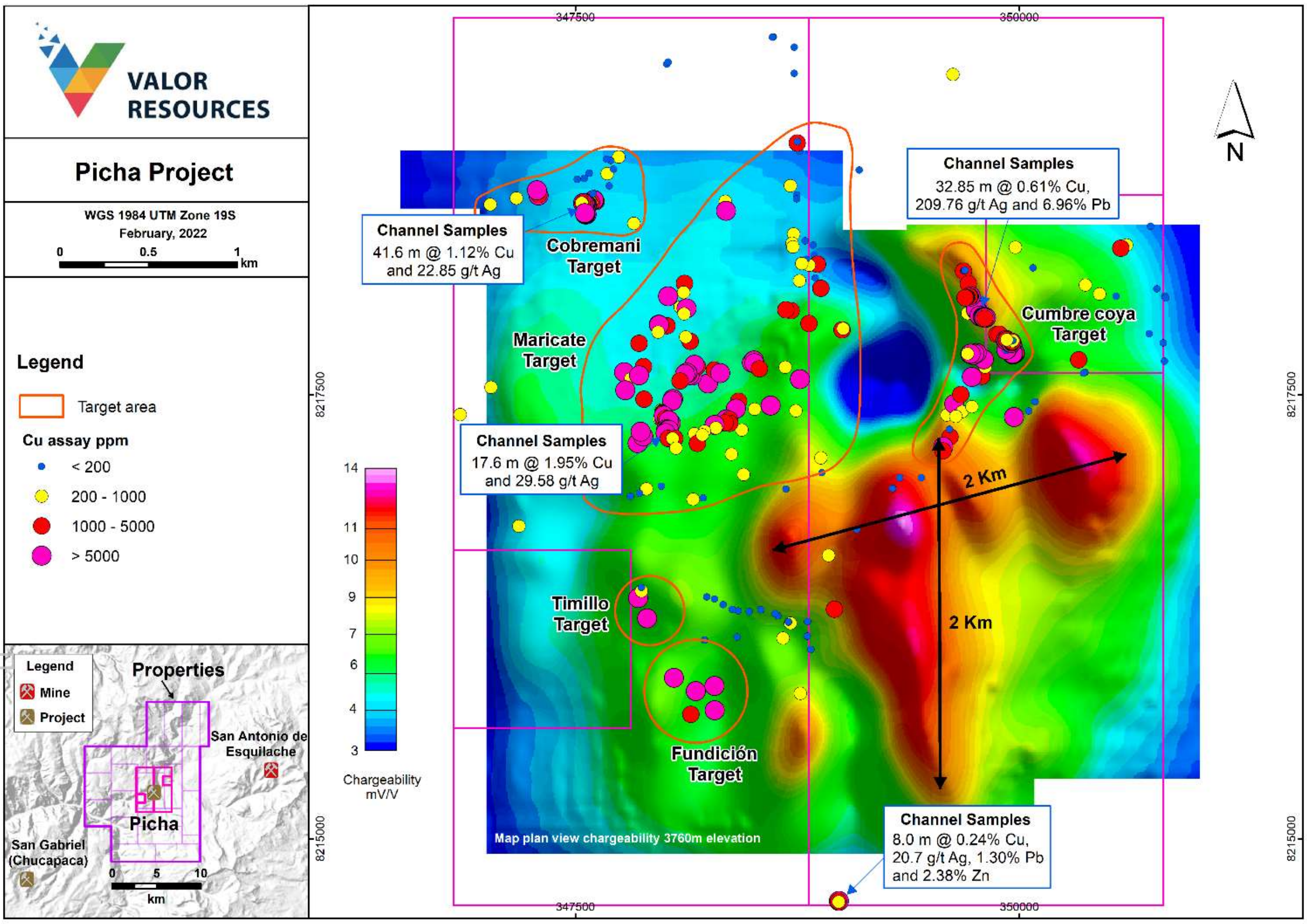

Figure 7: Picha Project –Surface copper mineralisation and IP image (~300m depth)

A maiden diamond drilling program comprising up to 5,000m has been planned, targeting both geochemical and multiple IP geophysical targets. The drilling program will be aimed at testing the surface copper and silver mineralisation located at the Cobremani, Maricate and Cumbre Coya targets representing potential shallower stratabound, polymetallic vein or breccia-type targets as well as testing the expected deeper porphyry target identified by the IP survey (adjacent to Fundicion). Approvals for the drilling program are currently being sought from the Peruvian government with the permitting process well advanced.

The Ichucollo, Huancune, Occsani, Pacojahua and Chullunquiani targets (see Figure 8) were all developed in 2022 following the completion of the IP survey and submission of the drilling program approval. The most significant new target is at Ichucollo where channel sampling results highlight an area over 350m in extent with significant copper mineralisation and open to the north and south. Evidence of intrusive activity in the Ichucollo area in the form of magmatic breccias with intrusive clasts, suggests proximity to a porphyry body. Sampling assay highlights from these new targets include:

- Occsani Target - channel samples (0.5m x 0.2m) up to 2.14% Cu and rock chip samples up to 2.48% Cu, 92g/t Ag and 200ppm Mo
- Chullunquiani Target - channel samples (0.5m x 0.2m) up to 5.57% Pb and 5.33% Zn.
- Channel samples at the Huancune target returned assays of 2.82%, 2.03% and 1.72% Cu
- 0.82% Cu, 47.7 Ag g/t in channel sample at Pacojahua target, 2km southwest of Huancune
- High grade rock chip sample of 6.78% Cu and 25g/t Ag indicates a potential new target area 4.5km west of Cobremani

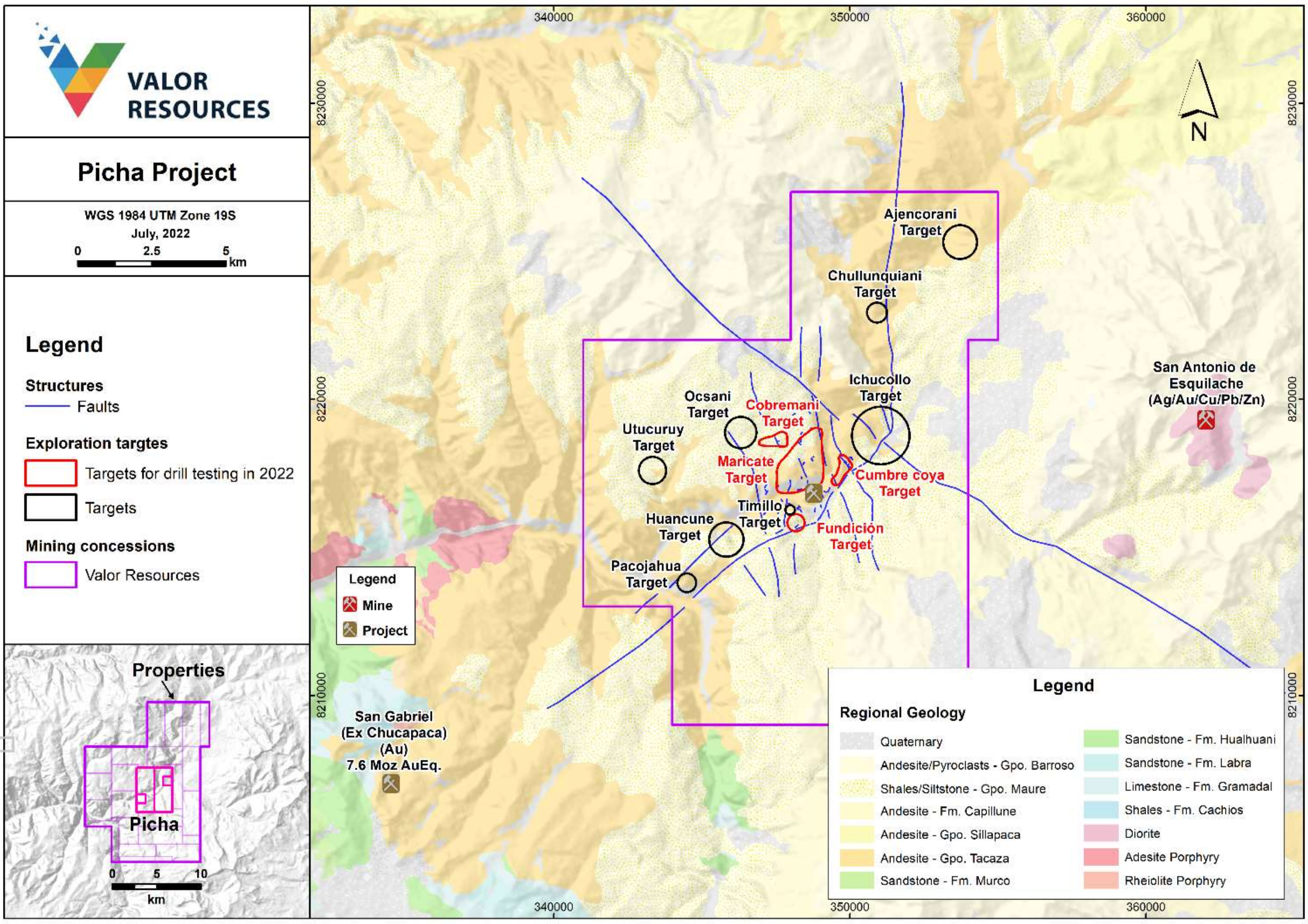

Figure 8: Picha Project – New and existing targets

During the June 2022 Quarter, the geology team developed a conceptual exploration model which highlights the multiple styles of mineralisation and potential targets at Picha (see Figure 9 below). This work follows the extensive work programs undertaken in the past 12 months including the ground-based sampling, mapping and geophysics programs.

