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**MARQUEE RESOURCES**  
— LIMITED —

**Annual Report**  
**for the year ended 30 June 2022**

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## CORPORATE INFORMATION

**ABN 94 616 200 312**

### Directors

|                           |                        |
|---------------------------|------------------------|
| Mr Charles William Thomas | Executive Chairman     |
| Mr George Henderson       | Non-Executive Director |
| Mr John Daniel Moore      | Non-Executive Director |

### Company secretary

Mrs Anna MacKintosh

### Registered and Principal Office

22 Townshend Road  
Subiaco WA 6008

Telephone: 08 9388 0051  
Website: [www.marqueeresources.com.au](http://www.marqueeresources.com.au)

### Share register

Automic Pty Ltd  
Level 5, 191 St. George's Terrace  
Perth WA 6000

### Solicitors

AGH Law  
Level 1, 50 Kings Park Road  
West Perth WA 6005

### Bankers

NAB  
100 St. Georges Terrace  
Perth WA 6000

### Auditors

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

### Securities Exchange Listing

Marquee Resources Limited shares are listed on the Australian Securities Exchange (ASX: MQR)

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## DIRECTOR'S REPORT

Your directors present their report together with the financial statements of the Group consisting of Marquee Resources Limited ("the Company") and the entities it controlled for the financial year ended 30 June 2022. In order to comply with the provisions of the Corporations Act 2001, the Directors' report as follows:

### Directors

The names of directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

#### Mr Charles Thomas B.Com (Executive Chairman)

|   |   |
|---|---|
| Experience and expertise                    | Mr Thomas holds a Bachelor of Commerce from UWA majoring in Corporate Finance. Mr Thomas is an Executive Director of GTT Ventures Pty Ltd a boutique corporate advisory firm based in Australia.<br><br>Mr Thomas has worked in the financial service industry for more than 17 years and has extensive experience in capital markets as well as the structuring of corporate transactions.<br><br>Mr Thomas has significant experience sitting on numerous ASX boards spanning the mining, resources and technology space. |
| Other current directorships                 | Non-executive director Chase Mining Corporation Limited (ASX.CML)<br>Non-executive Chairman of Viking Mines Ltd (ASX.VKA)<br>Non-executive Chairman of High-Tech Metals Ltd (ASX.HTM)   |
| Former listed directorships in last 3 years | Non-executive director of Viking Mines Ltd (ASX.VKA)  |

#### Mr George Henderson (Non-Executive Director)

|   |  |
|---|--|
| Experience and expertise                    | Mr Henderson is a corporate lawyer with AGH Law. George primarily works in mergers and acquisitions, capital raisings and regulatory compliance, and has particular experience in the resources sector. George graduated from the University of Western Australia with degrees in Law and Commerce (Corporate Finance and Financial Accounting). |
| Other current directorships                 | Nil  |
| Former listed directorships in last 3 years | Nil  |

#### Mr John Daniel Moore (Non-Executive Director)

|   |  |
|---|--|
| Experience and expertise                    | Mr Moore (BEcon/LLB) was formally the CEO of Centenario Lithium. He has extensive experience in equity capital markets since 2004, previously with Wilson HTM and Morgan Stanley, focused on emerging companies. |
| Other current directorships                 | Resource & Energy Group Ltd (ASX.REZ)  |
| Former listed directorships in last 3 years | Non-executive Director iCollege (ASX:ICT)<br>Non-executive director Koch Metals Ltd  |

### Company Secretary

Anna MacKintosh B.Commerce (UWA) CPA

Anna MacKintosh has over 30 years' commercial experience including 11 years with BHP, 10 years with AFSL holder Kirke Securities Ltd as Compliance Manager, Finance Manager and Responsible Executive. Since then Mrs MacKintosh has been the Company Secretary/CFO for listed entity Kalia Limited (formerly GB Energy Ltd) (ASX: KLH), Financial Controller for Force Commodities (ASX: 4CE) and previously XTV Networks Ltd (ASX: XTV), Applabs Technologies Ltd (ASX: ALA), TAO Commodities Ltd (ASX.TAO) and Prominence Energy Ltd (ASX.PRM). She is also currently Company Secretary of Omnia Metals Group Ltd (ASX.OM1) and Global Oil & Gas Limited Ltd (ASX.GLV).

