



# **Star Minerals Limited**

**ABN 53 648 048 631**

**Annual Report - 30 June 2022**

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**Star Minerals Limited**  
**Corporate directory**  
**For the year ended 30 June 2022**



Directors	Mr Ian Stuart Mr Ashley Jones Mr Stephen Strubel
Company secretary	Mr Matthew Edmondson
Registered office	Level 1 85 Havelock Street West Perth WA 6005
Principal place of business	Level 1 85 Havelock Street West Perth WA 6005 (08) 9321 5594
Auditor	Elderton Audit Pty Ltd Level 2, 267 St Georges Terrace Perth WA 6000
Solicitors	Blackwall Legal LLP Level 26, 140 St Georges Terrace Perth WA 6000
Share Registry	Automic Group Perth Office: Level 5, 191 St Georges Terrace Perth WA 6000 1300 288 664
Stock exchange listing	Star Minerals Limited shares are listed on the Australian Securities Exchange (ASX code: SMS)
Website	<a href="http://www.starminerals.com.au">www.starminerals.com.au</a>
Corporate Governance Statement	<a href="http://www.starminerals.com.au/site/about/corporate-governance">www.starminerals.com.au/site/about/corporate-governance</a>



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## **Letter from the Chair**

On behalf of your Board of Directors, I have pleasure in presenting the 2022 Annual Report and Financial Statements of Star Minerals Limited for the year to 30 June 2022. Since our listing in October of last year, Star has achieved some critical goals in its exploration and development work.

The Tumblegum South Prospect at Gabanintha has been the focus of the Company's activities this year, with the completion of two stages of Resource definition drilling. This was done concurrently with environmental and engineering studies in preparation to bring this project to development.

Consistent with Star's strategy to add incrementally to its mineral inventory Star obtained an option to acquire the "Star of the East" project, just 2km to the west of the Tumblegum South Project. This was a historical gold mine, and represents another valuable asset to the Company, with reconnaissance completed recently. Star intends to explore the remaining mineralisation and starting the work to define a resource estimate at the Project.

The Company has also been active with copper-gold exploration activities on our West Bryah properties, with a number of mapping and geophysical surveys undertaken in preparation for drilling to commence this year.

Star Minerals Limited recorded a total comprehensive loss after tax of \$0.8M for the period ended 30 June 2022. Capitalised expenditure on exploration, excluding tenement acquisition costs, was \$0.6M during the financial year.

During the year the Company completed its Initial Public Offering, to raise \$5,000,000 before costs. Our successful IPO was supported strongly by shareholders of Bryah Resources and Australian Vanadium Limited. The business remains in a sound financial position going into 2023.

The Board of Star Minerals Limited remains committed to developing a successful well-funded, exploration business with a focus on gold and copper.

I thank our management, employees and consultants for their efforts this year and the ongoing support of our growing number of shareholders. We look forward to another very active year on our Projects in 2023.

Yours faithfully

A handwritten signature in black ink, appearing to read "Ian Stuart".

Ian Stuart  
Non-Executive Chair

## Operations Review

Within days of being admitted to the Official List of the ASX on 25 October 2021, following its initial Public Offering (IPO), Star Minerals Limited (Star Minerals of the Company), commenced its maiden drill program. By 30 June 2022, Star Minerals had completed a second drill program as well as having planned further resource upgrade and exploration work as well as constantly reviewing opportunities as it identified them.

Star Minerals holds a quality development and exploration portfolio in the highly prospective Gabanintha and West Bryah areas of Western Australia (see Figure 1 below), with both projects considered to have potential to gold and copper-gold mineral deposits.



Figure 1 – Star Minerals Projects



### **Tumblegum South Gold Project (100% SMS) (Tumblegum South)**

Tumblegum South has an existing Inferred Resource estimate which totals 600kt, at a grade of 2.2 g/t Au. This work was undertaken by Bryah Resources Limited in January 2020.

Tumblegum South is located approximately 40km south of the town of Meekatharra in Western Australia. The existing mining lease ML51/888 is directly along strike from the Tumblegum South pit which was mined by Dominion during the 1987–1992 Gabanintha Gold Mine Joint Venture. The Company's current focus is on gold, but there is also significant copper potential on the lease.

Star commenced drilling of Phase 1 of its drilling program at Tumblegum South on the 30 October 2021, after mobilising crew and contractors to site following its listing on the ASX. All planned drilling was completed with the resulting samples dispatched to an assay lab in Perth for analysis. First results from these assays came back in the last weeks of December. This work was completed in January.

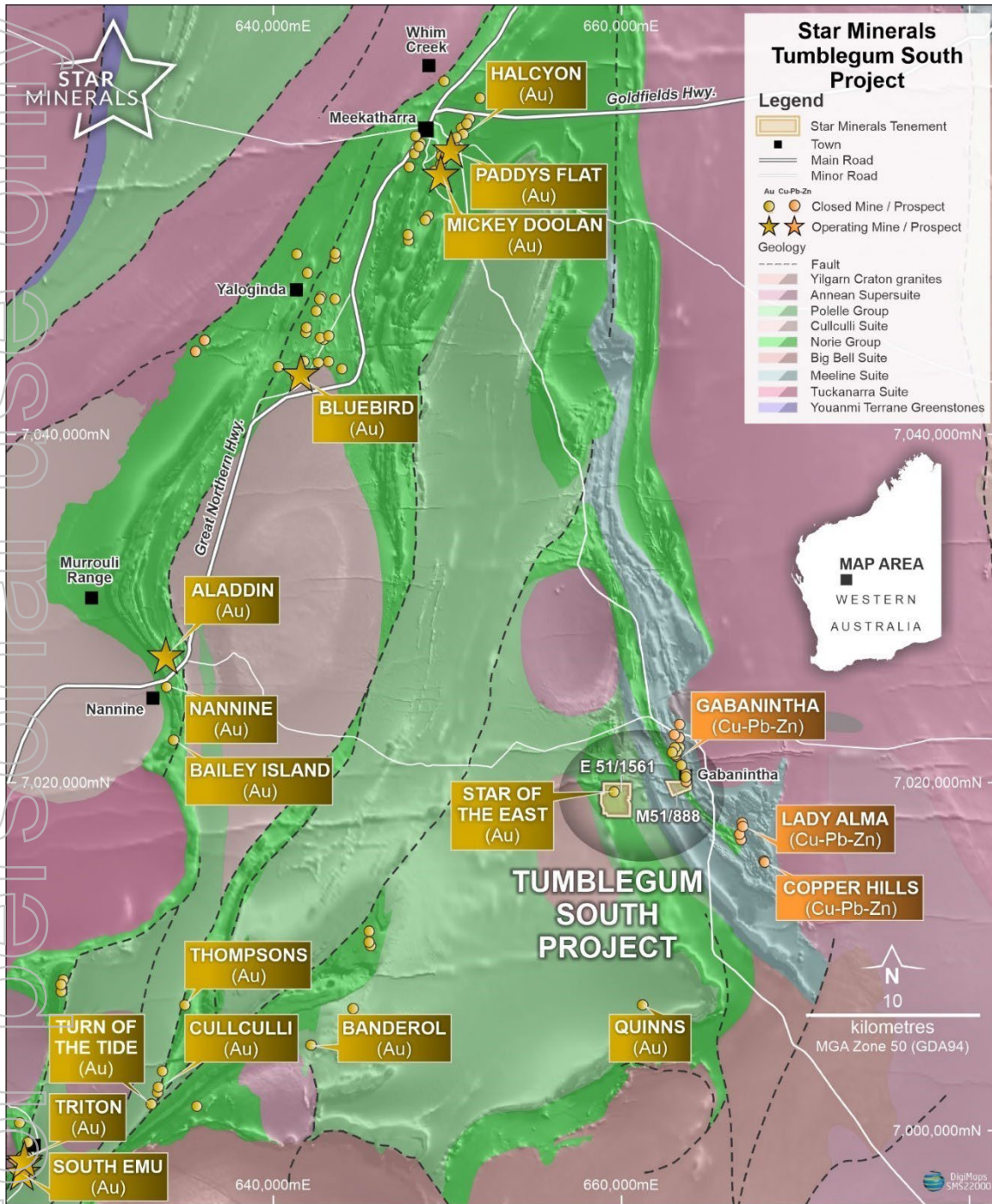
Star completed Phase 2 of its drilling program at Tumblegum South in May 2022, building upon the results of inaugural drill program. A total of 46 holes were completed, for a total of 2,669m. Original plans were for 2,448m, but a number of holes were extended during the course of drilling based on field geology logging.

Planned during the period was, a small diamond drill program set to provide more detail on the geology and gold mineralisation of Tumblegum South.

Further work also commenced started with the engagement of Entech, a mining consultant, to review and update the resource model. This work was ongoing at 30 June 2022, and was intended to provide a foundation for a scoping study to define the potential size and scope for mining of the deposit. The completion of phase 3 and the anticipated assay results from it will be used for Entech to complete this work.