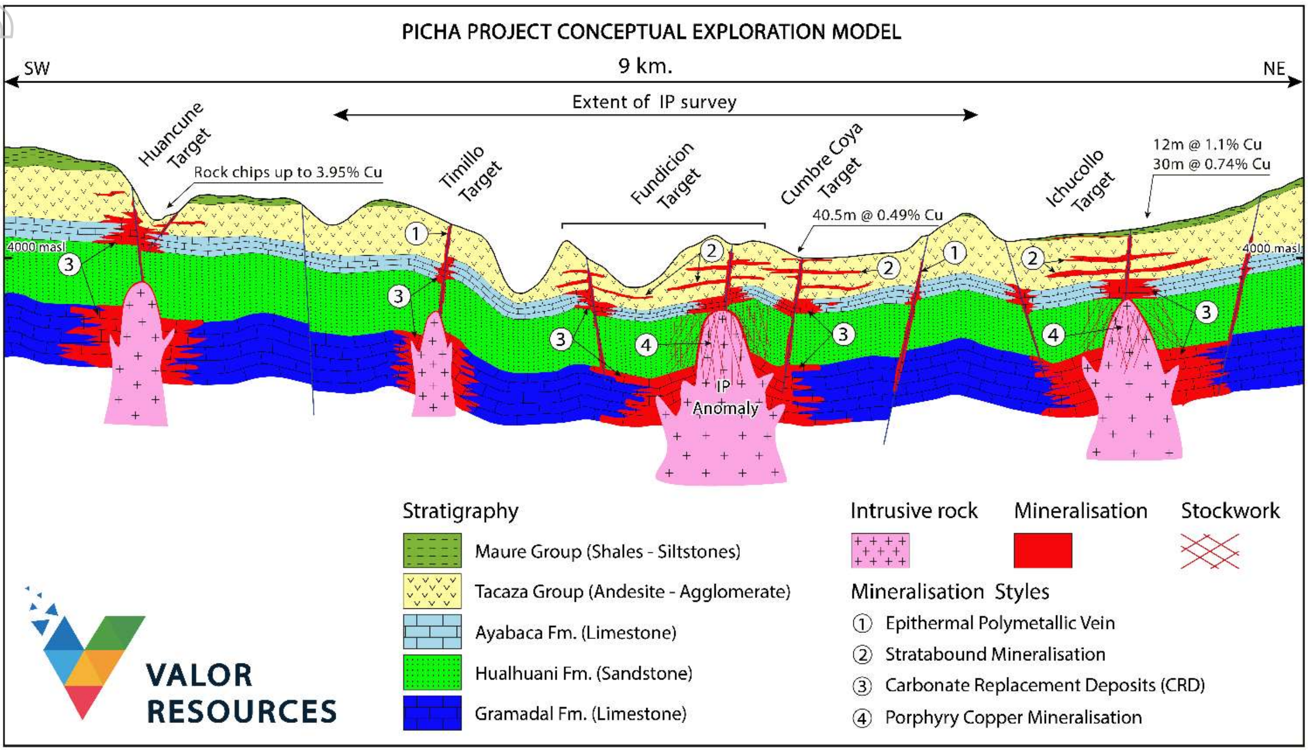

Figure 9: Picha Project Conceptual exploration model

CHARAQUE PROJECT

During the year the Company applied for an additional 6,000 hectares (60km^2) in an area 30km northeast of Picha and within a regional northwest-southeast geological trend hosting several deposits and prospects. The new Charaque Project contains numerous historical workings some of which date back over 500 years. This includes the Huallatani target and the Arco target, where stratabound mineralisaton has been identified within historical workings which extend over an area at least 1km in strike length (see Figure 10 below).

Initial exploration has commenced highlighted by sampling at the Huallatani Target with a channel sample (0.3m x 0.2m) of 538g/t Ag and 19.5% Pb and dump samples, from historical artisanal mining, up to 43.2g/t Ag and 7.74% Pb. At the Arco Target channel samples (2.0m x 0.2m) with up to 929g/t Ag and another up to 0.98% Cu, and five channel samples returning assays greater than 60g/t Ag.

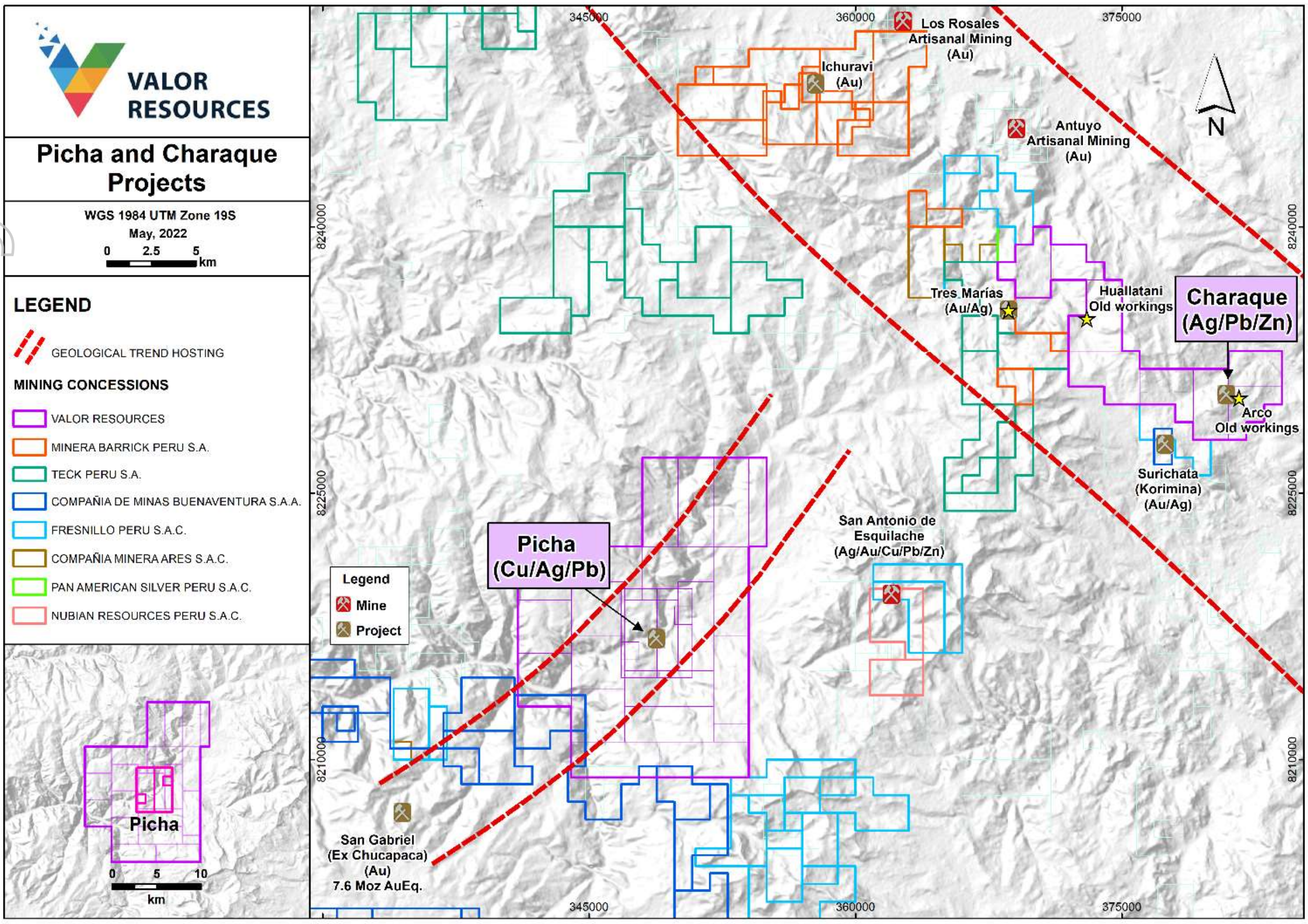

Figure 10: Picha and Charaque Project locations

ESG

ENVIRONMENT

At Valor, our respect for the environment is a critical component of our approach to business. Without attention to environmental matters, there is no licence to operate. Every member of the Valor team takes pride in ensuring work programs are completed in an environmentally responsible manner. Communication is a key component of the Company's approach, ensuring all stakeholders are aware of the Company's activities and its commitment to the environment.

Figure 11: Environmental consultant community meeting, Mar 2022

Figure 12: Environmental consultant community meeting, Apr 2022

SOCIAL

At Valor, as part of our exploration we are committed to considering all stakeholder interests. We believe it is essential to develop good relationships with local communities early in the exploration process and continue to develop those relationships to ensure we have a long-term sustainable future together.

The Board and Management along with our employees and consultants are aligned with our commitment to local communities to ensure we optimise value for our efforts.

CANADA

Members of the local Wollaston community were employed during the March Quarter 2022 Drilling Program at Hook Lake.

As part of the Clearwater River Dene Nation Treaty Day celebration, Valor made a donation towards the costs of the day along with company representatives attending to promote the activities of the company and answer questions.

Figure 13: Clearwater River Dene Nation Treaty Day

PERU

Over the past 12 months, the exploration team in Peru has been engaged with the local community, providing regular updates on the project activities, seeking community consultation, providing employment opportunities and facilitating a Christmas party.

Figure 14: Archaeological fieldwork at Picha Project in Dec 2021

Figure 15: Community meeting to discuss environmental study – Nov 2021

Figure 16: Christmas Party 2021

Figure 17: Community Meeting – Mar 2022

Figure 18: Community Meeting – May 2022

CORPORATE GOVERNANCE

At Valor, we believe good governance is simply good business. Valor Resources is committed to excellence in corporate governance through our sound policies and procedures. We ensure we fulfill all governance requirements, striving for excellence at every stage.

In recognising the need for the highest standards of corporate behavior and accountability, the Board supports and have adhered to the principles of sound corporate governance. The Board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council and considers that Valor Resources Limited is in compliance with those guidelines to the extent possible, which are of importance to the commercial operation of a junior listed resources company. During the financial year ended, shareholders continued to receive the benefit of an efficient and cost-effective corporate governance policy for the Group. The Group's Corporate Governance Statement and disclosures can be downloaded from the Company's website at www.valoreresources.com.au/CorporateGovernance.

CORPORATE

During the year, the Company completed the $5.4m capital raising through the Canadian flow through share scheme. This raising was undertaken with Pear Tree Capital and supported by CPS Capital. The funds raised were used to advance the Canadian exploration program and included the Company's maiden drilling program at the Hook Lake Project. Furthermore, the company completed a placement for $3,400,000 capital raising (before costs) managed by CPS Capital. Valor has utilised these funds to further its Peruvian and Canadian Projects and for working capital purposes. The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than noted above, in the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

COMPETENT PERSON'S STATEMENT

The technical information in this report that relates to Exploration Results is based on data compiled and reviewed by Mr. Gary Billingsley, a Non-Executive Director of Valor, who is a member of The Association of Professional Engineers of Saskatchewan in Canada. Mr. Billingsley has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as Competent Persons under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Billingsley consents to the inclusion of the data in the form and context in which it appears. Mr. Billingsley has reviewed calculation of measured, indicated and inferred resources referenced according to the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information reported in the original market announcements and that all material assumptions and technical parameters underpinning the results in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 9 August 2022, the Company announced that 12,500,000 Consultant Performance Rights lapsed due to milestone conditions not being met.

On 19 August 2022, the Company announced Ms Paula Smith had resigned as Non-executive Director and Company Secretary. Mr Joe Graziano was appointed to the position of Company Secretary.

There were no other known significant events from the end of the financial year up to the date of this report.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

In the opinion of the Directors, there is nothing else to report, except as outlined in the Directors' Report, which relates to likely developments in the operations of the Group and the expected results of those operations in financial years subsequent to 30 June 2022.