**DIRECTORS' REPORT continued****Interests in the shares and options of the Company and related bodies corporate**

The following relevant interests in shares and options of the Company or a related body corporate were held by the directors as at the date of this report.

| Directors            | Number of fully paid<br>ordinary shares | Number of options over<br>ordinary shares | Performance Rights |
|----------------------|---|---|--------------------|
| Mr Charles Thomas    | 1,368,580                               | 17,850,000                                | Nil                |
| Mr George Henderson  | 143,580                                 | 2,500,000                                 | Nil                |
| Mr John Daniel Moore | Nil                                     | 2,500,000                                 | Nil                |

There are no unpaid amounts on the shares issued.

The Company currently has the following unlisted options as at the date of this report:

30.525 million with an exercise price \$0.08 and expiry 30 June 2023.

11 million with an exercise price of \$0.16 and expiry 30 June 2023.

22.275 million with an exercise price of 12 cents and expiry 30 November 2022.

14.5 management incentive options with an exercise price \$0.16 cents and expiry 30/6/2025.

**Dividends**

No dividends have been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

## DIRECTORS' REPORT continued

### Principal Activities

Marquee Resources is a mineral explorer that has interests in the West Spargoville gold/nickel/lithium Project (Western Australia), Clayton Valley Lithium Project (100%, Nevada, USA), Redlings REE Project (100%, Western Australia), Mt Clement Project (100%, Western Australia), Werner Lake Cobalt Project (30%, Canada), Lone Star Project in Washington State USA and Kibby Basin Project in Nevada USA.

### West Spargoville Project (Lithium, Gold & Nickel Project)

The West Spargoville Project is located 20km SW of Kambalda, at the northern end of the Widgiemooltha Greenstone Belt and in the core of the Southern Yilgarn Lithium Belt, an area that is well known for spodumene deposits including the Bald Hill Mine, Mt Marion Mine, Buldania Project and Essential Metals Pioneer Dome Project. The world-class Earl Grey deposit and the Mt Cattlin Mine are located further west and south respectively.

During the June 2022 quarter, the Company received results from a 93-hole, 5470m aircore drilling program which has confirmed the presence of highly fractionated, LCT-type pegmatites as the source of surficial geochemical anomalism. Aircore drilling was completed in the eastern portion of the tenure, where the depth of weathering extends up to 60m deep, with elevated lithium-cesium-tantalum values in weathered material associated with elevated pathfinder elements (Table 1). A large geochemical halo (90<sup>th</sup> percentile Li > 64ppm), extending over 2 kilometres and up to 300m wide, has been identified from the aircore drilling with the bedrock source now being targeted in the follow-up reverse-circulation (RC) drilling.

*Table 1: Best assay result from aircore drilling. Note: median values (ppm) as follows Be = 0.96, Cs = 0.6, Li = 34.7, Nb = 7.2, Rb = 6.7, Sn = 1.5, Ta = 0.57*

| <i>Hole_ID</i> | <i>mFrom</i> | <i>mTo</i> | <i>Be_ppm</i> | <i>Cs_ppm</i> | <i>Li_ppm</i> | <i>Nb_ppm</i> | <i>Rb_ppm</i> | <i>Sn_ppm</i> | <i>Ta_ppm</i> |
|----------------|--------------|------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <i>MQAC80</i>  | 44           | 48         | 8.04          | 97.5          | 69.7          | 65.7          | 1060          | 75.2          | 35.4          |
| <i>MQAC80</i>  | 48           | 52         | 10.4          | 295           | 102           | 24.8          | 1300          | 36.8          | 14.4          |
| <i>MQAC80</i>  | 52           | 56         | 16.1          | 313           | 119           | 26            | 1290          | 41            | 20.9          |
| <i>MQAC80</i>  | 56           | 57         | 23.3          | 169           | 63.3          | 58.9          | 1370          | 65.7          | 42.5          |