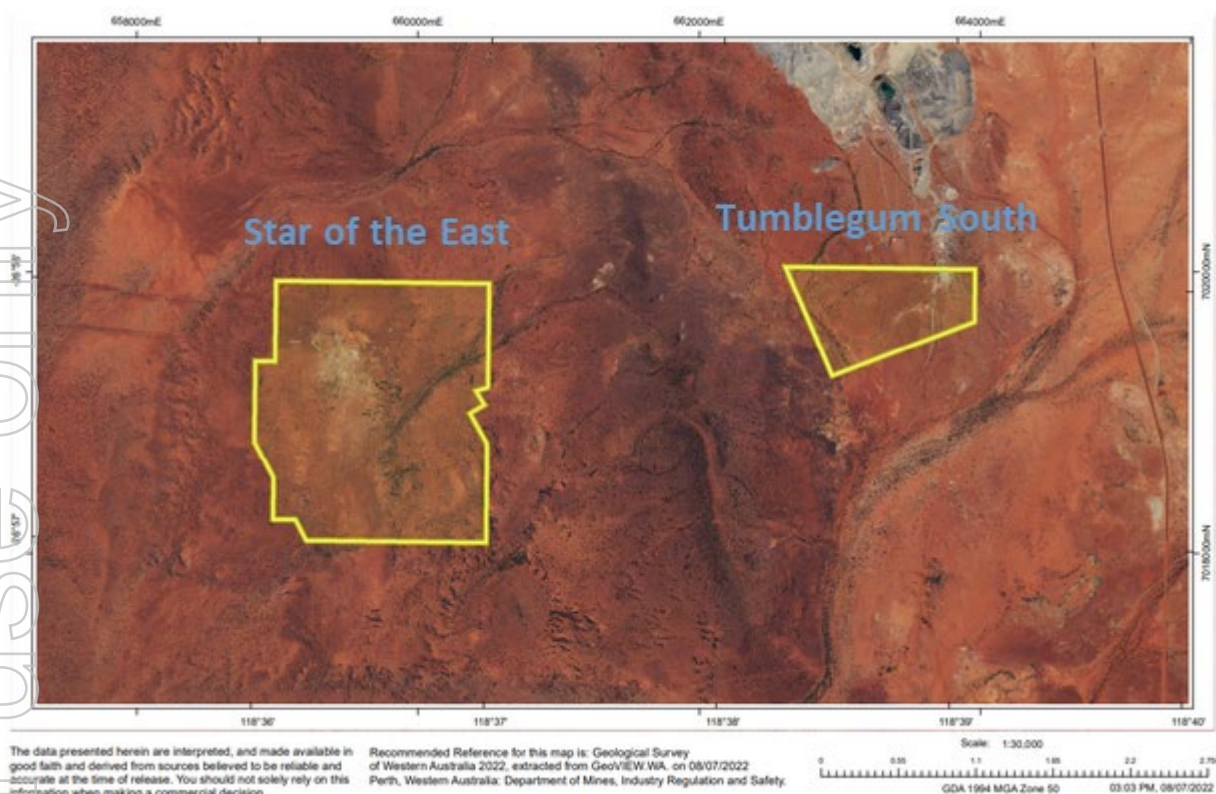


In addition, the acquisition of the “Star of the East” property on the exploration tenement E51/1561 represents the latest addition to the Company’s high-quality assets. (See Figures 2 and 3 below).



**Figure 2 – Star Minerals Tumblegum South Project Regional view**

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**Figure 3 – Star Minerals Tumblegum South Project detail view**

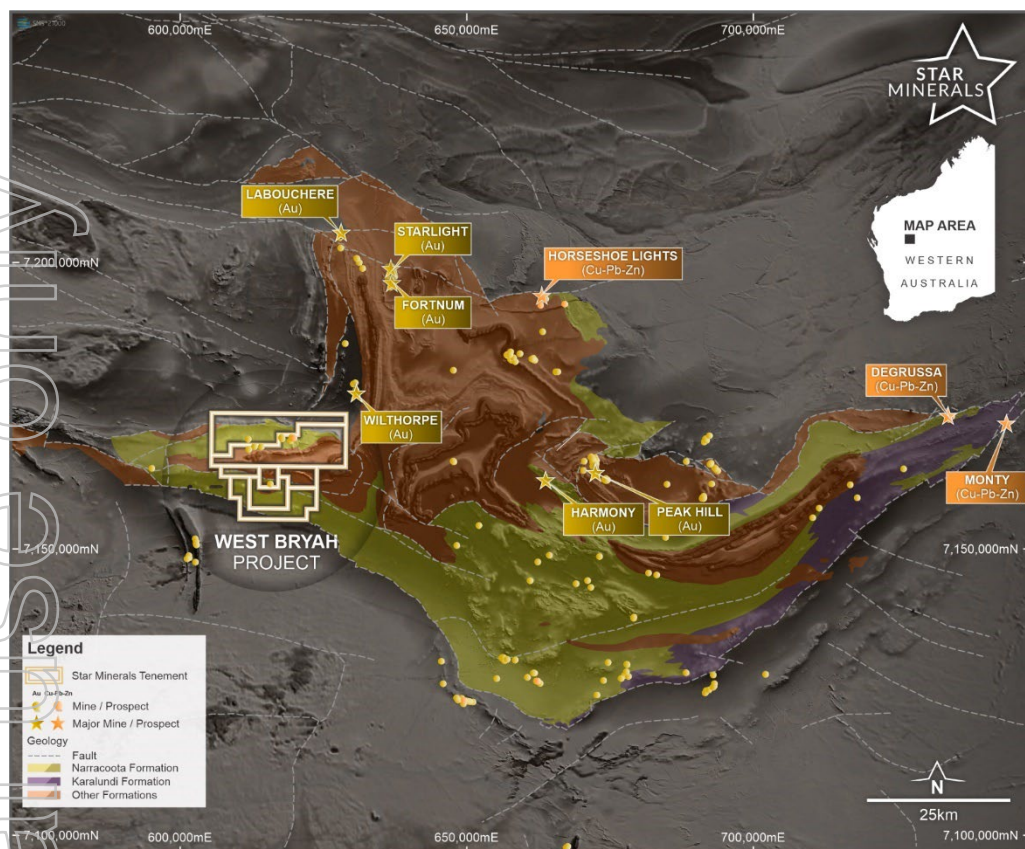
Star of the East is an historic high-grade gold mine in the Murchison, first mined in 1897 after discovery by prospectors. The tenement E51/1561 contains evidence of this historic work, with an old shaft and other remnants of previous activity. Records indicate that the mine produced around 27,700oz gold, working along a main lode down to around 50m depth.

The Project lies only 2.2km from the existing Tumblegum South gold project. has an existing Inferred Resource estimate which totals 600kt, at a grade of 2.2 g/t Au.2 where Star Minerals has completed two drilling programs designed to update the current mineral resources estimate and provide the necessary information for development of the asset.

During the reporting period, the Company undertook 2 drilling programs and has planned a third and fourth as part of its gold exploration and development activities at Tumblegum South.

**West Bryah Project (100% SMS)**

The Company's Bryah Basin Project covers 350km<sup>2</sup> of highly prospective ground, mainly within the Bryah Basin in central Western Australia. The Bryah Basin hosts high-grade Volcanogenic Massive Sulphide ("VMS") copper-gold deposits at the DeGrussa, Monty and historic Horseshoe Lights mines, as well as significant epigenetic gold deposits including the Fortnum gold mine (see Figure 4).



**Figure 4 – Star Minerals West Bryah Project**

In addition, a number of opportunities to expand the Company’s tenements have been examined, building on its knowledge of the West Bryah region.

### **Environment, Sustainability and Governance (ESG)**

No significant safety, health or environmental incidents occurred during the year. The Company utilised the services of Impact Drilling Pty Ltd (Impact Drilling Services), using a reverse circulation approach at Tumblegum South. Impact Drilling Services Pty Ltd operated safely and efficiently throughout the year and is a valued partner for the Company, providing all necessary supervision, labour, and equipment and drilling related labour to execute the Company’s drill program.

The Company also plays a supportive role in the local Meekatharra community and economy where possible including local labour, provisions and accommodation.

Covid-19 regulations meant that there was a limit to how much activity could be undertaken – as a result, much of the planned work remains to be completed. A number of mapping, soil sampling and ground magnetic surveys were undertaken beginning in July 2022, with follow-up drilling planned to follow once planning and permits are in place, now that many of the Covid-19 safety protocols the company was operating under have been eased.

### **Likely Developments**

Likely developments in the operations of the Group and the expected results of those operations in future financial periods have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.



The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Star Minerals Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2022.

### **Directors**

The following persons were Directors of Star Minerals Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Ian Stuart - Non-executive Chairman  
Ashley Jones - Non-executive Director  
Stephen Strubel - Non-executive Director

### **Principal activities**

The Company carries on the business of mineral exploration, focused on the exploration and evaluation of the Tumblegum South Gold Project and the West Bryah Project, located in central Western Australia.

### **Dividends**

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

### **Review of operations**

The loss for the Group after providing for income tax amounted to \$795,983 (30 June 2021: \$15,111).

The Company successfully listed on the Australian Stock Exchange (ASX) on 25 October 2021 following an Initial Public Offering (IPO) which raised \$5,000,000 pursuant to the offer under its replacement prospectus dated 9 August 2021 (and two supplementary prospectuses) by the issue of 25,000,000 shares at an issue price of \$0.20 per share and 12,500,000 quoted options exercisable at \$0.30 per option expiring on 25 October 2024.

The Company commenced its maiden RC drilling program at its Tumblegum South Gold Project on 30 October 2021. On 15 November 2021, the Company announced the completion of the program comprising 25 holes for a total of 1,994 metres. Please refer to ASX announcements dated 1 and 15 November 2021. For a detailed narrative of the year ended 30 June 2022, please refer to the Operations Review earlier in this report.