ENVIRONMENTAL REGULATIONS AND PERFORMANCE

The Group carries out operations that are subject to environmental regulations under legislation in Peru and Canada. The Group has formal procedures in place to ensure regulations are adhered to. The Group is not aware of any breaches in relation to environmental matters.

SHARES UNDER OPTION

As at the date of this report, there are 96,583,333 unissued ordinary shares under options. The details of the options at the date of this report are as follows:

Number	Exercise Price $	Expiry Date
25,000,000	$0.015	03/05/2023
20,583,333	$0.015	11/02/2024
51,000,000	$0.020	21/02/2024

During the year, the Company raised $1.3m through the exercise of 60,000,000 unlisted options exercised at $0.008, 39,416,667 unlisted options exercised at $0.015, and 12,257,665 listed options exercised at $0.015. Furthermore, on 20 September 2021, the Company issued 10,000,000 listed options and 50,000,000 unlisted options both with an exercise price of $0.015 that expired unexercised on the 31 December 2021 and 30 April 2022. On 31 December 2021, 422,742,335 listed options with an exercise price of $0.015 expired unexercised. No option holder has any right under the options to participate in any other share issue of the Group or any other entity.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Group has made an agreement indemnifying all the Directors and officers of the Group against certain losses or liabilities incurred by each Director or officer in their capacity as Directors or officers of the Group to the extent permitted by the Corporation Act 2001. The indemnification specifically excludes willful acts of negligence and insolvency. The total amount of insurance premiums paid has not been disclosed due to confidentiality reasons.

DIRECTORS' MEETINGS

During the financial year, in addition to regular Board discussions, the number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

Director	Number of Meetings Eligible to Attend	Number of Meetings Attended
Mr. George Bauk	4	4
Mr. Gary Billingsley	4	4
Mr. Brian McMaster	4	4
Ms. Paula Smith (resigned 19 August 2022)	4	4

In addition to the formal meetings of directors above, the Board has held numerous discussions throughout the year and passed circular resolutions on all material matters.

PROCEEDINGS ON BEHALF OF GROUP

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 those proceedings. The Group was not a party to any such proceedings during the year.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

Section 307C of the Corporations Act 2001 requires the Group's auditors to provide the Board with an Independence Declaration in relation to the audit of the full year financial statements. A copy of that declaration is included in this report. There were no non audit services provided by the Group's auditor during the year ended 30 June 2022.

AUDITED REMUNERATION REPORT

This report outlines the remuneration arrangements in place for directors and executives of the Group in accordance with the requirements of the Corporation Act 2001 and its Regulations. For the purpose of this report, Key Management Personnel ("KMP") of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

Details of Key Management Personnel

Mr. George Bauk	Executive Chairman
Mr. Gary Billingsley	Non-Executive Director
Mr. Brian McMaster	Non-Executive Director
Ms. Paula Smith	Non-Executive Director and Company Secretary (Resigned 19 August 2022)

Remuneration Policy and Link to Performance

The Board is responsible for determining remuneration policies applicable to Directors and Senior Executives of the Group. The Board policy is to ensure that remuneration properly reflects the individuals' duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people with appropriate skills and experience. At the time of determining remuneration consideration is given by the Board to the Group's financial performance.

The Board currently determines the nature and amount of remuneration for Board members and senior Executives of the Group. The policy is to align Director and Executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives such as options and performance shares.

VALOR RESOURCES

The Board policy is to remunerate Non-Executive Directors at market rates based on comparable companies for time, commitment and responsibilities. The Board determines payments to Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. No independent external advice was sought during the year ended 30 June 2022.

Directors are entitled to draw Director's fees and receive reimbursement of reasonable expenses for attendance at meetings. The Group is required to disclose in its annual report details of remuneration to Directors. The maximum aggregate annual remuneration which may be paid in cash to Non-Executive Directors is $300,000. This amount cannot be increased without the approval of the Group's shareholders. Please refer below for the remuneration report within the Directors' Report for details regarding the remuneration structure of the Executive Director and senior management.

The table below shows the performance of the Group as measured by loss per share for the last 5 financial years:

As at 30 June	2022	2021	2020	2019	2018
Loss per share (cents)	(0.103)	(0.103)	(0.160)	(0.217)	(0.267)
Share Price	$0.005	$0.01	$0.002	$0.005	$0.009

There is no link between the loss per share and remuneration.

Elements of Remuneration

Short-Term Incentives

Short-term incentives in regards to the current financial year include fees paid for services to Directors.

Long-Term Incentive

During the year, shareholders approved 15,000,000 Performance Rights to be issued to the Directors with various tranches and milestone hurdles.

Details of Remuneration

Details of the nature and amount of each element of the emolument of each Director and Executive of the Group for the financial year are as follows:

2022	Short term		Share based payments		Post-employment			
	Base Salary $	Other $	Performance Rights $	Options $	Superannuation $	Benefits $	Total $	Performance related %
Executive Director								
Mr. George Bauk	150,000	-	-	-	-	-	150,000	-
Non- Executive Directors								
Mr. Gary Billingsley	52,000	-	-	-	-	-	52,000	-
Mr. Brian McMaster	84,000	-	-	-	-	-	84,000	-
Ms. Paula Smith	24,909	-	149,456	-	-	-	174,365	85.7
	310,909	**-**	**149,456**	**-**	**-**	**-**	**460,365**	**32.5**

At 30 June 2022, director fees outstanding and unpaid to Mr. Bauk totalled $33,333 (2021: $18,333), to Mr. Billingsley totalled $6,000 (2021: $3,500), to Mr McMaster totalled $nil (2021: $nil), and to Ms. Smith totalled $3,500 (2021: $1,500). There were no other executive officers of the Group during the financial year ended 30 June 2022.

Details of the nature and amount of each element of the emolument of each Director and Executive of the Group for the prior financial year are as follows:

2021	Short term		Share based payments		Post-employment			
	Base Salary $	Other $	Performance Rights $	Options $	Superannuation $	Benefits $	Total $	Performance related %
Executive Director								
Mr. George Bauk	76,290	-	789,000	-	-	-	865,290	91.2
Non- Executive Directors								
Mr. Gary Billingsley	29,129	-	394,500	-	-	-	423,629	93.1
Mr. Brian McMaster	84,000	-	-	133,620	-	-	217,620	61.4
Ms. Paula Smith	18,000	-	-	-	-	-	18,000	-
Dr. Nicholas Lindsay	11,000	-	-	-	-	-	11,000	-
	218,419	**-**	**1,183,500**	**133,620**	**-**	**-**	**1,535,539**	**85.8**

Shareholdings of Directors

The number of fully paid ordinary shares in the Group held during the financial year held by each Director of the Group, including their personally related parties, is set out below.

2022	Balance at the start of the year	On appointment to the Board	On exercised of options	Other changes	On resignation from the Board	Balance at the end of the year
Mr. George Bauk	42,333,333	-	-	-	-	42,333,333
Mr. Gary Billingsley	-	-	-	-	-	-
Mr. Brian McMaster	184,030,143	-	20,000,000[1]	-	-	204,030,143
Ms. Paula Smith	58,474,091	-	-	-	-	58,474,091

[1] 20,000,000 unlisted options exercised. 10,000,000 exercised at $0.008 and 10,000,000 exercised at $0.015 both with an expiry date of 11 February 2024. No amounts are unpaid on any shares issued on the exercise of options.

Option Holdings of Directors

The numbers of options over ordinary shares in the Group held during the financial year by each Director of the Group, including their personally related parties, are set out below:

2022	Balance at the start of the year	Exercised during the year	Expired during the year	Balance at the end of the year	Vested options		Unvested
					Exercisable	Un-exercisable	
Mr. George Bauk	-	-	-	-	-	-	-
Mr. Gary Billingsley	-	-	-	-	-	-	-
Mr. Brian McMaster	30,000,000	(20,000,000)[1]	(10,000,000)[2]	-	-	-	-
Ms. Paula Smith	5,000,000	-	(5,000,000)[2]	-	-	-	-

[1] 20,000,000 unlisted options exercised. 10,000,000 exercised at $0.008 and 10,000,000 exercised at $0.015 both with an expiry date of 11 February 2024.
[2] Listed options with an exercise price of $0.015 that expired on 31 December 2021 unexercised.

Performance Rights Holdings of Directors

On 14 September 2021, the milestone hurdle for Tranche 3 of the Performance Rights approved for Directors, Mr Bauk and Mr Billingsley, at the 2020 Annual General Meeting and issued on 11 February 2021 were achieved and 45,000,000 Director Performance Rights vested. On 11 February 2022, the milestone hurdle was achieved for Tranche 4 of the Director Performance Rights and 45,000,000 Director Performance Rights vested. No expense was recorded as the expense was fully incurred in the prior period.

On 13 January 2022 following Shareholder Approval at the Company's 2021 Annual General Meeting, the Company issued 15,000,000 Director Performance Rights to Ms Smith as a performance based incentive for services to the Company. The Director Rights will vest and be convertible to Shares on achievement of the following performance milestones:

(i) Tranche 1 of 7,500,000 performance shares with a vesting condition of the trading of the Company's shares achieving a 20-day VWAP of $0.02 and Ms Smith continues to be an officer of the Company for at least 6 months from the date of the Meeting;

(ii) Tranche 2 of 7,500,000 performance shares with a vesting condition of the trading of the Company's shares achieves a 20-day VWAP of $0.025 and Ms Smith continues to be an officer of the Company for at least 12 months from the date of the Meeting;

For vesting to occur, the Milestones for Tranches 1 and 2 must be achieved within 3 years of issue of the Director Rights. Once vested, the Director Rights must be converted into Shares within 2 years of vesting, at the holder's absolute discretion. At the date of this report, the performance milestones for Ms Smith have not yet vested.

The numbers of performance rights over ordinary shares in the Group held during the financial year by each Director of the Group, including their personally related parties, are set out below:

					Vested rights			
2022	Balance at the start of the year	Expired during the year	Granted during the year[1]	Balance at the end of the year	Exercisable	Un-exercisable	Maximum value yet to vest[1]	Unvested
Mr. George Bauk	120,000,000	-	-	120,000,000	120,000,000	-	-	-
Mr. Gary Billingsley	60,000,000	-	-	60,000,000	60,000,000	-	-	-
Mr. Brian McMaster	-	-	-	-	-	-	-	-
Ms. Paula Smith	-	-	15,000,000	15,000,000	-	-	63,544	15,000,000

[1] Full expense of $213,000 (2021: $1,183,500) was recognised on grant date. Tranche 2 of 7,500,000 performance rights have yet to vest.

Other transactions with Key Management Personnel

PVW Resources Limited, a company of which Mr. Bauk is a director, provided the Group with a Serviced office and Administration Services totalling $28,928 (2021: $6,610). $nil (2021: $nil) was outstanding at year-end.