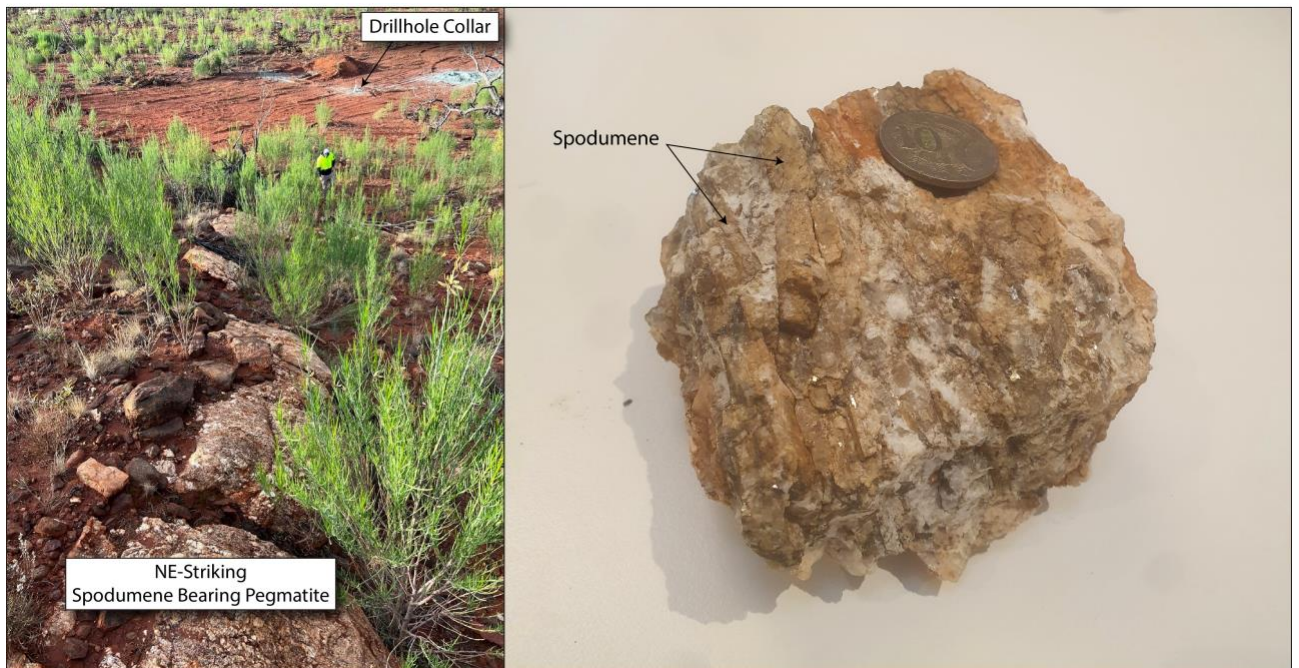


Figure 1: LEFT – Outcropping, spodumene bearing pegmatite. RIGHT – Grab sample collected from outcrop with abundant, elongate spodumene crystals.

**DIRECTORS' REPORT continued**

| Sample ID | Easting | Northing | Comments  |
|-----------|---------|----------|---|
| MQRK101   | 353023  | 6523929  | <ul style="list-style-type: none"> <li>• <b>Outcropping quartz-plagioclase-muscovite pegmatite dyke</b></li> <li>• <b>Spodumene (~10 – 15%)</b></li> <li>• <b>Dipping ~80° to 320°</b></li> </ul> |

*in relation to the disclosure of visual mineralisation the Company cautions that visual estimates of spodumene abundance should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to determine the widths and the grade of visual mineralisation reported in preliminary geological logging. The Company will update the market when laboratory analytical results become available.*

During the June 2022 quarter, Reverse-circulation (RC) drilling begun to test multiple geochemical anomalies detected during the auger program (Refer: MQR ASX Release 21<sup>st</sup> April 2022). The first drillholes of the program targeted an interpreted dyke swarm, in the vicinity of recently mapped outcropping, spodumene-bearing pegmatite dyke. Pegmatitic dykes have been intersected of varying thickness with assays at the lab for analysis. The initial results were released in September 2022 (Refer ASX Announcement dated 13 September 2022) with further results to be released throughout the remainder of 2022.

**Partnership with Mineral Resources Limited at the West Spargoville Project**

During the June 2022 quarter MQR entered into a binding term sheet with Mineral Resources Limited (ASX:MIN) to explore for and develop lithium deposits in a joint venture across the west Spargoville Project in Western Australia, comprising E15/1743 and E15/1781.

**Key Terms:**

- MQR and MinRes entered into a legally binding term sheet for a Farm-in and Joint Venture agreement at the West Spargoville Project in Western Australia.
- The Agreement was conditional on MinRes completing due diligence on the Project within 5 weeks. Subsequent to the June 2022 quarter, the due diligence was completed and as such MinRes was satisfied with their enquiries. The term sheet is now binding on both MQR and Mineral Resources Ltd.
- MinRes has the right to acquire an initial 25% legal and beneficial interest in the lithium rights (**Initial Farm-in Interest**) by funding all exploration and development activities and completing a feasibility study for the Project, including a JORC compliant resource (**Initial Farm-in Obligation**) within 24 months (**Initial Farm-in Period**).
- In performing the Initial Farm-in Obligation, MinRes will fund at least \$1,000,000 of exploration and development activities on the Tenements by 31 December 2022; and the \$500,000 cost to exercise the Fyfehill Option.
- Marquee will be responsible for managing the implementation of the exploration and development activities on the Tenements during the Initial Farm-in Period

**(Processing Farm-in)**

If MinRes elects to proceed with the Processing Farm-in, it has the right to acquire an additional 45% legal and beneficial interest in the lithium rights by funding the Project until the point of a final investment decision on a mine development for the Project (**FID**). MinRes will provide complete mine to port services to the JV including mining design, construction and operation of a processing plant, on-site power generation, haulage of product to nominated port facilities, marketing of product and shipment of product to purchasers.