In the previous reporting period, White Star Minerals Pty Ltd entered into a tenement transfer agreement with Bryah Resources Limited (ASX: BYH) and Australian Vanadium Limited (ASX: AVL) to acquire the tenement comprising the Tumblegum South Gold Project. The project comprises a granted mining lease M51/888 to be acquired from Australian Vanadium Limited and an application for miscellaneous licence L51/112 to be acquired from Bryah Resources Limited upon grant.

During the current financial period Bryah Resources Limited transferred the license to the Group and Australian Vanadium Limited transferred the mining lease to the Group for the consideration as mentioned below.

Consideration to Bryah Resources Limited:

- 11 million fully paid ordinary shares in Company
- 3 million Class A performance rights in the Company (subject to Vesting conditions);
- 4 million Class B performance rights in the Company (subject to Vesting conditions); and
- \$500,000 reimbursement of expenditure incurred in conducting exploration works.

Consideration to Australian Vanadium Limited:

- Grant of Royalty by White Star Minerals Pty Ltd and \$5,000 reimbursement of expenditure.

Total consideration to other vendors:

- Pet FC Pty Ltd - 0.5 million fully paid ordinary shares in the Company
- Pinny Pty Ltd - 0.75 million fully paid ordinary shares in the Company
- Jalein Pty Ltd - 2.75 million fully paid ordinary shares in the Company

In addition to this the Group has entered into royalty deed agreements for the payment of royalty on the net return of 0.75%.



Details of tenements acquired

Tenement	Date of purchase agreement	Consideration payable	Tenement expiry date	Details of royalty deeds
Tumblegum South Gold Project - granted mining lease M51/888 <sup>1</sup>	08/03/2021	to Australian Vanadium Limited	03/11/2041	0.75% net smelter return royalty on all products extracted or derived from the area.
Tumblegum South Project - miscellaneous licence L51/112	08/03/2021	to Bryah Resources Limited	22/04/2042	N/A
West Bryah Project - granted exploration licence E52/3553	08/03/2021	to Pet FC Pty Ltd	30/07/2022	0.75% net smelter return royalty on all products extracted or derived from the area.
West Bryah Project - granted exploration licence E52/3737	08/03/2021	to Pinny Pty Ltd	7/11/2024	0.75% net smelter return royalty on all products extracted or derived from the area.
West Bryah Project - granted exploration licence E52/3739	08/03/2021	to Bryah Resources Limited	7/11/2024	0.75% net smelter return royalty on all products extracted or derived from the area.
West Bryah Project - granted exploration licence E52/3802	08/03/2021	to Jalein Pty Ltd	17/01/2026	0.75% net smelter return royalty on all products extracted or derived from the area.
West Bryah Project - granted exploration licence E52/3803	08/03/2021	to Pinny Pty Ltd	18/05/2025	0.75% net smelter return royalty on all products extracted or derived from the area.
West Bryah Project - granted exploration licence E52/3804	08/03/2021	to Pinny Pty Ltd	18/05/2025	0.75% net smelter return royalty on all products extracted or derived from the area.
West Bryah Project - granted exploration licence E52/3809	08/03/2021	to Jalein Pty Ltd	02/06/2025	0.75% net smelter return royalty on all products extracted or derived from the area.

The Group's management strategy and its key objectives are to:

- Systematically undertake exploration of the projects aimed at the discovery and development of mineral resources; and
- Implement a growth strategy to seek out further exploration opportunities which complement the Group's focus on gold/base metals deposits.

Refer to the CEO's Operation Review for further operating performance commentary.

**Significant changes in the state of affairs**

Aside from the matters raised in the review of operations there were no other significant changes in the state of affairs of the Group during the financial year.

**Events after the reporting period**

On 12 July 2022 the Company announced that 3,330,000 restricted shares were released from escrow on 7 July 2022. These shares were issued to investors on 7 July 2021 with a 12-month escrow period and were part of a \$250,000 capital raising that issued 5,000,000 shares at \$0.05 per share. Directors Ian Stuart and Ashley Jones participated in the capital raising on the same terms as other investors.

On 28 July 2022 the Company announced that it had signed an option agreement to acquire the "Star of the East" gold project. The deal is staged over 12 months, the initial option fee is \$60,000 in cash. The balance of \$360,000 is to be paid in cash, shares (or a combination) at the election of the vendors at any stage during or at the end of the 12-month period after the completion of not less than 2,000m of RC drilling programmes. Completion is at the exclusive election of Star Minerals.

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

<sup>1</sup> Beneficial owner Star Minerals Limited with balance of licenses beneficially owned by White Star Minerals Pty Ltd.



**Likely developments and expected results of operations**

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

**Environmental regulation**

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

**Information on Directors**

**Name:** Ian Stuart  
**Title:** Non-executive Chairman  
**Qualifications:** BSc (Hons) F.FIN MAICD  
**Experience and expertise:** Mr Stuart is a geologist by profession with experience in both the finance and mining industries. He holds an Honours degree in Geology, is a Fellow of the Financial Services Institute of Australasia and a member of the Australian Institute of Company Directors. Ian has extensive experience in capital markets and is conversant with public company governance and management across international jurisdictions.  
**Other current directorships:** Mr Stuart is Non-Executive Chairman of Bryah Resources Limited (ASX: BYH).  
**Former directorships (last 3 years):** None  
**Interests in shares:** 30,000  
**Interests in rights:** 750,000

**Name:** Ashley Jones  
**Title:** Non-executive Director  
**Qualifications:** Mr Jones graduated in 1997 with a B.Sc. Hons in Geology from the University of Canterbury, New Zealand. He has a Master of Applied Finance in 2014 from Kaplan University, Australia and an MBA with Distinction from Imperial College London, UK in 2017. He is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and Member of the Financial Services Institute of Australasia (FINSIA).  
**Experience and expertise:** Mr Jones is a geologist with over 20 years of a diverse range of exploration, mine geology and management experience in Australia and Africa. He has project development expertise in feasibility level projects with particular focus on resources and mine development. He was based in Africa for over 11 years exploring a range of commodities for ASX, AIM and TSX listed public companies.  
**Other current directorships:** None  
**Former directorships (last 3 years):** None  
**Interests in shares:** 30,000  
**Interests in rights:** 375,000

**Name:** Stephen Strubel  
**Title:** Non-executive Director  
**Qualifications:** Mr Strubel completed a Bachelor of Business in Banking and Finance/International Trade and Graduate Certificate in Business (Finance) from Victoria University and has an MBA from the Australian Institute of Business. He is a Fellow of the Governance Institute of Australia.  
**Experience and expertise:** Stephen has approximately 10 years' experience working in financial markets predominantly with Patersons Securities.  
**Other current directorships:** ChemX Materials Ltd (ASX: CMX).  
**Former directorships (last 3 years):** Auric Mining Limited (ASX: AWJ) August 2019 – May 2022.  
**Interests in shares:** 1,800,001  
**Interests in rights:** 375,000

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

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

**Company secretary**

Matthew Edmondson

Mr Edmondson holds a Bachelor of Commerce degree from the University of Western Australia and is a Chartered Accountant and Chartered Secretary. Mr Edmondson has acted as company secretary for ASX listed companies previously and has approximately 30 years' accounting and corporate experience, both in Australia and internationally.

### Meetings of Directors

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

	Full Board	
	Attended	Held
Ian Stuart	9	9
Ashley Jones	9	9
Stephen Strubel	9	9

Held: represents the number of meetings held during the time the Director held office.

### Remuneration report (audited)

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

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

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

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

#### ***Principles used to determine the nature and amount of remuneration***

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

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

The Board is responsible for determining and reviewing remuneration arrangements for its Directors and executives. The performance of the Group depends on the quality of its Directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group.

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

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

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

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



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

*Non-executive Director remuneration*

Fees and payments to non-executive Directors reflect the demands and responsibilities of their role. Non-executive Directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive Directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive Directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

ASX listing rules require the aggregate non-executive Directors' remuneration be determined periodically by a general meeting. The Company will determine this at the next general meeting to be held.

*Executive remuneration*

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

The Board reviews and approves the remuneration levels to enable the Company to attract and retain executives who will create shareholder value having regard to the amount considered to be commensurate for a company of its size, level of activity and the executive's responsibilities. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

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

There was no short-term incentive ('STI') program in place during the reporting period.

The long-term incentives ('LTI') include long service leave and any share-based payments.

*Consolidated entity performance and link to remuneration*

The Company aims to align our executive remuneration to our strategic and business objectives and the creation of shareholder wealth. The table below shows measures of the Group's historical financial performance. However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

	2022	2021
	\$	\$
Loss after income tax	(795,983)	(15,111)
	<b>Cents</b>	<b>Cents</b>
Basic and diluted loss per share	(2.00)	(1.10)

*Equity Incentive Plan (Incentive Plan)*

The Company has adopted an Incentive Plan to allow eligible participants to be issued securities in the Company.

Eligible participants include a person who is a full-time or part-time employee, a non-executive director, a contractor or a casual employee of the Company, or an Associated Body Corporate (as defined in ASIC Class Order 14/1000), or such other person who has been determined by the Board to be eligible to participate in the Incentive Plan from time to time.



The purpose of the plan is to:

- assist in the reward, retention and motivation of Eligible Participants;
- link the reward of Eligible Participants to Shareholder value creation; and,
- align the interests of Eligible Participants with shareholders by providing an opportunity to receive an equity interest.

*Use of remuneration consultants*

The Company did not engage remuneration consultants during the reporting period.

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

The Company was not required to prepare a remuneration report and was not an item of business at the 2021 AGM.