Palisade Business Consulting Pty Ltd, a company of which Ms. Smith is a director, provided the Group with company secretary services and serviced office facilities including administration and information technology support totalling $34,000 (2021: $30,250) and accounting services totalling $64,000 (2021: $36,300). $7,500 (2021: $6,050) was outstanding at year-end.

These transactions have been entered into on normal commercial terms.

Loans to Directors and Executives

There were no loans to Directors and Executives during the financial year ending 30 June 2022.

Non-Executive Directors

The Non-Executive Directors have not entered into service agreements with the Group. Their services may be terminated by either party at any time.

Valor Resources Limited have not engaged any remuneration consultants during the year.

Voting and comments made at the Group's 2021 Annual General Meeting

Valor Resources Limited received more than 99.98% of "yes" votes on its remuneration report for the 2021 financial year. The Group did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

END OF AUDITED REMUNERATION REPORT

Signed on behalf of the Board in accordance with a resolution of the Directors.

Mr. George Bauk
Executive Chairman
29 September 2022
Perth, Western Australia

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2022

	Note	2022 $	2021 $
Interest revenue		381	5,269
Other income	4	350,951	290,106
Expenses			
Listing and share registry expenses		(105,040)	(76,456)
Legal fees		(151,061)	(180,405)
Consultants and directors fees	5(a)	(708,964)	(524,356)
Travel and accommodation		(113,748)	-
Depreciation		(363)	(723)
Foreign exchange gain / (loss)		42,333	(31,847)
Impairment of exploration expenditure	10	(60,395)	-
Share based payment expense	20	(1,299,106)	(1,444,752)
Loss on settlement of liabilities expense		-	(302,600)
Wages & salaries		(3,141)	-
Disposal of subsidiaries		-	(80,000)
Other expenses	5(b)	(299,636)	(73,910)
Loss from continuing operations before finance costs & income tax		**(2,347,789)**	**(2,419,674)**
Finance costs		(1,324)	(8,778)
Loss from continuing operations before income tax		**(2,349,113)**	**(2,428,452)**
Income tax expense	6	(1,322,471)	-
Loss from continuing operations for the year		**(3,671,584)**	**(2,428,452)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation difference	13	262,913	288,402
Other comprehensive loss for the year, net of tax		**262,913**	**288,402**
Total comprehensive loss for the year		**(3,408,671)**	**(2,140,050)**
Loss per share attributable to owners of Valor Resources Limited			
Basic and diluted loss per share (cents per share)	16	(0.155)	(0.103)

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

Consolidated Statement of Financial Position
as at 30 June 2022

	Note	2022 $	2021 $
Current Assets			
Cash and cash equivalents	7	3,210,257	557,839
Trade and other receivables	8	327,979	39,786
Other current assets	9	173,153	25,879
Total Current Assets		**3,711,389**	**623,504**
Non-Current Assets			
Property, plant and equipment		2,903	-
Deferred exploration and evaluation expenditure	10	12,041,627	6,429,897
Total Non-Current Assets		**12,044,530**	**6,429,897**
Total Assets		**15,755,919**	**7,053,401**
Current Liabilities			
Trade and other payables	11(a)	521,173	161,762
Total Current Liabilities		**521,173**	**161,762**
Non-Current Liabilities			
Other payables	11(b)	196,990	369,000
Deferred tax liabilities	6	1,322,471	-
Total Non-Current Liabilities		**1,519,461**	**369,000**
Total Liabilities		**2,040,634**	**530,762**
Net Assets		**13,715,285**	**6,522,639**
Equity			
Issued capital	12	66,852,924	57,390,563
Reserves	13	20,964,397	19,562,528
Accumulated losses	14	(74,102,036)	(70,430,452)
Total Equity		**13,715,285**	**6,522,639**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

for the year ended 30 June 2022

	Note	2022 $	2021 $
Cash flows from operating activities			
Receipts from VAT refunds		-	290,106
Payments to suppliers and employees		(1,398,286)	(891,286)
Interest received		381	5,269
Interest paid		(1,324)	(8,778)
Net cash outflow from operating activities	7	**(1,399,229)**	**(604,689)**
Cash flows from investing activities			
Acquisition of plant and equipment		(3,266)	-
Expenditure on exploration		(5,493,045)	(408,526)
Payment to acquire Skyharbour option in Hook Lake Project – net of cash acquired		-	(40,502)
Payment to acquire Pendleton Lake Project – net of cash acquired		(3,787)	-
Net cash outflow from investing activities		**(5,500,098)**	**(449,028)**
Cash flows from financing activities			
Proceeds from issue of shares		8,854,933	800,000
Proceeds from exercise of share options		1,255,115	270,000
Proceeds from options issue		5,100	1,800
Share issue costs		(605,736)	(53,368)
Net cash inflow from financing activities		**9,509,412**	**1,018,432**
Net increase/(decrease) in cash held		2,610,085	(35,285)
Cash and cash equivalents at beginning of financial year		557,839	624,971
Net foreign exchange differences		42,333	(31,847)
Cash and cash equivalents at end of the financial year	7	**3,210,257**	**557,839**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2022

	Issued Capital	Accumulated Losses	Option Reserve	Foreign Exchange Reserve	Share Based Payments Reserve	Performance Shares Reserve	Total
	$	$	$	$	$	$	$
Balance at 1 July 2021	**57,390,563**	**(70,430,452)**	**6,421,009**	**235,927**	**11,712,193**	**1,193,399**	**6,522,639**
Loss for the year	-	(3,671,584)	-	-	-	-	(3,671,584)
Other comprehensive income							
Foreign currency translation difference	-	-	-	262,913	-	-	262,913
Total comprehensive loss for the year	-	(3,671,584)	-	262,913	-	-	(3,408,671)
Transactions with owners in their capacity as owners							
Shares issued as part of acquisition	50,000	-	-	-	-	-	50,000
Shares issued for services received	259,000	-	-	-	-	93,750	352,750
Shares issued as part of placements	8,854,933	-	-	-	-	-	8,854,933
Issue of options	-	-	832,206	-	-	-	832,206
Share issue costs	(605,736)	-	-	-	-	-	(605,736)
Flow through share premium	(350,951)	-	-	-	-	-	(350,951)
Exercise of options	1,255,115	-	-	-	-	-	1,255,115
Issue of performance rights	-	-	-	-	-	213,000	213,000
Balance at 30 June 2022	**66,852,924**	**(74,102,036)**	**7,253,215**	**498,840**	**11,712,193**	**1,500,149**	**13,715,285**
Balance at 1 July 2020	**51,849,714**	**(68,002,000)**	**5,501,485**	**(52,475)**	**11,712,193**	**11,061**	**1,019,978**
Loss for the year	-	(2,428,452)	-	-	-	-	(2,428,452)
Other comprehensive income							
Foreign currency translation difference	-	-	-	288,402	-	-	288,402
Total comprehensive loss for the year	-	(2,428,452)	-	288,402	-	-	(2,140,050)
Transactions with owners in their capacity as owners							
Shares issued as part of acquisition	3,966,667	-	-	-	-	-	3,966,667
Shares issued to settle liabilities	557,550	-	-	-	-	-	557,550
Shares issued as part of placements	800,000	-	-	-	-	-	800,000
Issue of options	-	-	919,524	-	-	-	919,524
Share issue costs	(53,368)	-	-	-	-	-	(53,368)
Exercise of options	270,000	-	-	-	-	-	270,000
Issue of performance rights	-	-	-	-	-	1,182,338	1,182,338
Balance at 30 June 2021	**57,390,563**	**(70,430,452)**	**6,421,009**	**235,927**	**11,712,193**	**1,193,399**	**6,522,639**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

1. Corporate Information

The financial statements of Valor Resources Limited and its subsidiaries ("Valor" or "the Group") for the year ended 30 June 2022 were authorised for issue in accordance with a resolution of the Directors on 29 September 2022.

Valor Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and the principal activities of the Group are described in the Directors' Report.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board and Australian Accounting interpretations. Valor Resources Limited is a for-profit entity for the purpose of preparing the financial statements. The financial statements have also been prepared on a historical cost basis. The presentation currency is Australian dollars.

Going Concern

This financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Group has incurred a loss for the year ended 30 June 2022 of $3,671,584 (30 June 2021: $2,428,452) and net cash outflows from operating activities of $1,399,229 (2021: $604,689). At 30 June 2022, the Group had $3,210,257 of cash and cash equivalents.

As the Group is expected to incur net cash outflows in the foreseeable future as a result of continued exploration expenditures, the ability of the Group to continue as a going concern is dependent on securing additional funding, most likely through an issuance of new equity. These conditions indicate the existence of a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors believe the Group will continue as a going concern, after consideration of the following factors:

- the level of expenditure can be managed;
- the Directors are confident that the Group will be able to source sufficient future funding from equity raises and/or option exercises when further funding is required;
- the Company has historically been successful in raising further capital when required

The directors plan to continue the Group's operations on the basis outlined above and believe there will be sufficient funds for the Group to meet its obligations and liabilities for at least twelve months from the date of this report.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern and meet its debts as and when they become due and payable.

(b) Compliance Statement

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

2. Summary of Significant Accounting Policies (Continued)

(c) Basis of Consolidation

The consolidated financial statements comprise the financial statements of Valor Resources Limited and its subsidiaries as at 30 June each year ("the Group").

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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 to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed were necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Statement of Profit or Loss and Other Comprehensive Income and Consolidated Statement of Financial Position respectively.

(d) New and Amended Accounting Standards

Changes in accounting policies

In the year ended 30 June 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for the current reporting period.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2022. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to the Group accounting policies.

New and amended accounting standards and interpretations have been published but are not mandatory. The Group has decided against early adoptions of these standards, and has determined the potential impact on the financial statements from the adoption of these standards and interpretations is not material to the Group.

(e) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional and presentation currency of Valor Resources Limited is Australian dollars. The functional currencies of the overseas subsidiaries are Peruvian Soles, United States Dollars and Canadian Dollars.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(iii) Group entities

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

2. Summary of Significant Accounting Policies (Continued)

(e) Foreign Currency Translation (continued)

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each Statement of Profit or Loss and Other Comprehensive Income are translated at average exchange rates (unless this is not a reasonable approximation of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are taken to shareholders' equity.

When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the Statement of Profit or Loss and Other Comprehensive Income, as part of the gain or loss on sale where applicable.

(f) Plant and Equipment

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

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. Repairs and maintenance expenditure is charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which it is incurred.

Depreciation

The depreciable amount of all fixed assets 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:

Class of Fixed Asset	*Depreciation Rate*
Plant and Equipment	10-25 %

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

Derecognition

Carrying amounts of plant and equipment are derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(g) Impairment of Non-Financial Assets Other than Goodwill

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group and the asset's value in use cannot be estimated. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs.