**(Mine Gate Sale Farm-in).**

If MinRes elects to proceed with the Mine Gate Sale Farm-in, it has the right to acquire an additional 26% legal and beneficial interest in the lithium rights by funding the Project until the development, construction and commissioning of a mine and related facilities. MinRes will build, own and operate all plant, equipment and infrastructure for the mining operations and buy lithium bearing ore from the JV for a mine gate sale price to be established on commercially competitive and industry standard terms.

**Redlings Rare Earth Project**

During the 2022 financial year, results from auger sampling completed at the Redlings Rare-Earth Element Project were reported (See ASX Release 26 April 2022). Results have identified significant and widespread zones of surficial rare-earth element (“**REE**”) anomalism related to the intrusion of REE-bearing carbonatitic dykes.

**DIRECTORS' REPORT continued**

1,292 auger holes were completed over previously untested areas with results highlighting the potential to identify additional REE-bearing dykes, or a 'dyke swarm' over the broader Project area. Further mapping, auger geochemistry and drilling is being planned to further understand the potential of the Project to host an economic REE mineral resource.

At Redlings, REE mineralisation is related to carbonatitic intrusions or dykes and associated fenitic alteration, which are elevated in REE compared to background. Economic mineralisation intersected in RC drilling was constrained to the laterite profile where supergene REE enrichment of the underlying carbonatite has occurred, not dissimilar to the mineralisation style encountered at the Mount Weld (LYC) and Yangibana (HAS) deposits. The potential for REE-bearing dykes to host economic fresh-rock mineralisation requires further assessment, however early results suggest there is the potential to define economic supergene REE mineralisation (0-20m vertical depth). Individual REE bearing dykes are often part of a larger dyke swarm and the Company will continue to identify additional REE-bearing dykes by systematically testing numerous, analogous geophysical targets.

Table 2: Results (>1,000 ppm) from the Redlings auger program. All results reported in parts per million (ppm).