**Details of remuneration**

*Amounts of remuneration*

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

30 Jun 22	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments *	Total
	Cash salary and fees \$	Cash bonus \$	Non-monetary \$	Super-annuation \$	Long service leave \$	Equity-settled \$	
<i>Non-Executive Directors:</i>							
Ian Stuart	50,000	-	-	-	-	4,075	54,075
Ashley Jones	36,667	-	-	-	-	2,037	38,704
Stephen Strubel	36,667	-	-	-	-	2,037	38,704
<i>Other Key Management Personnel:</i>							
Gregory Almond (CEO)	115,385	-	-	11,538	-	5,433	132,356
Matthew Edmondson	78,730	-	-	-	-	-	78,730
	<u>317,449</u>	<u>-</u>	<u>-</u>	<u>11,538</u>	<u>-</u>	<u>13,582</u>	<u>342,569</u>

\* Refer to note 26 'Share-based payments' for further details.

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

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	30 Jun 22	4-month period ended 30 Jun 21	30 Jun 22	4-month period ended 30 Jun 21	30 Jun 22	4-month period ended 30 Jun 21
<i>Non-Executive Directors:</i>						
Ian Stuart	92%	-	-	-	8%	-
Ashley Jones	95%	-	-	-	5%	-
Stephen Strubel	95%	-	-	-	5%	-
<i>Other Key Management Personnel:</i>						
Gregory Almond	87%	-	-	-	13%	-
Matthew Edmondson	100%	-	-	-	-	-



### **Service agreements**

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name: Ian Stuart  
Title: Non-executive Chairman  
Agreement commenced: 1 August 2021  
Term of agreement: 3 Years  
Details: A consultancy services agreement was entered into with a related entity (Eclectricity Pty Ltd) in relation to Ian Stuart's services as a non-executive director. The material terms and conditions include an annual fee of \$60,000 (excluding GST). The remuneration received pursuant to the agreement is disclosed in the remuneration section.

Name: Ashley Jones  
Title: Non-executive Director  
Agreement commenced: 1 August 2021  
Term of agreement: 3 years  
Details: A consultancy services agreement was entered into with a related entity (Kamili Geology Pty Ltd) in relation to Ashley Jones's services as a non-executive director. The material terms and conditions include an annual fee of \$40,000 (excluding GST). The remuneration received pursuant to the agreement is disclosed in the remuneration section.

Name: Stephen Strubel  
Title: Non-executive Director  
Agreement commenced: 1 August 2021  
Term of agreement: 3 years  
Details: A consultancy services agreement was entered into with a related entity (Teralba Nominees VIC Pty Ltd) in relation to Stephen Strubel's services as a non-executive director. The material terms and conditions include an annual fee of \$40,000 (excluding GST). The remuneration received pursuant to the agreement is disclosed in the remuneration section.

Name: Gregory Almond  
Title: CEO  
Agreement commenced: 12 July 2021  
Term of agreement: Agreement can be terminated with 3 months' notice.  
Details: An executive employment agreement was entered into with Gregory Almond in relation to his employment as chief executive officer. The material terms and conditions include an annual salary of \$200,000. The remuneration received pursuant to the agreement is disclosed in the remuneration section.

Name: Matthew Edmondson  
Title: Company Secretary  
Agreement commenced: 14 June 2021  
Term of agreement: The Company may terminate with 2 months' notice  
Details: A letter of engagement was entered into with a related entity (Regalriver Holdings Pty Ltd) in relation to Matthew Edmondson's services as a company secretary. The material terms and conditions include a base consultancy fee of \$4,000 (excluding GST) per month. The remuneration received pursuant to the agreement is disclosed in the remuneration section.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

### **Share-based compensation**

#### *Issue of shares*

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

*Options*

There were no options over ordinary shares issued to Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2022.

There were no options over ordinary shares granted to or vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2022.

*Performance rights*

The terms and conditions of each grant of Class B performance rights over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Probability of vesting	Expiry date	Fair value per right at grant date
Ian Stuart	750,000	25/10/2021	20%	25/10/2026	\$0.200
Ashley Jones	375,000	25/10/2021	20%	25/10/2026	\$0.200
Stephen Strubel	375,000	25/10/2021	20%	25/10/2026	\$0.200
Gregory Almond	1,000,000	25/10/2021	20%	25/10/2026	\$0.200

Performance rights will vest at the commencement of commercial gold production in relation to tenement M51/888 within 5 years of issue.

Performance rights granted carry no dividend or voting rights.

***Additional disclosures relating to key management personnel***

*Shareholding*

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

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Ian Stuart	-	-	30,000	-	30,000
Ashley Jones	-	-	30,000	-	30,000
Stephen Strubel	-	-	1,800,001	-	1,800,001
	-	-	1,860,001	-	1,860,001

*Performance rights holding*

The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
<i>Performance rights over ordinary shares</i>					
Ian Stuart	-	750,000	-	-	750,000
Ashley Jones	-	375,000	-	-	375,000
Stephen Strubel	-	375,000	-	-	375,000
Gregory Almond	-	1,000,000	-	-	1,000,000
	-	2,500,000	-	-	2,500,000

***This concludes the remuneration report, which has been audited.***



**Shares under option**

Unissued ordinary shares of Star Minerals Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
25/10/2021	25/10/2024	\$0.3000	2,000,000
25/10/2021	25/10/2024	\$0.3000	<u>12,500,000</u>
			<u><u>14,500,000</u></u>

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

**Shares under performance rights**

Unissued ordinary shares of Star Minerals Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Number under rights
25/10/2021	25/10/2026	9,500,000

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate. Each performance rights converts into one ordinary share.

**Shares issued on the exercise of options**

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

**Shares issued on the exercise of performance rights**

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

**Indemnity and insurance of officers**

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

The Company has incurred a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

**Indemnity and insurance of auditor**

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

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

**Proceedings on behalf of the Company**

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

**Non-audit services**

There were no non-audit services provided during the financial year by the auditor.

**Officers of the Company who are former partners of Elderton Audit Pty Ltd**

There are no officers of the Company who are former partners of Elderton Audit Pty Ltd.



**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

**Auditor**

Elderton Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

**Going concern**

The financial report has been prepared on a going concern basis. Refer to note 1 'Significant accounting policies'

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in black ink, appearing to read "Ian Stuart".

---

Mr Ian Stuart  
Non-Executive Chairman

29 September 2022

# ELDERTON

AUDIT PTY LTD

## Auditor's Independence Declaration

To those charged with the governance of Star Minerals Limited

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

- no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Star Minerals Limited and the entities it controlled during the period.

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd



**Rafay Nabeel**

Audit Director

29 September 2022

Perth

**Star Minerals Limited**  
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**For the year ended 30 June 2022**



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**General information**

The financial statements cover Star Minerals Limited as a Group consisting of Star Minerals Limited and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is Star Minerals Limited's functional and presentation currency.

Star Minerals Limited is a listed public company limited by shares domiciled in Australia. Its registered office and principal place of business is:

Level 1  
85 Havelock Street  
West Perth  
WA 6005

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 28 September 2022. The Directors have the power to amend and reissue the financial statements.

Star Minerals Limited  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2022**



		<b>Consolidated</b>	
	<b>Note</b>	<b>30 Jun 22</b>	<b>4-month period ended 30 Jun 21</b>
		<b>\$</b>	<b>\$</b>
<b>Expenses</b>			
Accounting, audit, legal and taxation		(57,964)	(8,499)
Employee benefits expense	4	(398,813)	-
Depreciation and amortisation expense		(221)	-
Goodwill written off		-	(4,367)
Consultants		(132,798)	-
Insurance		(29,110)	-
Occupancy		(53,901)	-
Other expenses		(123,176)	(2,245)
<b>Total expenses</b>		<u>(795,983)</u>	<u>(15,111)</u>
<b>Loss before income tax expense</b>		(795,983)	(15,111)
Income tax expense	5	-	-
<b>Loss after income tax expense for the year attributable to the owners of Star Minerals Limited</b>		(795,983)	(15,111)
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year attributable to the owners of Star Minerals Limited</b>		<u>(795,983)</u>	<u>(15,111)</u>
		<b>Cents</b>	<b>Cents</b>
Basic and diluted loss per share	25	(2.0)	(1.1)

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

**Star Minerals Limited**  
**Consolidated statement of financial position**  
**As at 30 June 2022**



	Note	Consolidated 30 Jun 22 \$	30 Jun 21 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	2,974,731	240,393
Trade and other receivables	7	177,728	867
Prepayments		7,802	-
<b>Total current assets</b>		<u>3,160,261</u>	<u>241,260</u>
<b>Non-current assets</b>			
Property, plant and equipment	8	5,956	-
Exploration and evaluation	9	4,637,617	-
<b>Total non-current assets</b>		<u>4,643,573</u>	<u>-</u>
<b>Total assets</b>		<u>7,803,834</u>	<u>241,260</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	477,274	242,851
Borrowings	11	-	11,919
Employee benefits	12	10,302	-
<b>Total current liabilities</b>		<u>487,576</u>	<u>254,770</u>
<b>Total liabilities</b>		<u>487,576</u>	<u>254,770</u>
<b>Net assets/(liabilities)</b>		<u>7,316,258</u>	<u>(13,510)</u>
<b>Equity</b>			
Issued capital	13	7,583,170	1,601
Reserves		544,182	-
Accumulated losses		(811,094)	(15,111)
<b>Total equity/(deficiency)</b>		<u>7,316,258</u>	<u>(13,510)</u>