When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.
In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

2. Summary of Significant Accounting Policies (Continued)

(g) Impairment of Non-Financial Assets Other than Goodwill (continued)

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(h) Exploration Expenditure

Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure, but does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest.

Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation.

Exploration and evaluation expenditure for each area of interest is carried forward as an asset provided that one of the following conditions is met:

- such costs are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing.

Expenditure which fails to meet the conditions outlined above is written off, furthermore, the directors regularly review the carrying value of exploration and evaluation expenditure and make write downs if the values are not expected to be recoverable.

Identifiable exploration assets acquired are recognised as assets at their cost of acquisition. Exploration assets acquired are reassessed on a regular basis and these costs are carried forward provided that at least one of the conditions referred to above is met.
Exploration and evaluation expenditure incurred subsequent to acquisition in respect of an exploration asset acquired, is accounted for in accordance with the policy outlined above for exploration expenditure incurred by or on behalf of the entity.

When an area of interest is abandoned, any expenditure carried forward in respect of that area is written off. Expenditure is not carried forward in respect of any area of interest unless the Group's right of tenure to that area of interest is current.

(i) Trade and Other Receivables

Trade and other receivables, which generally have 30 day terms, are recognised initially at fair value and subsequently at amortised cost less an allowance for any expected credit loss. Bad debts are written off when identified. Intercompany loans are impaired based on the ability of the subsidiaries to generate future cash flows to repay the loans.

(j) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown as current liabilities in the statement of financial position. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as described above and bank overdrafts.

2. Summary of Significant Accounting Policies (Continued)

(k) 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.

Where 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 of Profit or Loss and Other Comprehensive Income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(l) Trade and Other Payables

Liabilities for trade creditors and other amounts are recognised initially at fair value and subsequently at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received that are unpaid, whether or not billed to the Group.

(m) Income Tax

The income tax expense for the period is based on the profit/loss for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates for each jurisdiction that have been enacted or are substantially enacted by the reporting date.

Deferred income tax is provided for on all temporary differences at reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. No deferred income tax will be recognised from the initial recognition of goodwill or of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and only recognised to the extent that sufficient future assessable income is expected to be obtained.

No deferred income tax liabilities or assets will be recognised in respect of temporary differences between the carrying value and tax bases of investments in controlled entities if the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the near future. Current and deferred income taxes relating to items recognised directly in equity are recognised in equity and not in the Statement of Profit or Loss and Other Comprehensive Income.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(n) 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.

(o) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue is capable of being reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

2. Summary of Significant Accounting Policies (Continued)

(p) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Valor Resources Limited.

(q) Investments in Controlled Entities

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. Subsequent to the initial measurement, investments in controlled entities are carried at cost less accumulated impairment losses.

(r) Earnings per Share

Basic earnings per share
Basic earnings per share is calculated by dividing the result attributable to equity holders of the Group, excluding any costs of servicing equity other than dividends, by the weighted average number of ordinary shares, adjusted for any bonus elements.

Diluted earnings per share
Diluted earnings per share is calculated as net result attributable to members of the Group, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus elements.

(s) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the Australian Tax Office is included as part of receivables or payables in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which is receivable from or payable to the ATO, are disclosed as operating cash flows.

(t) Share Based Payment Transactions

The group provides benefits to individuals acting as, and providing services similar to employees (including Directors) of the group in the form of share based payment transactions, whereby individuals render services in exchange for shares or rights over shares (‘equity settled transactions’).

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using the Black Scholes formula taking into account the terms and conditions upon which the instruments were granted.

In valuing equity settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Valor (‘market conditions’).

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

2. Summary of Significant Accounting Policies (Continued)

(t) Share Based Payment Transactions (continued)

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of the market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The Statement of Profit or Loss and Other Comprehensive Income charge or credit for a period represents the movement in cumulative expense recognised at the beginning and end of the period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition. Where the terms of an equity settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of the modification.

Where an equity settled award is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The cost of equity-settled transactions with non-employees is measured by reference to the fair value of goods and services received unless this cannot be measured reliably, in which case the cost is measured by reference to the fair value of the equity instruments granted. The dilutive effect, if any, of outstanding options is reflected in the computation of loss per share.

(u) Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

(v) Asset Acquisitions

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in as asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

(w) Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control in accordance with AASB 11.

2. Summary of Significant Accounting Policies (Continued)

(w) Interests in joint operations (continued)

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interests a joint operation:

- Its assets, including its share of any assets held jointly;
- Its liabilities, including its share of any liabilities incurred jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its share of the revenue from the sale of the output by the joint operation; and
- Its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with AASBs applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

(x) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors which could impact the future recoverability include the level of proved, probable and inferred mineral resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made. In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

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. For options the fair value is determined by using the Black Scholes formula taking into account the terms, conditions and probability upon which the instruments were granted. For shares the fair value is determined by reference to the share price on the Australian Securities Exchange at the time of issue. For performance rights the fair value is determined by using the Trinomial model taking into account the terms, conditions and probability upon which the instruments were granted.

2. Summary of Significant Accounting Policies (Continued)

(x) Critical Accounting Estimates and Judgements (continued)

For asset acquisitions settled via share based payment arrangements, the Group measures the cost of the asset at the fair value of the asset acquired, or if this cannot be determined, at the fair value of the equity instruments. In the prior year the Group acquired the Pitchblende project via the issue of equity and as such the transaction is a share-based payment arrangement under AASB 2. Given the nature of the assets acquired, the fair value of the assets was unable to be determined and the transaction was recorded at the fair value of the equity instruments granted. The fair value of the Performance Shares that may be issued under the arrangement was deemed to be nil as the probability of conditions being met was assessed at 0% on acquisition date.

Treatment of Acquisitions
Valor has determined that the acquisitions take the form of an asset acquisition and not a business combination in accordance with AASB 3. In making this decision, Valor determined that the nature of the exploration and evaluation activities related to the Pendleton Lake Project did not constitute an integrated set of activities and assets that are capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants.

Furthermore, Valor has judged that given the stage of development of the Pendleton Lake Project, the acquired set of assets and processes were not capable at the time of acquisition of producing intended output, namely the production of uranium in a saleable form.

Other than as addressed in the Directors' Report and in specific notes, there does not currently appear to be any material impact on the financial statements with respect to events or conditions which may impact the Group unfavourably as at the reporting date.

(y) Financial Liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost. Financial liabilities in the former category include contingent consideration payable on business combinations, financial liabilities in the latter category include trade payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Fair value is determined based on the value of the entity's equity instruments when the related business combination takes place.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss are subsequently measured, at each reporting date, at the fair value of the amount estimated to settle the liability. The increase or decrease in the value of the liability, other than movements in the value of the liability which arise through part settlement of the liability is recognised in the profit or loss.

Financial liabilities at amortised cost
Trade and other payables are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the entity. Trade accounts payable are normally settled within 60 days.

(z) Flow Through Shares

Flow-through shares may be issued to finance a portion of an exploration program. A flow-through share agreement transfers the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company divides the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognised as a liability, and ii) share capital. Upon expenses being incurred, the Company derecognises the liability and the premium is recognised as other income. A deferred tax liability is recognised for the amount of the tax reduction renounced to the investors.

3. Segment Information

	Continuing operations			
	Australia	**Peru**	**Canada**	**Consolidated**
30 June 2022				
Segment revenue	381	-	350,951	351,332
Segment loss before income tax expense	(1,919,114)	(191,911)	(238,088)	(2,349,113)
30 June 2022				
Segment assets	**2,177,499**	**1,886,596**	**11,691,824**	**15,755,919**
Segment liabilities	**190,843**	**53,251**	**1,796,541**	**2,040,634**
Additions to non-current Assets	**3,266**	**758,521**	**4,613,491**	**5,375,278**

	Continuing operations			
	Australia	**Peru**	**Canada**	**Consolidated**
30 June 2021				
Segment revenue	2,710	292,665	-	295,375
Segment profit before income tax expense	(2,390,412)		(38,040)	(2,428,452)
30 June 2021				
Segment assets	**579,352**	**1,002,311**	**5,471,738**	**7,053,401**
Segment liabilities	**81,108**	**1,654**	**448,000**	**530,762**
Additions to non-current Assets	**-**	**178,618**	**5,204,607**	**5,383,225**

4. Other Income

	2022	**2021**
	$	**$**
Peruvian value added tax receipt	-	287,396
Settlement of flow through share liability	350,951	-
Other income	-	2,710
	350,951	**290,106**

5. Expenses

	2022	**2021**
	$	**$**
(a) Consultants and Directors' Fees		
Accounting, audit and tax fees	242,074	93,316
Company secretary costs	34,000	30,000
Consulting fees	147,314	182,621
Director fees	285,576	218,419
	708,964	**524,356**

(b) Other Expenses

	2022	**2021**
	$	**$**
Advertising and promotion	125,220	5,750
Insurance	11,490	25,716
Rent & Outgoings	13,000	3,736
Administrative services / other	149,926	38,708
	299,636	**73,910**

6. Income Tax

	2022 $	2021 $
(a) Income tax expense		
Major component of tax expense for the year:		
Current tax expense	-	-
Deferred tax expense	1,322,471	-
Total income tax expense	**1,322,471**	**-**
(b) Income tax benefit/(expense)		
Prima facie benefit on operating loss at 25% (2021: 30%)	(587,278)	928,329
Settlement of flow through share liability	1,322,471	-
Expenditure not deductible	587,278	-
Losses and other deferred tax balances not brought to account	-	(928,329)
Income tax expense	**1,322,471**	**-**

Deferred income tax assets have not been recognised as it is not probable that future profit will be available against which deductible temporary differences can be utilised.

In addition to the above Australian estimated future income tax benefits the consolidated entity has incurred significant expenditure in Peru, some of which should give rise to taxable deductions. At this stage the company is unable to reliably estimate the quantity of such future tax benefits.

7. Cash and Cash Equivalents

	2022 $	2021 $
Reconciliation of Cash		
Cash comprises of:		
Cash at bank	2,135,538	557,839
Restricted cash[1]	1,074,719	-
Closing balance	**3,210,257**	**557,839**

[1] Restricted cash can only be spent on eligible expenditure on the Canadian Uranium projects.