| East                               | 299017      | 297521      | 297383      | 299402      | 299342      | 297420      | 297181      | 297302      | 297199      | 300218      | 297438      | 301182      |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| North                              | 6791842     | 6794113     | 6793630     | 6794658     | 6794624     | 6792356     | 6792350     | 6792354     | 6794139     | 6791852     | 6792350     | 6791353     |
| <b>La<sub>2</sub>O<sub>3</sub></b> | 849.1       | 928.9       | 422.2       | 392.9       | 334.2       | 331.9       | 401.1       | 315.5       | 204.1       | 214.6       | 213.4       | 246.3       |
| <b>CeO<sub>2</sub></b>             | 1376        | 756.7       | 570.0       | 367.3       | 474.2       | 529.4       | 340.3       | 445.9       | 694.0       | 630.2       | 571.2       | 515.9       |
| <b>Pr<sub>2</sub>O<sub>3</sub></b> | 136.9       | 139.3       | 70.3        | 68.0        | 61.9        | 61.1        | 70.6        | 59.7        | 35.2        | 31.5        | 39.8        | 45.4        |
| <b>Nd<sub>2</sub>O<sub>3</sub></b> | 380.2       | 428.1       | 207.6       | 203.0       | 178.5       | 177.3       | 213.5       | 180.8       | 102.8       | 95.8        | 122.5       | 124.8       |
| <b>Sm<sub>2</sub>O<sub>3</sub></b> | 49.4        | 55.7        | 26.4        | 29.5        | 27.1        | 21.3        | 27.9        | 22.7        | 13.8        | 14.6        | 17.9        | 17.6        |
| <b>Eu<sub>2</sub>O<sub>3</sub></b> | 3.67        | 7.53        | 3.84        | 3.73        | 3.31        | 2.78        | 4.04        | 3.28        | 1.81        | 2.18        | 2.56        | 2.36        |
| <b>Gd<sub>2</sub>O<sub>3</sub></b> | 33.5        | 45.4        | 18.4        | 25.4        | 21.0        | 13.6        | 19.8        | 16.6        | 8.23        | 10.8        | 13.7        | 11.8        |
| <b>Tb<sub>2</sub>O<sub>3</sub></b> | 4.13        | 6.43        | 2.37        | 3.92        | 3.35        | 1.70        | 2.65        | 2.14        | 1.14        | 1.78        | 1.89        | 1.68        |
| <b>Dy<sub>2</sub>O<sub>3</sub></b> | 19.3        | 37.9        | 11.5        | 24.9        | 20.0        | 8.02        | 14.1        | 11.3        | 5.85        | 9.38        | 10.1        | 8.67        |
| <b>Ho<sub>2</sub>O<sub>3</sub></b> | 3.32        | 7.88        | 2.04        | 5.41        | 3.79        | 1.56        | 2.67        | 2.16        | 1.12        | 1.79        | 1.98        | 1.57        |
| <b>Er<sub>2</sub>O<sub>3</sub></b> | 8.2         | 24.6        | 5.66        | 16.8        | 11.2        | 4.13        | 7.40        | 5.93        | 2.97        | 4.69        | 5.65        | 4.29        |
| <b>Tm<sub>2</sub>O<sub>3</sub></b> | 0.88        | 3.52        | 0.72        | 2.40        | 1.62        | 0.55        | 1.07        | 0.85        | 0.40        | 0.73        | 0.78        | 0.57        |
| <b>Yb<sub>2</sub>O<sub>3</sub></b> | 5.84        | 20.8        | 4.63        | 14.1        | 9.77        | 3.15        | 6.74        | 5.35        | 2.60        | 4.55        | 4.58        | 3.37        |
| <b>Lu<sub>2</sub>O<sub>3</sub></b> | 0.77        | 3.13        | 0.64        | 2.07        | 1.32        | 0.50        | 0.89        | 0.78        | 0.35        | 0.64        | 0.68        | 0.51        |
| <b>Y<sub>2</sub>O<sub>3</sub></b>  | 90.7        | 299.7       | 62.5        | 196.8       | 115.3       | 48.8        | 68.3        | 64.3        | 28.2        | 50.5        | 60.6        | 39.2        |
| <b>TREO</b>                        | <b>2928</b> | <b>2720</b> | <b>1390</b> | <b>1331</b> | <b>1246</b> | <b>1192</b> | <b>1161</b> | <b>1121</b> | <b>1094</b> | <b>1063</b> | <b>1054</b> | <b>1012</b> |