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

**Star Minerals Limited**  
**Consolidated statement of changes in equity**  
**For the year ended 30 June 2022**



<b>Consolidated</b>	<b>Issued capital</b> \$	<b>Share-based payments reserve</b> \$	<b>Retained profits</b> \$	<b>Total deficiency in equity</b> \$
Balance at 18 February 2021	-	-	-	-
Loss after income tax expense for the year	-	-	(15,111)	(15,111)
Other comprehensive income for the year, net of tax	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(15,111)</b>	<b>(15,111)</b>
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity (note 13)	1,601	-	-	1,601
<b>Balance at 30 June 2021</b>	<b>1,601</b>	<b>-</b>	<b>(15,111)</b>	<b>(13,510)</b>
<b>Consolidated</b>	<b>Issued capital</b> \$	<b>Share-based payments reserve</b> \$	<b>Retained profits</b> \$	<b>Total equity</b> \$
Balance at 1 July 2021	1,601	-	(15,111)	(13,510)
Loss after income tax expense for the year	-	-	(795,983)	(795,983)
Other comprehensive income for the year, net of tax	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(795,983)</b>	<b>(795,983)</b>
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity (note 13)	5,250,000	-	-	5,250,000
Share-based payments (note 26)	-	544,182	-	544,182
Issue shares to acquire exploration & evaluation assets (note 9)	3,000,000	-	-	3,000,000
Capital raising costs	(668,431)	-	-	(668,431)
<b>Balance at 30 June 2022</b>	<b>7,583,170</b>	<b>544,182</b>	<b>(811,094)</b>	<b>7,316,258</b>

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

**Star Minerals Limited**  
**Consolidated statement of cash flows**  
**For the year ended 30 June 2022**



		<b>Consolidated</b>	<b>4-month</b>
	<b>Note</b>	<b>30 Jun 22</b>	<b>period ended</b>
		<b>\$</b>	<b>30 Jun 21</b>
			<b>\$</b>
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(678,129)	(8,126)
Net cash used in operating activities	24	(678,129)	(8,126)
<b>Cash flows from investing activities</b>			
Payment for purchase of business, net of cash acquired		-	(1)
Payments for property, plant and equipment	8	(6,177)	-
Payments for exploration and evaluation	9	(1,106,606)	-
Net cash used in investing activities		(1,112,783)	(1)
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	13	5,015,000	1,601
Proceeds from share subscriptions received in advance		-	235,000
Proceeds from borrowings		-	11,919
Share issue transaction costs		(477,831)	-
Repayment of borrowings		(11,919)	-
Net cash from financing activities		4,525,250	248,520
Net increase in cash and cash equivalents		2,734,338	240,393
Cash and cash equivalents at the beginning of the financial year		240,393	-
Cash and cash equivalents at the end of the financial year	6	<u>2,974,731</u>	<u>240,393</u>

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

## **Note 1. Significant accounting policies**

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

### **New or amended Accounting Standards and Interpretations adopted**

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

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

### **Going concern**

The financial statements have been prepared on a going concern basis.

Based on its assessment of the cash flow projections over the ensuing 12 months from the date of this report the Board is satisfied that sufficient funds are available for the Group to pay its debts as and when they fall due for at least the next 12 months from the date of this report.

### **Basis of preparation**

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

#### *Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

#### *Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

### **Parent entity information**

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 21.

### **Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Star Minerals Limited ('Company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the year then ended. Star Minerals Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those 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 de-consolidated from the date that control ceases.

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

## **Note 1. Significant accounting policies (continued)**

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

### **Income tax**

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

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

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

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

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

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

### **Current and non-current classification**

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

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

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

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

### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

### **Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

### **Note 1. Significant accounting policies (continued)**

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

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

#### **Property, plant and equipment**

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

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

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

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

#### **Exploration and evaluation assets**

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

#### **Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

#### **Trade and other payables**

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

#### **Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

#### **Provisions**

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

## **Note 1. Significant accounting policies (continued)**

### **Employee benefits**

#### *Short-term employee benefits*

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

#### *Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

#### *Share-based payments*

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

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

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

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

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

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

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

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

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

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

### **Note 1. Significant accounting policies (continued)**

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

#### **Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

#### **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.

#### **Business combinations**

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

## **Note 1. Significant accounting policies (continued)**

### **Earnings per share**

#### *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Star Minerals Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

#### *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

### **Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

### **New Accounting Standards and Interpretations not yet mandatory or early adopted**

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

## **Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

#### *Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

#### *Share-based payment transactions*

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

## **Note 2. Critical accounting judgements, estimates and assumptions (continued)**

### *Fair value measurement hierarchy*

The Group is required to classify all assets and liabilities, measured 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; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

### *Goodwill and other indefinite life intangible assets*

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

### *Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

### *Income tax*

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

### *Exploration and evaluation costs*

Exploration and evaluation costs have been capitalised on the basis that the Group will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

### *Business combinations*

As discussed in note 1, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting are retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

## **Note 3. Operating segments**

Based on the information used for internal reporting purposes by the chief operating decision maker (directors of the Company) the Company operated in one reportable segment during the period.

The reportable segment financial information is therefore the same as the statement of financial position and the statement of profit or loss and other comprehensive income.

**Note 4. Expenses**

	<b>Consolidated</b>	<b>4-month</b>
	<b>30 Jun 22</b>	<b>period ended</b>
	<b>\$</b>	<b>30 Jun 21</b>
		<b>\$</b>
Loss before income tax includes the following specific expenses:		
<i>Employee benefits expense</i>		
Defined benefit superannuation expense	15,715	-
Share-based payments expense (refer to note 26 'Share-based payments')	13,582	-
Employee benefits expense - other	167,453	-
Directors' fees	202,063	-
	<u>398,813</u>	<u>-</u>

**Note 5. Income tax**

	<b>Consolidated</b>	<b>4-month</b>
	<b>30 Jun 22</b>	<b>period ended</b>
	<b>\$</b>	<b>30 Jun 21</b>
		<b>\$</b>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(795,983)	(15,111)
Tax at the statutory tax rate of 25% (2021: 26%)	(198,996)	(3,929)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	1,411	-
Share-based payments	3,396	-
	<u>(194,189)</u>	<u>(3,929)</u>
Current year tax losses not recognised	288,525	3,929
Amortisation of capitalised exploration & evaluation expenditure for tax	(69,990)	-
Amortisation of capital raising costs for tax (Black-hole expenditure)	(24,346)	-
Income tax expense	<u>-</u>	<u>-</u>

	<b>Consolidated</b>	<b>30 Jun 21</b>
	<b>30 Jun 22</b>	<b>30 Jun 21</b>
	<b>\$</b>	<b>\$</b>
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	1,166,648	12,546
Potential tax benefit @ 25%	<u>291,662</u>	<u>3,137</u>

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



**Note 6. Cash and cash equivalents**

	<b>Consolidated</b>	
	<b>30 Jun 22</b>	<b>30 Jun 21</b>
	\$	\$
<i>Current assets</i>		
Cash at bank	2,974,731	240,393
	<u>2,974,731</u>	<u>240,393</u>

**Note 7. Trade and other receivables**

	<b>Consolidated</b>	
	<b>30 Jun 22</b>	<b>30 Jun 21</b>
	\$	\$
<i>Current assets</i>		
Other receivables *	116,528	-
BAS receivable	61,200	867
	<u>177,728</u>	<u>867</u>

\* Refer to note 20 'Related party transactions' for further details.

**Note 8. Property, plant and equipment**

	<b>Consolidated</b>	
	<b>30 Jun 22</b>	<b>30 Jun 21</b>
	\$	\$
<i>Non-current assets</i>		
Computer equipment - at cost	2,137	-
Office equipment - at cost	4,040	-
Less: Accumulated depreciation	(221)	-
	<u>3,819</u>	<u>-</u>
	<u>5,956</u>	<u>-</u>

*Reconciliations*

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

<b>Consolidated</b>	Computer equipment \$	Office equipment \$	Total \$
Balance at 1 July 2021	-	-	-
Additions	2,137	4,040	6,177
Depreciation expense	-	(221)	(221)
Balance at 30 June 2022	<u>2,137</u>	<u>3,819</u>	<u>5,956</u>

**Note 9. Exploration and evaluation**

	<b>Consolidated</b>	
	<b>30 Jun 22</b>	<b>30 Jun 21</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
Exploration and evaluation	<u>4,637,617</u>	<u>-</u>

**Reconciliations**

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

<b>Consolidated</b>	Tumblegum South Gold Project \$	West Bryah Project \$	Total \$
Balance at 1 July 2021	-	-	-
Additions by Share-based payments (note 26)	2,140,000	1,200,000	3,340,000
Reimbursement of expenditure incurred by Bryah Resources Limited and Australian Vanadium Limited	505,000	-	505,000
Stamp duty accrued	138,096	52,915	191,011
Other additions	<u>581,071</u>	<u>20,535</u>	<u>601,606</u>
Balance at 30 June 2022	<u>3,364,167</u>	<u>1,273,450</u>	<u>4,637,617</u>

**Note 10. Trade and other payables**

	<b>Consolidated</b>	
	<b>30 Jun 22</b>	<b>30 Jun 21</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Trade payables	212,769	7,851
Accrued expenses	222,187	-
Share subscriptions received in advance *	-	235,000
Other payables	<u>42,318</u>	<u>-</u>
	<u>477,274</u>	<u>242,851</u>

Refer to note 15 for further information on financial instruments.