	2022 $	2021 $
Reconciliation of operating loss after tax to net cash flows from operations		
Loss after tax	(3,671,584)	(2,428,452)
Non cash items		
Settlement of flow through share liability	(350,951)	-
Foreign exchange (gain)/loss	(42,333)	31,847
Depreciation	363	723
Finance Costs	1,324	8,778
Non-cash impairments	60,395	-
Share based payments	1,299,106	1,444,752
Loss on settlement of liabilities expense	-	302,600
Loss on disposal of subsidiary	-	80,000
Current tax expense	1,322,471	-
Change in assets and liabilities		
Increase / (decrease) in trade and other receivables	435,467	(21,571)
Increase / (decrease) in trade and other payables	(453,487)	(23,366)
Net cash outflow from operating activities	**(1,399,229)**	**(604,689)**
Non-cash investing and financing activities		
Acquisition of Pitchblende Energy Pty Ltd via share-based payment	-	4,634,766
Acquisition of Pendleton Lake Project via share-based payment	50,000	-
Total non-cash investing and financing activities	**50,000**	**4,634,766**

8. Trade and Other Receivables

	2022	2021
	$	$
Other Receivables	34,201	-
GST Receivable	293,778	39,786
	327,979	**39,786**

9. Other current assets

	2022	2021
	$	$
Prepayments	173,153	15,041
	173,153	**15,041**

10. Deferred Exploration and Evaluation Expenditure

	2022	2021
	$	$
Opening balance	6,429,897	815,177
Exploration expenditure incurred during the year	5,316,606	337,538
Acquisition of Pitchblende Energy Pty Ltd	-	5,045,687
Acquisition of Pendleton Lake Project[1]	55,407	-
Impairment of Corona Project[2]	(60,395)	-
Net exchange differences on translation	300,113	231,495
Closing balance	**12,041,627**	**6,429,897**

[1] On 7 July 2021, Valor announced a binding terms sheet of Agreement to acquire 100% of the ownership of six tenements that comprise the Pendleton Lake Project. As announced to the ASX on 23 July, 2021, the transaction was completed and the Company paid total consideration to the Vendors of $55,407 comprising of C$5,000 cash and issued 5,000,000 ordinary shares.

[2] On 30 June 2022, following a review by the Company, the six mineral claims comprising the Corona Project were relinquished with the capitalised exploration and evaluation expenditure written-off as an expense to the profit and loss.

11. Trade and Other Payables

	2022	2021
(a) Current	$	$
Other payables	243,851	33,775
Deferred consideration liability[1]	196,990	79,000
Accruals - other	80,332	48,987
	521,173	**161,762**

	2022	2021
(b) Non-Current	$	$
Deferred consideration liability[1]	196,990	369,000
	196,990	**369,000**

[1] The fair value is based on nominal amounts within the agreement and no assumptions have been used to determine the present value of the future payments based on a discount rate as the amounts are deemed insignificant. Refer to note 23.

12. Issued Capital

	2022	2021
	$	$
(a) Issued and paid up capital		
Ordinary shares fully paid	**66,852,924**	**57,390,563**

	2022		2021	
	Number	**$**	**Number**	**$**
(b) Movements in shares on issue				
Opening balance	2,893,831,418	57,390,563	1,920,848,085	51,849,714
Shares issued as part of placement – flow-through shares[1]	319,002,466	5,454,942	-	-
Shares issued as part of placements	309,090,090	3,399,991	266,666,667	800,000
Exercise of options	111,674,332	1,255,115	60,000,000	270,000
Shares issued as part of acquisitions	5,000,000	50,000	566,666,666	3,966,667
Shares issued through settlement of liabilities	-	-	75,650,000	529,550
Shares issued for services received[2]	19,936,484	259,000	4,000,000	28,000
Share issue costs	-	(605,736)	-	(53,368)
Flow-through share premium	-	(350,951)	-	-
Closing balance	**3,658,534,790**	**66,852,924**	**2,893,831,418**	**57,390,563**

[1] Valor completed the Canadian flow-through share scheme placement on 24 November 2021 by issuing to investors a total of 319,002,466 fully paid ordinary Valor shares at $0.0171 per share. The proceeds from the placement are to be used to expand and accelerate exploration activities at the Company's Canadian uranium projects.

[2] Share based payments were valued at share price on the date of issue as fair value of the service could not be determined.

(c) Ordinary shares

The Group does not have authorised capital nor par value in respect of its issued capital. Ordinary shares have the right to receive dividends as declared and, in the event of a winding up of the Group, to participate in the proceeds from sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or proxy, at a meeting of the Group.

(d) Capital risk management

The Group's capital comprises share capital, reserves less accumulated losses amounting to a net asset balance of $14,944,217 at 30 June 2022 (2021: net assets balance of $6,243,411). The Group manages its capital to ensure its ability to continue as a going concern and to optimise returns to its shareholders.

The Group was ungeared at year end and not subject to any externally imposed capital requirements. Refer to note 20 for further information on the Group's financial risk management policies.

(e) Share Options

As at 30 June 2022, there were 96,583,333 unissued ordinary shares under options (96,583,333 at the lodgement date). The details of the options are as follows:

	Listed Options Exercise at $0.015 by 31/12/2021	**Unlisted Options Exercise at $0.008 by 11/02/2024**	**Unlisted Options Exercise at $0.015 by 11/02/2024**	**Unlisted Options Exercise at $0.015 by 3/05/2023**	**Unlisted Options Exercise at $0.015 by 30/04/2022**	**Unlisted Options Exercise at $0.02 by 21/04/2024**
Balance at 1 July 2021	425,000,000	60,000,000	60,000,000	25,000,000	-	-
Issued during the period	10,000,000	-	-	-	50,000,000	51,000,000
Exercised during the period	(12,257,665)	(60,000,000)	(39,416,667)	-	-	-
Expired during the period	(422,742,335)	-	-	-	(50,000,000)	-
Balance at as at 30 June 2022	-	-	20,583,333	25,000,000	-	51,000,000

On 21 February 2022, 51,000,000 unlisted options exercisable at $0.02, with an expiry date of 21 February 2024 were issued to Corporate Advisers of the Company as a fee for the Placement. No option holder has any right under the options to participate in any other share issue of the Company or any other entity. All options are vested and exercisable. No options were exercised since the end of the year.

13. Reserves

	2022 $	2021 $
Option reserve	7,253,215	6,421,009
Foreign currency translation reserve	498,840	235,927
Share based payments reserve	11,712,193	11,712,193
Performance shares reserve	1,500,149	1,193,399
	20,964,397	**19,562,528**

Movements in Reserves

	2022 $	2021 $
Options reserve		
Opening balance	6,421,009	5,501,485
Options issued	832,206	919,524
Closing balance	**7,253,215**	**6,421,009**

The options reserve is used to record the premium paid on the issue on options.

Foreign currency translation reserve		
Opening balance	235,927	(52,475)
Foreign currency translation difference	262,913	288,402
Closing balance	**498,840**	**235,927**

The Foreign Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve, as described in note 2(e). The reserve is recognised in profit and loss when the net investment is disposed of.

Share based payments reserve		
Opening balance	11,712,193	11,712,193
Share based payments expense	-	-
Closing balance	**11,712,193**	**11,712,193**

The share based payments reserve is used to record the value of options provided to directors, executives and other employees and as part of their remuneration and non-employees for their services.

Performance shares reserve		
Opening balance	1,193,399	11,061
Performance shares issued	306,750	1,182,338
Closing balance	**1,500,149**	**1,193,399**

The performance share reserve is used to record the value of performance shares provided to directors as part of their remuneration for their services.

14. Accumulated losses

	2022 $	2021 $
Movements in accumulated losses were as follows:		
Opening balance	(70,430,452)	(68,002,000)
Loss for the year	(3,671,584)	(2,428,452)
Closing balance	**(74,102,036)**	**(70,430,452)**

15. Auditor's Remuneration

	2022 $	2021 $
The auditor of Valor Resources Limited is BDO Audit (WA) Pty Ltd		
Amounts were paid or payable for:		
- an audit or review of the financial statements of the entity and any other entity in the Consolidated group	**63,250**	**47,563**

No other services were provided during the year.

16. Loss per Share

	2022 $	2021 $
Loss used in calculating basic loss per share	(3,671,584)	(2,428,452)

	Number of Shares	
Weighted average number of ordinary shares used in calculating basic loss per share:	2,373,388,465	2,350,823,260

There is no impact from 96,583,333 options outstanding at 30 June 2022 (2021: 570,000,000 options) on the earnings per share calculation because they are anti-dilutive. These options could potentially dilute basic earnings per share in the future. There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

17. Related Party Disclosures

(a) Key management personnel

Details of the nature and amount of each element of the emolument of each Director and Executive of the Group for the financial year are as follows:

	2022 $	2021 $
Short term employee benefits	310,909	218,419
Share based payments	213,000	1,317,120
Total remuneration	**523,909**	**1,535,539**

For detailed key management personnel remuneration information refer to the audited Remuneration Report.

(b) Other transactions with related parties

PVW Resources Limited, a company of which Mr. Bauk is a director, provided the Group with a Serviced office and Administration Services totalling $28,928 (2021: $6,160). $nil (2021: $nil) was outstanding at year-end.

Palisade Business Consulting Pty Ltd, a company of which Ms. Smith is a director, provided the Group with company secretary services and serviced office facilities including administration and information technology support totalling $34,000 (2021: $30,250) and accounting services totalling $64,000 (2021: $36,300). $7,500 (2021: $6,050) was outstanding at year-end.

These transactions have been entered into on normal commercial terms.

(c) Loans to Directors and Executives

There were no loans to Directors and Executives during the financial year ending 30 June 2022. All other transactions were made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

18. Interests in Other Entities

(a) Subsidiaries

The Group's subsidiaries as at 30 June 2022 and 30 June 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Country of Incorporation	Equity Holding	
		2022	2021
Kiwanda S.A.C	Peru	100%	100%
Pitchblende Energy Pty Ltd	Australia	100%	100%
1255004 B.C. Ltd	Canada	100%	100%
102135957 Saskatchewan Ltd[1]	Canada	100%	-
Bullfinch One Pty Ltd	Australia	-	100%

[1] On 6 October 2021, the Company established 102135957 Saskatchewan Ltd a 100% owned subsidiary Valor Resources Limited.

19. Financial Risk Management

Exposure to interest rate, liquidity and credit risk arises in the normal course of the Group's business. The Group does not hold or issue derivative financial instruments. The Group uses different methods as discussed below to manage risks that arise from these financial instruments. The objective is to support the delivery of the financial targets while protecting future financial security.

(a) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risk by maintaining sufficient cash facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments. The responsibility for liquidity risk management rests with the Board of Directors. Alternatives for sourcing our future capital needs include our cash position and the issue of equity instruments.

These alternatives are evaluated to determine the optimal mix of capital resources for our capital needs. We expect that, absent a material adverse change in a combination of our sources of liquidity, present levels of liquidity along with future capital raising will be adequate to meet our expected capital needs.

Maturity analysis for financial liabilities

Financial liabilities of the Group comprise trade and other payables and deferred consideration. As at 30 June 2022 and 30 June 2021 all trade and other payables are contractually matured within 30 days and so the carrying value equals the contractual cash flows.