DIRECTORS' REPORT continued

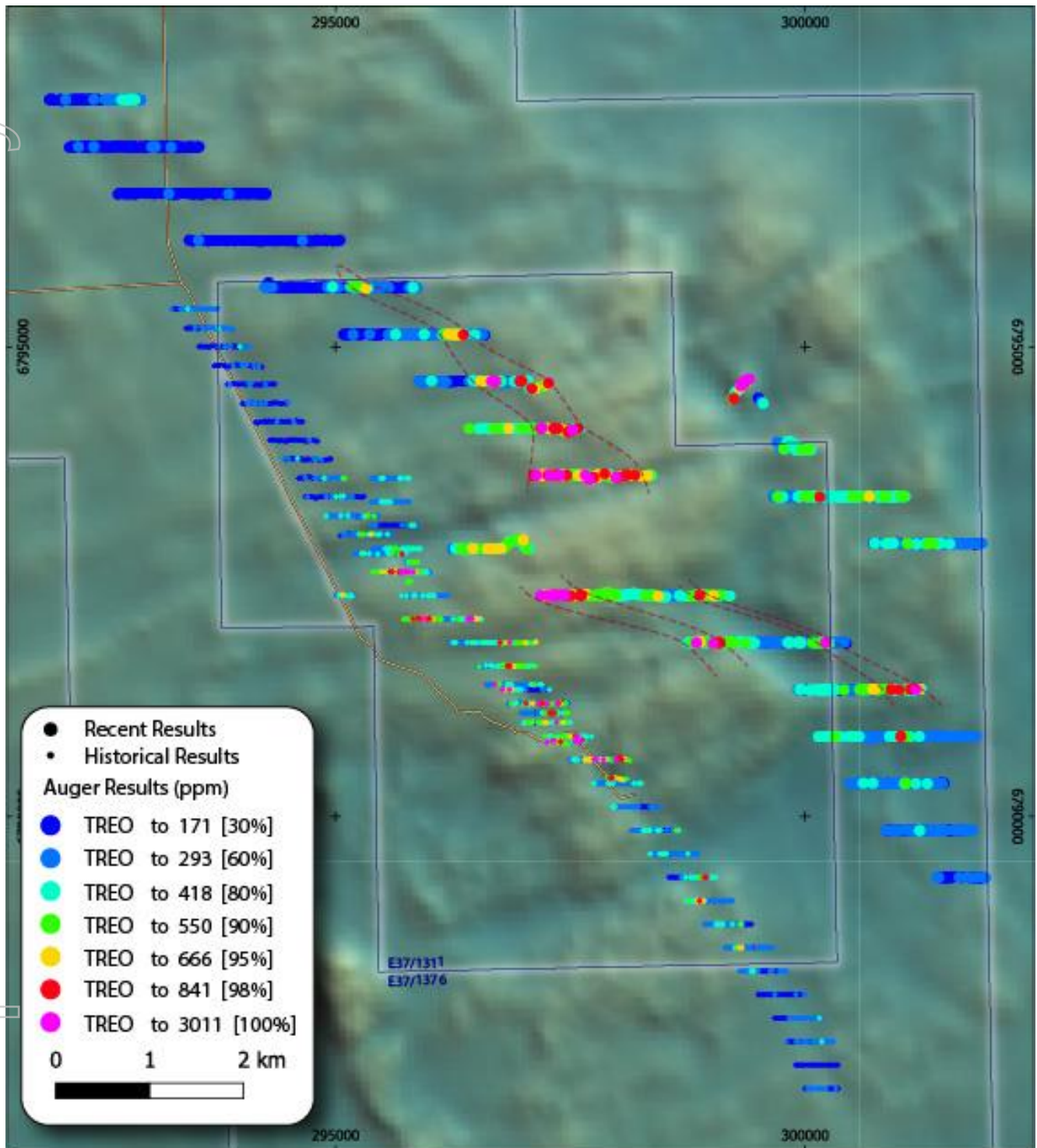


Figure 2- Redlings auger geochemistry results.

**Lone Star and Kibby Project USA (earn in up to 80%)**

In early November 2021 MQR increased its exposure to the future metals sector by entering into earn-in agreements to acquire two significant North American projects, The Kibby Basin Lithium Project and The Lone Star Copper-Gold Project.

The Company has entered into binding agreements with Belmont Resources Inc. (**Belmont Resources**) pursuant to which the Company may acquire up to an 80% interest in each of the Kibby Basin Lithium Project (**Kibby Project**) and Lone Star Copper-Gold Project (**Lone Star Project**).

## DIRECTORS' REPORT continued

The Kibby Basin Lithium Project is a highly prospective asset located within a 60km radius of North America's only producing Lithium mine, owned by the world's largest Lithium producer, Albemarle. The Kibby Project contains potentially favourable conditions for the development of lithium-rich brines and has similar features as Clayton Valley which hosts Albemarle's Silver Peak Lithium mine.

This Kibby Basin Project is a fully permitted and drill-ready project that significantly adds to and is complimentary to Marquee's own existing Clayton Valley Lithium Project and both will be the subject of aggressive Lithium exploration campaigns to be embarked on by the company.

The Lone Star Property and deposit is located in Ferry County, Washington, USA. It is adjacent to Golden Dawn Minerals Inc. Lexington Property on the British Columbia side of the Canada - United States border where Golden Dawn is actively developing the Lexington-Grenoble deposit. Exploration across the Lone Star property to date includes 252 diamond and percussion drill holes for a total of 23,702 metres of drilling.

The 234-hectare Lone Star copper-gold Project is centred on an area 40 kilometres north north-west of Republic, Washington and adjacent to the Canada-USA border. The property is 12 kilometres west south-west of Grand Forks, British Columbia and 12 kilometres south-east of Greenwood, British Columbia, Canada. The claims are currently only accessible from the USA side although in the mid 1970's an active haul road linked the Lone Star deposit north to the Phoenix Mine in Canada.

### Kibby Basin Lithium Project

Marquee Resources Limited announced in March 2022 that they hired Drill NV Inc, based in Reno Nevada, as their drill contractor for the planned 3,000 metre drill campaign at the Kibby Basin Lithium Project in Nevada ("Kibby" or "Project"). The 2022 Kibby drill program commenced in May and is planned to test the highly conductive geophysical anomaly and potential lithium enriched aquifer at the Kibby Basin Lithium Project.