\* The share subscriptions received in advance as at 30 June 2021 formed part of a \$250,000 capital raising completed on 7 July 2021.

**Note 11. Borrowings**

	<b>Consolidated</b>	
	<b>30 Jun 22</b>	<b>30 Jun 21</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Loan - from Director - Stephen Strubel	<u>-</u>	<u>11,919</u>

Refer to note 15 for further information on financial instruments.

The director loan was non-interest bearing, unsecured and repayable at call. Refer to note 20 'Related party transactions'.

## Note 12. Employee benefits

	Consolidated 30 Jun 22 \$	30 Jun 21 \$
<i>Current liabilities</i>		
Annual leave	10,302	-

## Note 13. Issued capital

	30 Jun 22 Shares	30 Jun 21 Shares	Consolidated 30 Jun 22 \$	30 Jun 21 \$
Ordinary shares - fully paid	53,000,001	8,000,000	7,583,170	1,601

### Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Opening balance	1 July 2021	8,000,000		1,601
Issue share to Director (to correct rounding error)	5 July 2021	1	\$0.0002	-
Issue shares to investors *	7 July 2021	5,000,000	\$0.0500	250,000
Issue shares to investors from IPO prospectus **	25 October 2021	25,000,000	\$0.2000	5,000,000
Issue shares to acquire exploration & evaluation assets (note 9)	25 October 2021	15,000,000	\$0.2000	3,000,000
Capital raising costs				(668,431)
Balance	30 June 2022	53,000,001		7,583,170

\* Includes \$235,000 from share subscriptions received in advance during the period ended 30 June 2021.

\*\* On 25 October 2021, pursuant to the IPO prospectus, the Company issued 12,500,000 free-attaching listed options exercisable at \$0.30 per option expiring on 25 October 2024. These were issued on the basis of one free-attaching new option for every 2 new shares.

### Ordinary shares

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

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

### Capital risk management

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

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

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

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

#### **Note 14. Dividends**

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

#### **Note 15. Financial instruments**

##### ***Financial risk management objectives***

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

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

##### ***Market risk***

The Group is not exposed to any significant market risk.

##### ***Price risk***

The Group is not exposed to any significant price risk.

##### ***Interest rate risk***

The Group is not exposed to any significant interest rate risk.

##### ***Credit risk***

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

##### ***Liquidity risk***

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

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

**Note 15. Financial instruments (continued)**

**Fair value of financial instruments**

The fair values of financial assets and liabilities, together with their carrying amounts in the statement of financial position, for the Group are as follows:

Consolidated	30 Jun 22		30 Jun 21	
	Carrying amount \$	Fair value \$	Carrying amount \$	Fair value \$
<b>Assets</b>				
Cash at bank	2,974,731	2,974,731	240,393	240,393
Other receivables	177,728	177,728	867	867
	<u>3,152,459</u>	<u>3,152,459</u>	<u>241,260</u>	<u>241,260</u>
<b>Liabilities</b>				
Trade payables	212,769	212,769	7,851	7,851
Other payables	42,318	42,318	-	-
Borrowings (director loan)	-	-	11,919	11,919
	<u>255,087</u>	<u>255,087</u>	<u>19,770</u>	<u>19,770</u>

**Note 16. Key management personnel disclosures**

**Compensation**

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

	Consolidated	
	30 Jun 22 \$	4-month period ended 30 Jun 21 \$
Short-term employee benefits	317,449	-
Post-employment benefits	11,538	-
Share-based payments (refer to note 26 'Share-based payments')	13,582	-
	<u>342,569</u>	<u>-</u>

**Note 17. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Elderton Audit Pty Ltd, the auditor of the Company:

	Consolidated	
	30 Jun 22 \$	4-month period ended 30 Jun 21 \$
Audit services - Elderton Audit Pty Ltd		
Audit or review of the financial statements	<u>16,000</u>	<u>9,000</u>



**Note 18. Contingent liabilities**

During the reporting period the Company granted the vendors of the West Bryah Project a 0.75% net smelter return royalty on all products extracted or derived from the area.

During the reporting period White Star Minerals Pty Ltd granted Australian Vanadium Limited (ASX: AVL) a 0.75% net smelter return royalty on all products extracted or derived from area of M51/888 of the Tumblegum South Gold Project.

There were no other contingent liabilities at the period end.

**Note 19. Commitments**

	<b>Consolidated</b>	
	<b>30 Jun 22</b>	<b>30 Jun 21</b>
	\$	\$
<i>Capital commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Exploration and evaluation	206,097	-

**Note 20. Related party transactions**

*Parent entity*

Star Minerals Limited is the parent entity.

*Subsidiaries*

Interests in subsidiaries are set out in note 22.

*Key management personnel*

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

*Transactions with related parties*

The following transactions occurred with related parties:

On 7 July 2021 the Company completed a \$250,000 capital raising and issued 5 million shares at \$0.05 per share to investors. Directors Ian Stuart and Ashley Jones participated in the capital raising on the same terms as other investors and were issued 30,000 shares each.

*Receivable from and payable to related parties*

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

	<b>Consolidated</b>	
	<b>30 Jun 22</b>	<b>30 Jun 21</b>
	\$	\$
Current receivables:		
Other receivables from other related party *	116,528	-
Current payables:		
Trade payables to key management personnel **	12,833	-
Trade payables to other related party - Bryah Resources Ltd ***	17,048	-

\* Exploration and evaluation expenses paid by the Company recoverable from Bryah Resources Limited (a related party of Director, Ian Stuart).

\*\* Directors' fees payable to related entities of Directors, Ian Stuart \$5,500, Stephen Strubel \$3,667 and Ashley Jones \$3,666.

\*\*\* Recharge to the Company of exploration and evaluation expenses paid by Bryah Resources Limited (a related party of Director, Ian Stuart).



**Note 20. Related party transactions (continued)**

*Loans to/from related parties*

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

	<b>Consolidated</b>
	<b>30 Jun 22</b>
	<b>\$</b>
Current borrowings:	
Loan from Director to the Group - non-interest bearing, unsecured and repayable on demand. Refer to note 11 'Borrowings'.	- 11,919

*Share-based payments to related parties*

On 25 October 2021 2,500,000 performance rights were issued to key management personnel under the Equity Incentive Plan and will vest at the commencement of commercial gold production in relation to tenement M51/888 within 5 years of issue.

Name	Position	# Performance Rights	Fair value per performance right \$	Probability achieving vesting conditions. %	Total fair value \$
Ian Stuart	Non-executive Chairman	750,000	\$0.040	20%	30,000
Ashley Jones	Non-executive Director	375,000	\$0.040	20%	15,000
Stephen Strubel	Non-executive Director	375,000	\$0.040	20%	15,000
Gregory Almond	Chief Executive Officer	1,000,000	\$0.040	20%	40,000
		<u>2,500,000</u>			<u>100,000</u>

Refer to note 26 'Share-based payments'.

There were no other transactions with related parties during the financial period.

**Note 21. Parent entity information**

Set out below is the supplementary information about the parent entity.

*Statement of profit or loss and other comprehensive income*

	<b>Parent</b>
	<b>4-month</b>
	<b>period ended</b>
	<b>30 Jun 22</b>
	<b>30 Jun 21</b>
	<b>\$</b>
Loss after income tax	(795,918) (10,019)
Total comprehensive income	(795,918) (10,019)

**Note 21. Parent entity information (continued)**

*Statement of financial position*

	<b>Parent</b>	
	<b>30 Jun 22</b>	<b>30 Jun 21</b>
	<b>\$</b>	<b>\$</b>
Total current assets	2,953,939	240,872
Total assets	7,662,191	240,873
Total current liabilities	340,776	245,885
Total liabilities	340,776	249,291
Equity		
Issued capital	7,583,170	1,601
Share-based payments reserve	544,182	-
Accumulated losses	(805,937)	(10,019)
Total equity/(deficiency)	<u>7,321,415</u>	<u>(8,418)</u>

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2022 and 30 June 2021.

*Contingent liabilities*

As disclosed in note 18 'Contingent liabilities'.

*Capital commitments - Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2022 and 30 June 2021.

*Significant accounting policies*

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

**Note 22. Interests in subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 1:

<b>Name</b>	<b>Principal place of business / Country of incorporation</b>	<b>Ownership interest</b>	
		<b>30 Jun 22</b>	<b>30 Jun 21</b>
		<b>%</b>	<b>%</b>
White Star Minerals Pty Ltd	Australia	100.00%	100.00%

**Note 23. Events after the reporting period**

On 12 July 2022 the Company announced that 3,330,000 restricted shares were released from escrow on 7 July 2022. These shares were issued to investors on 7 July 2021 with a 12-month escrow period and were part of a \$250,000 capital raising that issued 5,000,000 shares at \$0.05 per share. Directors Ian Stuart and Ashley Jones participated in the capital raising on the same terms as other investors.

On 28 July 2022 the Company announced that it had signed an option agreement to acquire the "Star of the East" gold project. The deal is staged over 12 months, the initial option fee is \$60,000 in cash. The balance of \$360,000 is to be paid in cash, shares (or a combination) at the election of the vendors at any stage during or at the end of the 12-month period after the completion of not less than 2,000m of RC drilling programmes. Completion is at the exclusive election of Star Minerals.