The value of the deferred consideration is the board's assessment of the value of contracted future payments issued under the agreement for the acquisition licence of the Hook Lake project. The fair value is based on nominal amounts within the agreement and no assumptions have been used to determine the present value of the future payments based on a discount rate as the amounts are deemed insignificant.

The principal payments are contractually required in Canadian dollars and have been converted to Australian dollars.

(b) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. The Group's exposure to market risk for changes to interest rate risk relates primarily to its earnings on cash and term deposits. The Group manages the risk by investing in short term deposits.

	2022	2021
	$	$
Cash and cash equivalents	3,210,257	557,839

Interest rate sensitivity

There was no material impact from changes in interest rates during the financial year ending 30 June 2022.

19. Financial Risk Management (continued)

(c) Credit Risk Exposures
Credit risk represents the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group is exposed to credit risk from financial institutions where cash is held and from debtors, in particular from those arising from transactions in foreign jurisdictions.

The Group’s cash and cash equivalents as at 30 June 2022 is substantially held with one reputable banking financial institution in Australia with a credit rating of AA- and one reputable banking financial institution in Canada with a credit rating of A+.

(d) Fair Value Measurement
The following tables detail the Group's assets and liabilities measured or disclosed at fair value using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

	Level 1	Level 2	Level 3	Total
Consolidated – 2022	**$**	**$**	**$**	**$**
Liabilities				
Deferred consideration payments	-	-	393,979	393,979
Total liabilities	**-**	**-**	**393,979**	**393,979**

	Level 1	Level 2	Level 3	Total
Consolidated – 2021	**$**	**$**	**$**	**$**
Liabilities				
Deferred consideration payments	-	-	448,000	448,000
Total liabilities	**-**	**-**	**448,000**	**448,000**

There were no transfers between levels during the financial year.

Non-recurring fair value measurements
The fair value of the liabilities associated with the deferred consideration is estimated by discounting the remaining contractual maturities at the current market interest rate.

There were no other financial assets or liabilities at 30 June 2022 requiring fair value estimation and disclosure, their carrying values approximate fair value.

(e) Foreign Currency Risk
Currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity’s functional currency. The Group does not have any material exposure to foreign currency risk.

20. Share Based Payments

Share based payment transactions recognised as operation expenses in the statement of profit or loss and other comprehensive income or exploration expenditure on the statement of financial position during the year were as follows:

	2022	2021
	$	**$**
(a) Operating expenses		
Share based payments to consultants - options	827,106	112,091
Share based payments to consultants - shares	259,000	15,541
Shared based payments to directors - performance rights	213,000	1,317,120
Total	**1,299,106**	**1,444,752**

20. Share Based Payments (continued)

(a) Operating expenses - share based payments to consultants and directors

On 20 September 2021, the Company issued 50,000,000 unlisted options exercisable at $0.015, which expired on 30 April 2022 and 10,000,000 listed options exercisable at $0.015, which expired on 31 December 2021, to a third-party supplier. The options were granted in-lieu of cash consideration for the provision of consulting services. The fair value at grant date of options granted was determined using the Black Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share and the risk free interest rate for the term of the option. The fair value of the Options was $827,106, which has been recorded in the income statement in the current year.

The model inputs for the options granted during the year ended 30 June 2022 included:

(a) share price at grant date was $0.024;
(b) expected volatility of 110%;
(c) expected dividend yield of nil; and
(d) a risk free interest rate of 1.26%

On 10 December 2021, the Company issued 12,500,000 fully paid ordinary shares with a fair value of $187,500 and on 22 February 2022, the Company issued a further 3,318,837 fully paid ordinary shares with a fair value of $43,500 both of which were for services from a third-party supplier. On 21 June 2022, the Company issued 4,117,647 fully paid ordinary shares with a fair value of $28,000 to a third-party supplier.

These shares were all granted in-lieu of cash consideration for the provision of consulting services and a total of $259,000 has been recorded in the income statement in the current year.

Performance Rights to Directors:
During the period, the performance milestone hurdles for Mr Bauk & Mr Billingsley's Tranche 3 and Tranche 4 Performance Rights were achieved and 90,000,000 Director Performance Rights vested but no expense was recorded as the expense was fully incurred in the prior period.

On 13 January 2022 following Shareholder Approval at the Company's Annual General Meeting, the Company issued 15,000,000 Director Performance Rights to Ms Smith as a performance based incentive for services to the Company. The Director Rights will vest and be convertible to Shares on achievement of the following performance milestones:

(a) Tranche 1 of 7,500,000 performance shares with a vesting condition of the trading of the Company's shares achieving a 20-day VWAP of $0.02 and Ms Smith continues to be an officer of the Company for at least 6 months from the date of the Meeting;

(b) Tranche 2 of 7,500,000 performance shares with a vesting condition of the trading of the Company's shares achieves a 20-day VWAP of $0.025 and Ms Smith continues to be an officer of the Company for at least 12 months from the date of the Meeting;

For vesting to occur, the Milestones for Tranches 1 to 2 must be achieved within 3 years of issue of the Director Rights. Once vested, the Director Rights must be converted into Shares within 2 years of vesting, at the holder's absolute discretion. At the date of this report, the performance milestones for Ms Smith have not yet vested.

	2022 $	2021 $
(b) Exploration expenditure		
Share based payments to vendors capitalised against exploration asset	93,750	3,966,667
Share based payments for transaction costs of acquisition – see note 21	50,000	668,099
Total	**143,750**	**4,634,766**

(b) Exploration expenditure - share based payments to consultants and vendors

On 30 July 2021, the Company announced that it had issued 40,000,000 Performance Rights to consultants which will vest, and be convertible into shares, on the achievement of the following milestones:

20. Share Based Payments (continued)

Milestone One – Within twelve months of the date of issue of the Performance Rights:

(a) Tranche 1 of 7,500,000 performance shares on completion of more than 1,500m drilling in Peru or Canada; and trading in VAL achieves a 20-day VWAP of $0.015 after three months of continuous service to the Company

(b) Tranche 2 of 12,500,000 performance shares on completion of more than 1,500m drilling in Peru; and trading in VAL achieves a 20-day VWAP of $0.015 after three months of continuous service to the Company

Milestone Two – Within two years of the date of issue of the Performance Rights:

(a) Tranche 3 of 7,500,000 performance shares on achieving significant mineralised intersections of not less than 10m @ >0.5% U3O8 or equivalent (e.g. 5m @ > 1.0% U3O8) OR achieving significant mineralised intersections of not less than 10m @ >1% Cu or equivalent (e.g. 5m @ > 2% Cu); and trading in VAL achieves a 20-day VWAP of $0.025 after three months of continuous service to the Company.

(b) Tranche 4 of 12,500,000 performance shares on achieving significant mineralised intersections of not less than 10m @ >1% Cu or equivalent (e.g. 5m @ > 2% Cu); and trading in VAL achieves a 20-day VWAP of $0.025 after three months of continuous service to the Company.

At the date of this report, Milestone One Tranche 1 had been achieved and 7,500,000 Performance Rights had vested. For the period to 30 June 2022, an amount of $93,750 has been capitalised to the exploration asset based on management's expectations of the milestones which are likely to vest at the date of issue.

21. Asset Acquisition

On 7 July 2021, the Company announced it had entered into a binding agreement for the acquisition of the Pendleton Lake Uranium and Copper project. The acquisition settled on 23 July 2021 with the Company paying the vendors $5,407 in cash and 5,000,000 ordinary shares at an issue price of $0.01 for 100% ownership of six tenements that comprise of the Pendleton Lake project. Accordingly, $55,407 was capitalised to deferred exploration and evaluation expenditure.

In the prior year, the Company acquired 100% of the voting shares of Pitchblende Energy Pty Ltd and issued consideration which included 333,333,333 performance rights to the shareholders of Pitchblende Energy Pty Ltd. The Performance Rights for Vendors will vest, and be convertible into shares, on the achievement of the following performance milestones and in the following amounts:

(i) 166,666,667 performance rights vesting on the achievement of significant mineralised intersections of not less than 10m @ >0.5% U3O8 or equivalent (e.g. 5m @ > 1.0% U3O8) within 2 years after completion; and
(ii) 166,666,666 performance rights vesting on the identification of a mineral resource of at least 10 million pounds U3O8 at a cut-off grade of 0.5%

As at the date of this Report, the Performance Milestone had not been reached and as such, have not yet vested. The Performance Rights were assessed to have a zero probability of being issued at acquisition date.

22. Contingent Liabilities

Royalties are payable to Skyharbour Resources Ltd on 14 mineral claims and Denison Mines Corp. for 2 mineral claims from the Hook Lake Project that consists of a 2% of NSR (net smelter return) on production. These items have not been included as consideration for the acquisition given they are contingent in nature and cannot be reliably measured at the date of acquisition because they are dependent on future events not wholly within the control of the entity.

Royalties are payable to Lara Exploration Ltd on certain tenements of the Picha Project in Peru that consists of a 2% NSR on product and refined metal containing or comprised of gold, silver, platinum and palladium and 1% of NSR on all other product and refined metal.

There are no other known contingent liabilities.

23. Commitments

Valor entered into an agreement with Skyharbour Resources Ltd (TSX-V: SYH) on 11 February 2021 (Effective Date), which allows Valor is earn into the Hook Lake Project in Saskatchewan, Canada. The agreement provides for the following cash payments and expenditure commitments:

a) Cash payments – making the following cash payments to Skyharbour Resources Ltd.:
   i) C$50,000, which payment was made on 17 February 2021;
   ii) C$75,000, on the first anniversary of the Effective Date, which payment was made on 11 February 2022;
   iii) C$175,000, on the second anniversary of the Effective Date; and
   iv) C$175,000, on the third anniversary of the Effective Date.

b) Expenditures – incurring the following expenditures on the Hook Lake Project, totalling C$3,500,000, within three years following the Effective Date:
   i) C$750,000 on or before the first anniversary of the Effective Date, which were incurred by 11 February 2022 as announced to the ASX on 15 February 2022;
   ii) An additional C$1,000,000 on or before the second anniversary of the Effective Date; and
   iii) An additional C$1,750,000 on or before the third anniversary of the Effective Date.

There were no other commitments as at 30 June 2022 (2021: nil).

24. Events Subsequent to Reporting Date

On 9 August 2022, the Company announced that 12,500,000 Consultant Performance Rights lapsed due to milestone conditions not being met.

On 19 August 2022, the Company announced Ms Paula Smith had resigned as Non-executive Director and Company Secretary. Mr Joe Graziano was appointed to the position of Company Secretary.

There were no other known significant events from the end of the financial year up to the date of this report.

25. Dividends

No dividend was paid or declared by the Group in the period since the end of the financial year and up to the date of this report. The Directors do not recommend that any amount be paid by way of dividend for the financial year.