The Kibby Basin Lithium Project is a highly prospective asset located within a 60km radius of North America's only producing Lithium mine, owned by the world's largest Lithium producer, Albemarle. The Kibby Basin Project contains potentially favourable conditions for the development of lithium-rich brines and has similar features as Clayton Valley which hosts Albemarle Silver Peak Lithium mine.

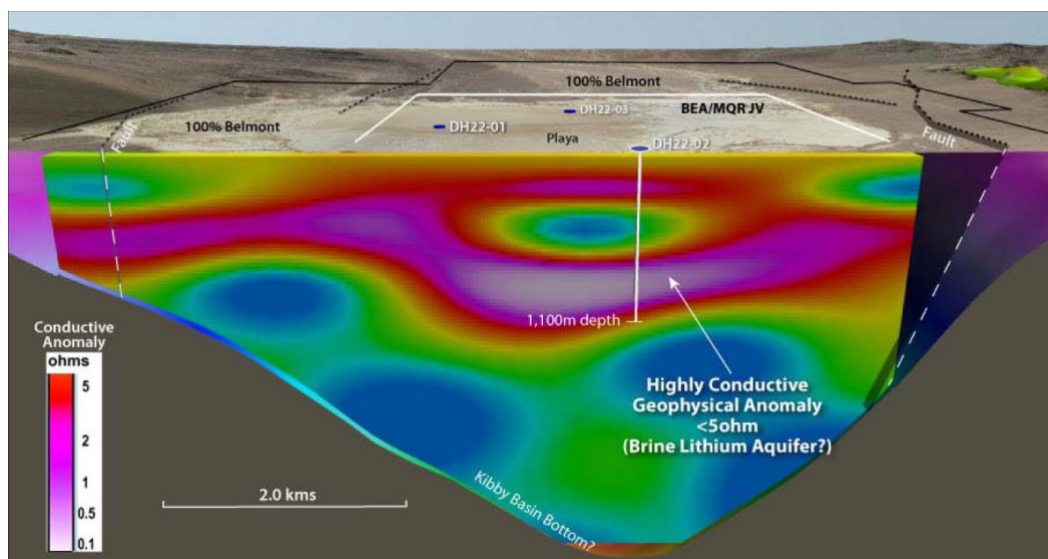
This Kibby Basin Project is a fully permitted and drill-ready project that significantly adds to and is complimentary to Marquee's own existing Clayton Valley Lithium Project which will also be the subject of a Lithium exploration campaign to be embarked on by the company.

The Company believes the Kibby Basin Lithium Project fits the criteria for a potentially Large-Scale Lithium Project and is also located within a 50km radius of ASX-listed Ioneer Ltd's (ASX: INR) flagship Rhyolite Ridge Lithium-Boron Project which has recently been Joint Ventured with Sibanye Stillwater Limited ("Sibanye-Stillwater") to develop the project, with Sibanye-Stillwater contributing US\$490 million for a 50% interest in the Joint Venture.

Adding further excitement to the 2,560 acres (~10sqkm) project is the fact the Project is fully permitted for water extraction for brine processing and production of lithium compounds - a very scarce commodity in the immediate area and will prove extremely valuable should exploration success lead to lithium production.

The company is buoyed by the 7.4km long structure identified in the Kibby Valley with characteristics interpreted to be akin to major structures bounding the south side of Clayton Valley, that forms a pull-apart drop-down closed basin within a 700sqkm drainage catch basin.

Figure 3- Kibby Basin Section and Proposed Drill Holes



## DIRECTORS' REPORT continued

The Three-hole (~3,000m) programme is now expected to be completed by November 2022. Although the time delay has been frustrating and hugely time consuming, the overall potential of the Project remains unchanged.

MQR01 (~1,000m) and MQR02 (~1,000m) will test the large conductive anomaly at depth. MQR03 (~1,000m) will focus on infilling between MQR01 & MQR02 to determine if any brine volume estimation exists.

The potential deposit type is a continental, mineral-enriched brine aquifer within a hydrographically closed basin (endorheic basin). Continental brines are the primary source for lithium products worldwide. Bradley and others (2013) noted that "all producing lithium brine deposits share several first-order characteristics: (1) arid climate; (2) closed basin containing a playa or salar; (3) tectonically driven subsidence; (4) associated igneous or geothermal activity; (5) suitable lithium source-rocks; (6) one or more adequate aquifers; and (7) sufficient time to concentrate a brine."

The Project target is a potential lithium enriched aquifer at an estimated 800-1,000 metre depth. It is at this depth, Albermarle, who owns the only producing lithium mine in North America which is located in Clayton Valley has been successfully extracting lithium brines.