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

**Note 24. Reconciliation of loss after income tax to net cash used in operating activities**

	<b>Consolidated</b>	<b>4-month</b>
	<b>30 Jun 22</b>	<b>period ended</b>
	<b>\$</b>	<b>30 Jun 21</b>
		<b>\$</b>
Loss after income tax expense for the year	(795,983)	(15,111)
Adjustments for:		
Depreciation and amortisation	221	-
Impairment of goodwill	-	4,367
Share-based payments	13,582	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	(176,861)	(866)
Increase in other operating assets	(7,802)	-
Increase in trade and other payables	278,412	3,484
Increase in employee benefits	10,302	-
Net cash used in operating activities	<u>(678,129)</u>	<u>(8,126)</u>

**Note 25. Earnings per share**

	<b>Consolidated</b>	<b>4-month</b>
	<b>30 Jun 22</b>	<b>period ended</b>
	<b>\$</b>	<b>30 Jun 21</b>
		<b>\$</b>
Loss after income tax attributable to the owners of Star Minerals Limited	<u>(795,983)</u>	<u>(15,111)</u>
	<b>Cents</b>	<b>Cents</b>
Loss per share	(2.0)	(1.1)
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>40,205,481</u>	<u>1,383,460</u>

## Note 25. Earnings per share (continued)

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

As the Company is loss making there is no diluted EPS calculated. Basic EPS is calculated by dividing:

- The profit (loss) attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares.
- By the weighted average number of ordinary shares outstanding during the financial period.

## Note 26. Share-based payments

### Reconciliation of share-based payments

	Consolidated 30 Jun 2022 \$	Consolidated Share-based payments reserve movement 30 Jun 2022 \$
<i>Statement of profit or loss and other comprehensive income</i>		
Performance rights granted to key management personnel under the Equity Incentive Plan. This is included in employee benefits expense (a)	13,582	13,582
<i>Included in equity as capital raising costs</i>		
Options granted to lead manager of prospectus offer (b)	190,600	190,600
<i>Other - capitalised as exploration and evaluation asset</i>		
Shares issued to acquire tenements (c) (i)	3,000,000	-
Performance rights issued to acquire tenements (c) (ii)	340,000	340,000
	<u>3,340,000</u>	<u>340,000</u>
	<u>3,544,182</u>	<u>544,182</u>

### (a) Equity Incentive Plan

An Equity Incentive Plan has been established by the Group and approved by shareholders at a general meeting, whereby the Group may, at the discretion of the Board, grant options over ordinary shares in the Company to certain key management personnel of the Group. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

Set out below are summaries of performance rights granted under the plan:

	Number of rights	
	30 Jun 22	30 Jun 21
Outstanding at the beginning of the financial year	-	-
Granted *	2,500,000	-
Outstanding at the end of the financial year	<u>2,500,000</u>	<u>-</u>

\* Performance rights were issued to key management personnel and will vest at the commencement of commercial gold production in relation to tenement M51/888 within 5 years of issue. Refer to note 20 'Related party transactions'.

**Note 26. Share-based payments (continued)**

30 Jun 22

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
25/10/2021	25/10/2026	\$0.0000	-	2,500,000	-	-	2,500,000
			-	2,500,000	-	-	2,500,000

*Valuation inputs*

For the performance rights granted under the Equity Incentive Plan during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Class B Grant date	Expiry date	Share price at grant date	Expected volatility %	Probability of achieving vesting conditions %	Risk-free interest rate %	Fair value at grant date
25/10/2021	25/10/2026	\$0.2000	90.00%	20.00%	0.66%	\$0.040

**(b) Lead manager options**

Set out below are summaries of listed options granted:

	Number of options 30 Jun 22	Weighted average exercise price 30 Jun 22	Number of options 30 Jun 21	Weighted average exercise price 30 Jun 21
Outstanding at the beginning of the financial year	-	\$0.0000	-	\$0.0000
Granted *	2,000,000	\$0.3000	-	\$0.0000
Outstanding at the end of the financial year	2,000,000	\$0.3000	-	\$0.0000

\* Options were granted to the lead manager of the prospectus offer. This was accounted for as capital raising costs in the current period. Refer to section (d) below for valuation inputs.

30 Jun 22

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
25/10/2021	25/10/2024	\$0.3000	-	2,000,000	-	-	2,000,000
			-	2,000,000	-	-	2,000,000
Weighted average exercise price			\$0.0000	\$0.3000	\$0.0000	\$0.0000	\$0.3000

*Valuation inputs*

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

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
25/10/2021	25/10/2024	\$0.2000	\$0.3000	90.00%	-	0.66%	\$0.095



**Note 26. Share-based payments (continued)**

**(c) Equity issued to acquire tenements**

**(i) Shares**

On 25 October 2021 the Company issued 15,000,000 ordinary shares at a fair value of \$0.20 per share to vendors to acquire mining tenements in the Tumblegum South Gold Project and the West Bryah Project for a total fair value of \$3,000,000. Refer to note 9 'Exploration and evaluation'.

**(ii) Performance rights**

On 25 October 2021 the Company issued 3,000,000 Class A Performance Rights, at a total fair value of \$180,000, to Vendors to acquire mining tenements in the Tumblegum South Gold Project. These will vest at the announcement by the Company to ASX of a measured Mineral Resource in compliance with the JORC Code 2012 in relation to tenement M51/888 within 5 years of issue of the performance rights.

On 25 October 2021 the Company issued 4,000,000 Class B Performance Rights, at a total fair value of \$160,000, to Vendors to acquire mining tenements in the Tumblegum South Gold Project. These will vest at the commencement of commercial gold production in relation to Tenement M51/888 within 5 years of issue of the performance rights.

As at the date of this report none of the performance conditions have been met on either Class A or Class B performance rights.

Refer to note 9 'Exploration and evaluation'.

**Valuation inputs**

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

Class A Grant date	Expiry date	Share price at grant date	Expected volatility	Probability of achieving vesting conditions	Risk-free interest rate	Fair value at grant date
25/10/2021	25/10/2026	\$0.2000	90.00%	30.00%	0.66%	\$0.06
Class B Grant date	Expiry date	Share price at grant date	Expected volatility	Probability of achieving vesting condition	Risk-free interest rate	Fair value at grant date
25/10/2021	25/10/2026	\$0.2000	90.00%	20.00%	0.66%	\$0.040

**Star Minerals Limited**  
**Directors' declaration**  
**For the year ended 30 June 2022**



In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the international Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in black ink, appearing to read "I Stuart", written over a horizontal line.

Mr Ian Stuart  
Non-Executive Chairman

29 September 2022

# ELDERTON

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## AUDIT PTY LTD

### Independent Audit Report to the members of Star Minerals Limited

#### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Star Minerals Limited ('the Company') and its controlled entities (collectively referred to as '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 statements, including a summary of significant accounting policies, and the Directors' declaration.

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

- (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 then ended; 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 as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

#### Key Audit Matters

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

## Exploration and evaluation assets

Refer to Note 9, Exploration and Evaluation Asset (\$4,637,617) and accounting policy Notes 1.

### Key Audit Matter

The Group has a significant amount of capitalised exploration and evaluation costs. As the carrying value of exploration and evaluation assets represents a significant asset of the Group, we considered it necessary to assess whether facts and circumstances exist to suggest the carrying amount of this asset may exceed its recoverable amount.

### How our audit addressed the matter

Our audit work included, but was not restricted to, the following:

- We obtained evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation costs by obtaining independent searches of the Group's tenement holdings and reviewing contracts under which the Group acquired the areas of interest.
- We enquired with those charged with governance to assess whether substantive costs on further exploration for and evaluation of the mineral resources in the Group's areas of interest are planned.
- We enquired with directors and reviewed minutes of directors' meetings to ensure that the Group has not decided to discontinue activities in any of its areas of interest.
- We enquired with management to ensure that the Group had not decided to proceed with development of a specific area of interest, yet the carrying amount of the exploration and evaluation asset was unlikely to be recovered in full from successful development or sale.

## Other Information

The Directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in annual report, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

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

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

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

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

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

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

## Report on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 16 of the directors' report for the year ended 30 June 2022. The directors of the Star Minerals Limited 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 in accordance with Australian Auditing Standards.

## Opinion

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

Elderton Audit Pty Ltd  
Elderton Audit Pty Ltd



Rafay Nabeel  
Audit Director

29 September 2022

## Tumblegum South Project - Mineral Resource Statement

A summary of the Mineral Resources at the Tumblegum South Prospect as at 30 June 2021 is shown in Table 1 and Table 2 below. The Mineral Resource Estimate for the Tumblegum South Prospect was completed by independent resource consultant, Kamili Geology Pty Ltd, following the completion of drilling by Bryah Resources in October 2019.

At a 0.3g/t Au cut-off the total Inferred Mineral Resource is estimated at 600,000 tonnes at 2.2 g/t Au, 0.2% Cu and 1.5 g/t Ag for 42,500 oz Au (See Table 1)

Table 1: Tumblegum South - Total Inferred Mineral Resource Inventory by lode (0.3g/t Au cut-off)

Lode	Tonnes	Au ppm	Au Oz	Cu ppm	Ag ppm
Min1	194,608	2.61	16,560	2879	2.29
Min2	220,764	2.74	19,440	2084	1.58
Min3	160,046	1.28	6,590	1000	0.72
Min4	30,417	1.46	1,420	413	0.39
Min5	7,212	1.53	340	611	0.42
<b>TOTAL</b>	<b>615,880</b>	<b>2.24</b>	<b>44,350</b>	<b>1966</b>	<b>1.52</b>

At a 1.0g/t Au cut-off the total Inferred Mineral Resource is estimated at 500,000 tonnes at 2.6 g/t Au, 0.2% Cu and 1.6 g/t Ag for 41,700 oz Au (See Table 2).