26. Parent Entity Information

The following details information related to the parent entity, Valor Resources Limited, at 30 June 2022. The information presented here has been prepared using consistent accounting policies as presented in note 2.

	2022 $	2021 $
Current assets	3,521,440	557,587
Total assets	15,702,668	7,051,747
Current liabilities	467,922	160,108
Total liabilities	1,987,373	529,108
Net Assets / (Liabilities)	**13,715,285**	**6,522,639**
Issued capital	66,852,924	57,390,563
Reserves	20,964,397	19,605,830
Accumulated losses	(74,102,036)	(70,473,754)
Total Equity	**13,715,285**	**6,522,639**
Loss of the parent entity	(3,628,282)	(2,419,278)
Other comprehensive loss for the year	-	-
Total comprehensive loss of the parent entity	**(3,628,282)**	**(2,419,278)**

There are no known contingent liabilities in the parent entity.

Directors' Declaration

In accordance with a resolution of the Directors of Valor Resources Limited, I state that:

1. In the opinion of the directors:

   a) the financial statements and notes of Valor Resources Limited for the year ended 30 June 2022 are in accordance with the Corporations Act 2001, including:

      i. giving a true and fair view of the consolidated financial position as at 30 June 2022 and of its performance for the year ended on that date; and

      ii. Complying with Accounting Standards (including the Australian Accounting Interpretations), Corporations Regulations 2001 and other mandatory professional reporting requirements.

   b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(b).

2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

3. This declaration has been made after receiving the declarations required to be made by the Director's in accordance with sections of 295A of the Corporations Act 2001 for the financial year 30 June 2022.

On behalf of the Board

Mr. George Bauk
Executive Chairman
29 September 2022
Perth, Western Australia

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF VALOR RESOURCES LIMITED

As lead auditor of Valor Resources Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Valor Resources Limited and the entities it controlled during the period.

Ashleigh Woodley

Director

BDO Audit (WA) Pty Ltd

Perth

29 September 2022

BDO

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Valor Resources Limited

Report on the Audit of the Financial Report

Opinion

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

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

(i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

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

Material uncertainty related to going concern

We draw attention to Note 2(a) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying value of Deferred Exploration and Evaluation Expenditure

Key audit matter	*How the matter was addressed in our audit*
The carrying value of the capitalised exploration and evaluation asset as at 30 June 2022 is disclosed in Note 10 of the financial report. As the carrying value of the Deferred Exploration and Evaluation Asset represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether there are any other facts or circumstances existing to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 10 to the financial report.

Other information

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

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

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

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

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 22 to 26 of the directors' report for the year ended 30 June 2022.

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

Responsibilities

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

BDO Audit (WA) Pty Ltd

BDO

Ashleigh Woodley

Director

Perth

29 September 2022

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 6 September 2022.

Company Secretary

The Company Secretary is Mr. Joe Graziano.

Registered Office and Principal Administrative Office

Address: Level 3, 101 St Georges Terrace, PERTH, WA 6000 Telephone: +61 411 649 551

Register of Securities

The Register of Securities is kept at Automic Registry Services, Level 2/267 St George's Terrace, Perth, WA, 6000. Telephone: 1300 288 664.

Issued Capital

Quoted/Unquoted	Class	Number of Units	Number of Holders
Quoted	Fully Paid Ordinary Shares	3,658,534,790	4,085
Unquoted	Unlisted Options @ $0.015 expiry 11.02.2024	20,583,333	3
Unquoted	Unlisted Options @ $0.015 expiry 03.05.2023	25,000,000	1
Unquoted	Unlisted Options @ $0.020 expiry 21.02.2024	51,000,000	8
Unquoted	Vendor Performance Rights	333,333,333	7
Unquoted	Director Performance Rights	195,000,000	3
Unquoted	Consultant Performance Rights	27,500,000	3

Distribution of Share Holders

	Ordinary Shares	
	Number of Holders	Number of Shares
1 - 1,000	155	26,767
1,001 - 5,000	53	155,588
5,001 - 10,000	23	175,756
10,001 - 100,000	1,442	88,744,787
100,001 - and over	2,412	3,569,431,892
TOTAL	**4,085**	**3,658,534,790**

There were 231 holders of ordinary shares holding less than a marketable parcel.

Top Twenty Ordinary Share Holders

Name	Number of Shares held	%
SKYHARBOUR RESOURCES LIMITED	233,333,333	6.38%
SUNSET CAPITAL MANAGEMENT PTY	125,117,363	3.42%
BRIANT NOMINEES PTY LTD	102,030,143	2.79%
MRS NANSAL-ORLOM TUNEREV	77,090,990	2.11%
SISU INTERNATIONAL PTY LTD	70,636,364	1.93%
CITICORP NOMINEES PTY LIMITED	68,384,165	1.87%
SISU INTERNATIONAL PTY LTD	66,591,196	1.82%
APICAL PARTNERS PTY LTD	58,481,516	1.60%
BRIANT NOMINEES PTY LTD	53,333,333	1.46%
RESORT STYLE LIVING PTY LTD	50,416,184	1.38%
STEVEN SEQUEIRA PTY LTD	50,416,183	1.38%
BEEZ AND HONEY PTY LTD	38,666,667	1.06%
SOUTHERN FOREST WINES PTY LTD	38,500,000	1.05%
MR MICHAEL CLIVE HUXLEY	38,200,000	1.04%
HSBC CUSTODY NOMINEES	37,745,103	1.03%
MR LAY ANN ONG	37,333,333	1.02%
TOTODE PTY LTD	32,500,000	0.89%
KITARA INVESTMENTS PTY LTD	30,333,333	0.83%
ANIMA FLUVIUS PTY LTD	30,000,000	0.82%
HSBC CUSTODY NOMINEES	28,667,979	0.78%
Total	**1,267,777,185**	**34.65%**

Substantial Shareholders

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

Shareholder Name	No. of Ordinary Shares	Percentage %
Skyharbour Resources Limited	233,333,333	6.38%
Brian McMaster	204,030,143	5.58%

Unquoted Securities

The following persons hold 20% or more of the equity securities in an unquoted class:

Class	Holder	Number of Units	% Held
Unlisted Options @ $0.015 expiry 11.02.2024	BILGI INVESTMENTS PTY LTD <BILGI INVESTMENTS S/F A/C>	10,000,000	48.58%
Unlisted Options @ $0.015 expiry 11.02.2024	MR ROBERT ANDREW JEWSON	10,000,000	48.58%
Unlisted Options @ $0.015 expiry 03.05.2023	GAKS INVESTMENT HOLDINGS PTY LTD <GAKS INVESTMENT A/C>	25,000,000	100.00%
Unlisted Options @ $0.015 expiry 21.02.2024	CELTIC CAPITAL PTY LTD <INCOME A/C>	28,810,698	56.49%
Unlisted Options @ $0.015 expiry 21.02.2024	CPS CAPITAL NO 5 PTY LTD	15,300,000	30.00%
Performance Rights	Totode Pty Ltd <Hindmarsh Investment A/C>	120,000,000	21.59%

On-Market Buy Back
There is no current on-market buy back.

Voting Rights
All ordinary shares carry one vote per share without restriction. Options and Performance Shares do not carry any voting rights. On a show of hands every person present who is a Member or representative of a Member shall have one vote and on a poll, every Member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each share held. None of the options have any voting rights.

Tenement Table
Interests in mining tenements held are detailed in the table below:

Project	Tenement		Location	Status	Ownership
Picha Project	Picha 2	01-03853-05	Peru	Granted	100%
	Picha 3	01-03854-05			
	Picha 7	01-00578-07			
	Leon 3	01-04638-08			
	Picha 01-21	01-01163-21			
	Picha 02-21	01-01164-21			
	Picha 03-21	01-01165-21			
	Picha 04-21	01-01166-21			
	Picha 06-21	01-01168-21			
	Picha 07-21	01-01169-21			
	Picha 08-21	01-01170-21			
	Picha 09-21	01-01171-21			
	Picha 10-21	01-01172-21			
	Picha 11-21	01-01173-21			
	Picha 12-21	01-01174-21			
	Picha 13-21	01-01175-21			
	Picha 14-21	01-01176-21			
	Picha 05-21	01-01166-21			

Project	Tenement		Location	Status	Ownership
Hook Lake	Hook Lake 1	S-110197	Canada	Granted	80% Option
	Hook Lake 2	S-110198			
	Hook Lake 3	MC00011055			
	Hook Lake 4	MC00012406			
	Hook Lake 5	MC00013238			
	Hook Lake 6	MC00013241			
	Hook Lake 7	MC00013242			
	Hook Lake 8	MC00013243			
	Hook Lake 9	MC00013244			
	Hook Lake 10	MC00013246			
	Hook Lake 11	MC00013248			
	Hook Lake 12	MC00013250			
	Hook Lake 13	MC00013253			
	Hook Lake 14	MC00013425			
	Hook Lake 15	MC00013594			
	Hook Lake 16	MC00013606			
Cluff Lake	Cluff Lake 1	MC00014073	Canada	Granted	100%
	Cluff Lake 2	MC00014074			
	Cluff Lake 3	MC00014075			
	Cluff Lake 4	MC00014076			
	Cluff Lake 5	MC00014077			
	Cluff Lake 6	MC00014078			
	Cluff Lake 7	MC00014079			
	Cluff Lake 8	MC00014080			
	Cluff Lake 9	MC00014081			
	Cluff Lake 10	MC00014082			
	Cluff Lake 11	MC00014083			
	Cluff Lake 12	MC00014084			
	Cluff Lake 13	MC00014085			
	Cluff Lake 14	MC00014086			
	Cluff Lake 15	MC00014087			
	Cluff Lake 16	MC00014088			
	Cluff Lake 17	MC00014089			
	Cluff Lake 18	MC00014090			
	Cluff Lake 19	MC00014096			
Pendleton Lake	Pendleton Lake 3	MC00013610	Canada	Granted	100%
	Pendleton Lake 4	MC00013616			
	Pendleton Lake 5	MC00014442			
	Pendleton Lake 6	MC00014443			
MacPhersons Lake	Pendleton Lake 1	MC00013454	Canada	Granted	100%
	Pendleton Lake 2	MC00013494			
Lorado Uranium Mine	Lorado 1	MC00014091	Canada	Granted	100%
Smitty Uranium Mine	Smitty 1	MC00014092	Canada	Granted	100%
Hidden Bay	Hidden Bay 1	MC00014093	Canada	Granted	100%
Surprise Creek	Surprise Creek 1	MC00014936	Canada	Granted	100%
	Surprise Creek 2	MC00014937			
	Surprise Creek 3	MC00014938			
	Surprise Creek 4	MC00015946			