Table 2: Tumblegum South - Total Inferred Mineral Resource Inventory by lode (1.0g/t Au cut-off)

Lode	Tonnes	Au ppm	Au Oz	Cu ppm	Ag ppm
Min1	169,107	2.89	15,710	3095	2.43
Min2	196,565	2.99	18,900	2211	1.68
Min3	99,470	1.68	5,370	1215	0.83
Min4	30,241	1.46	1,420	414	0.39

There has been no material change to the Resource, as the work to update the model is currently underway

## Governance arrangements and Internal controls

The Company has ensured that the Mineral Resources quoted are subject to good governance arrangements and internal controls. The Mineral Resources reported have been generated by independent consultants where appropriate who are experienced in best practices in modelling and estimation methods. The consultants have also undertaken reviews of the quality and suitability of the underlying information used to determine the resource estimate.

In addition, management carries out regular reviews and audits of internal processes and external contractors that have been engaged by the Company.

## Competent Person Statement — Tumblegum South Mineral Resource Estimation

The information in this report that relates to Mineral Resources is based on and fairly represents information compiled by Mr Ashley Jones, Consultant with Kamili Geology Pty Ltd. Mr Jones is a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Jones has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Jones consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

The shareholder information set out below was applicable as at 27 September 2022.

**Distribution of equitable securities**

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

	Ordinary shares (SMS quoted) Number of holders	Ordinary shares % of total shares issued	Options over ordinary shares (SMSO quoted) Number of holders	% of total options issued
1 to 1,000	7	-	-	-
1,001 to 5,000	38	0.27%	196	7.82%
5,001 to 10,000	151	2.77%	67	4.17%
10,001 to 100,000	196	12.76%	125	26.61%
100,001 and over	45	84.20%	14	61.40%
	<b>437</b>	<b>100.00%</b>	<b>402</b>	<b>100.00%</b>
Holding less than a marketable parcel	50	-	367	

**Equity security holders**

*Twenty largest quoted equity security holders*

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

**Fully paid ordinary shares (quoted SMS)  
(including restricted)**

	Ordinary shares % of total shares issued
	<b>Number held</b>
BRYAH RESOURCES LIMITED	11,000,000
MAGNOLIA ABSOLUTE RETURN FUND II PTY LTD	4,400,000
CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 11 A/C>	4,371,274
JALEIN PTY LTD <ELBAJA A/C>	2,750,000
RILUKIN HOLDINGS PTY LTD	2,500,000
CITICORP NOMINEES PTY LIMITED	2,432,371
MR VINCENT JAMES ALGAR	2,100,000
GUILDFORDS FUNDS MANAGEMENT PTY LTD <MAGNOLIA CAPITAL ECMF 1 A/C>	1,836,258
SRS HGS PTY LTD <SRS FAMILY A/C>	1,800,001
VALAS INVESTMENTS PTY LTD	1,500,000
JORGENSON-WATTS PTY LTD <JORGENSON-WATTS FAMILY A/C>	1,050,000
PET FC PTY LTD <PET FC ACCOUNT>	700,000
PINNY PTY LTD	690,500
IMPACT DRILLING SERVICES PTY LTD	600,000
CROFTBANK PTY LTD <WATTS FAMILY SUPER FUND A/C>	581,534
MR SCOTT ANDREW GRUNDMANN	528,987
MR CRAIG RUSSELL STRANGER	500,000
RJ&A INVESTMENTS PTY LTD <ATF THE MULLER MORVAN FAMILY TRUST>	340,000
MUNCHA CRUNCHA PTY LTD	300,000
DAVID HARPER	300,000
	<b>40,280,925</b>
	<b>76.00%</b>



Options expiring on 25 October 2024 with an exercise price of \$0.30 (quoted SMSO)	Options over ordinary shares	
	Number held	% of total options issued
ELI FAMILY SMSF PTY LTD	2,850,000	22.80%
MAGNOLIA ABSOLUTE RETURN FUND II PTY LTD	2,200,000	17.60%
GUILDFORDS FUNDS MANAGEMENT PTY LTD [MAGNOLIA CAPITAL ECMF 1 A/C]	900,000	7.20%
MR SCOTT ANDREW GRUNDMANN	321,150	2.57%
CITICORP NOMINEES PTY LIMITED	198,500	1.59%
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	169,500	1.36%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	152,500	1.22%
NIMMAGADDA FAMILY PRIMARY HOLDINGS PTY LTD	149,999	1.20%
BNP PARIBAS NOMS PTY LTD [DRP]	141,000	1.13%
OCEAN REEF HOLDINGS PTY LTD	125,000	1.00%
GREGORY JAKAB	120,000	0.96%
MR KRISHNA CHAITANYA NIMMAGADDA	119,999	0.96%
MR ANDREW JOHN LEHMANN	118,000	0.94%
GOFFACAN PTY LTD [KMM FAMILY A/C]	109,626	0.88%
MR SHANE ANTHONY MATCHETT & MRS MELITA ANGELA MATCHETT [SA MA MATCHETT S/F A/C]	100,000	0.80%
PAUL STEPHEN DAVIES	75,000	0.60%
MR JOHN THOMAS RYALL [JOHN RYALL FAMILY A/C]	75,000	0.60%
MR BENJAMIN KAHN	75,000	0.60%
DEPACHAN PTY LTD [THE BATES FAMILY A/C]	75,000	0.60%
DEMASIADO PTY LTD [DEMASIADO FAMILY A/C]	65,000	0.52%
	<b>8,140,274</b>	<b>65.12%</b>

*Unquoted equity securities*

	Number on issue	Number of holders
Options expiring 25 October 2024 with an exercise price of \$0.30 (SMSAC)	2,000,000	1
Class A Performance rights expiring 25 October 2024 (SMSAD)	3,000,000	1
Class B Performance rights expiring 25 October 2024 (SMSAD)	6,500,000	5

The following persons hold 20% or more of unquoted equity securities:

Name	Class	Number held	% of total class
SPARK PLUS PTE LTD	Options expiring 25 October 2024 with an exercise price of \$0.30 (SMSAC)	2,000,000	100.00%
BRYAH RESOURCES LIMITED	Class A Performance rights expiring 25 October 2024 (SMSAD)	3,000,000	100.00%
BRYAH RESOURCES LIMITED	Class B Performance rights expiring 25 October 2024 (SMSAD)	4,000,000	61.54%



**Substantial holders**

Substantial holders in the Company are set out below:

**Fully paid ordinary shares (quoted SMS)**

	<b>Ordinary shares</b>	
	<b>Number held</b>	<b>% of total shares issued</b>
BRYAH RESOURCES LIMITED	11,000,000	20.75%
MAGNOLIA ABSOLUTE RETURN FUND II PTY LTD	4,400,000	8.30%
CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 11 A/C>	4,371,274	8.25%
JALEIN PTY LTD <ELBAJA A/C>	2,750,000	5.19%
GUILDFORDS FUNDS MANAGEMENT PTY LTD [MAGNOLIA CAPITAL ECMF 1 A/C]	1,836,258	3.46%

**Options expiring on 25 October 2024 with an exercise price of \$0.30 (quoted SMSO)**

	<b>Options over ordinary shares</b>	
	<b>Number held</b>	<b>% of total options issued</b>
ELI FAMILY SMSF PTY LTD	2,850,000	22.80%
MAGNOLIA ABSOLUTE RETURN FUND II PTY LTD	2,200,000	17.60%
GUILDFORDS FUNDS MANAGEMENT PTY LTD [MAGNOLIA CAPITAL ECMF 1 A/C]	900,000	7.20%

As part of the IPO and tenement acquisition, the Company issued the following Performance Rights: which remains on issue:

1. 3,000,000 Class A Performance Rights to Bryah Resources Limited (Class A Performance Rights); and
2. 4,000,000 Class B Performance Rights to Bryah Resources Limited and 2,500,000 in total to the Directors and CEO of the Company (Class B Performance Rights).

Regarding the Class A Performance Rights, each one (1) Class A Performance Right vests as one (1) ordinary fully paid \$0.20 ordinary share upon the announcement by the Company to ASX of a measured Mineral Resource in compliance with the JORC Code 2012 in relation to Tenement M51/888 within 5 years of issue. To date, no such ASX announcement has been made by the Company.

Regarding the Class B Performance Rights, each one (1) Class B Performance Right vests as one (1) ordinary fully paid \$0.20 ordinary share upon the commencement of commercial gold production in relation to Tenement M51/888 within 5 years of issue. To date, commercial gold production in relation to Tenement M51/888 has not commenced.

**Voting rights**

The voting rights attached to ordinary shares are set out below:

*Ordinary shares*

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

There are no other classes of equity securities which carry voting rights.

**Current on-market buy-back**

There is currently no on-market buy-back in operation.

**Restricted Securities**

- 22,170,001 Ordinary shares are restricted until 25 October 2023
- 3,000,000 Class A Performance rights are restricted until 25 October 2023
- 6,500,000 Class B Performance rights are restricted until 25 October 2023
- 2,000,000 unlisted options are restricted until 25 October 2023



**ASX Listing Rule 4.10.19 Statement**

The Company confirms that it has used the cash and assets readily in a form readily convertible to cash that it had at the time of admission in a manner consistent with its business objectives.

**Corporate Governance**

The Company's corporate governance statement is located on its website at:  
[www.starminerals.com.au/site/about/corporate-governance](http://www.starminerals.com.au/site/about/corporate-governance)

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