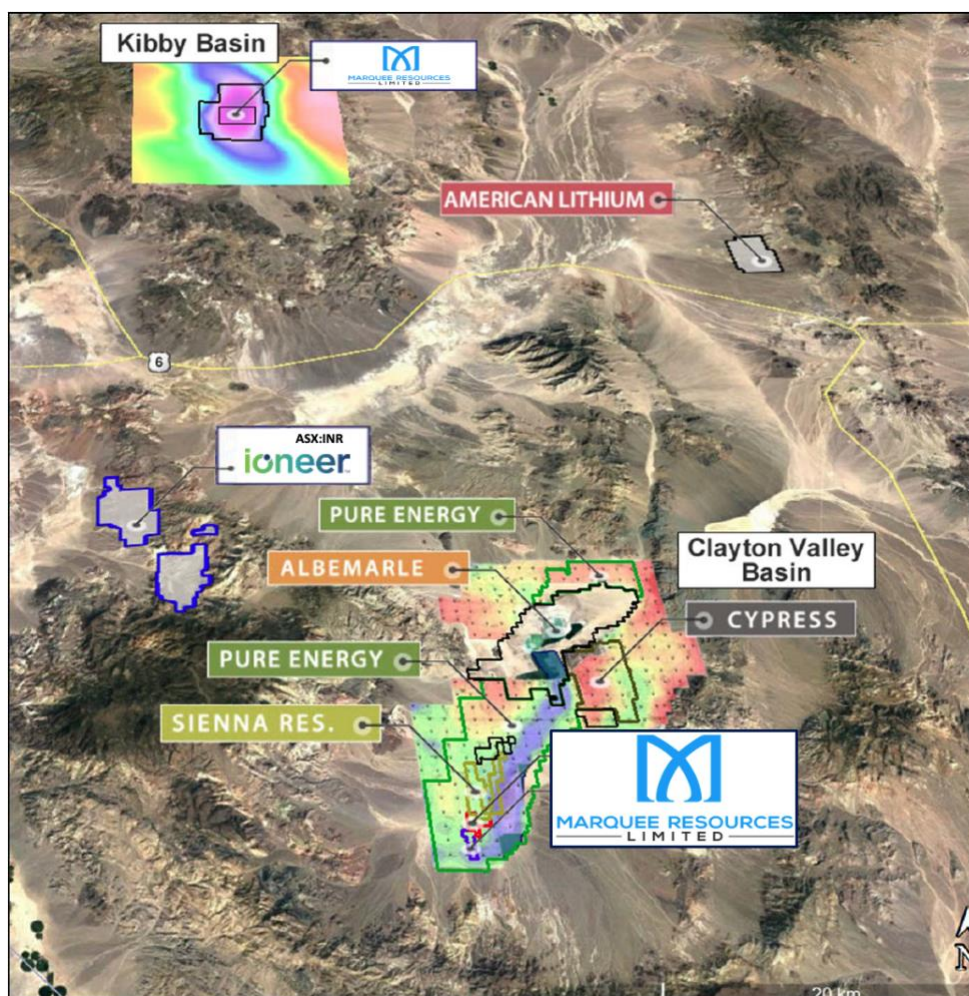


Figure 4 -The Kibby Basin Lithium Project is located within a 50km radius of ASX listed Ioneer's Ltd's (ASX:INR) flagship Rhyolite Lithium-Boron Project and 60km north of North America's only producing Lithium mine, Silver Peak, in Clayton Valley.

## DIRECTORS' REPORT continued

### Lone Star Copper-Gold Project Drilling Program

The Phase 1 drilling program at the Lone Star Project has recently completed which included 46 diamond drillholes for 7,888m. Final results were released in August 2022 and are provided in the table below.

The Lone Star deposit is interpreted to have elements of structural and stratigraphic control with an overprinting porphyry copper system. Structurally stacked 'tectonic' lenses of east dipping, closely spaced, overlapping en echelon zones of VMS-style massive sulphide have been structurally emplaced during thrusting over the basal serpentinite unit.

At least eight individual zones have been interpreted and these zones range from 1-18 metres thick. Porphyry and hydrothermal fluids utilised the pre-existing structural architecture to deposit copper-gold mineralisation subsequent to the earlier thrusting event.

The mineralised sub-vertical dykes/zones are estimated to be approx. 20-40m wide, extend laterally for tens to hundreds of metres, and are vertically extensive. Identification of the mineralised dykes opens up the possibility of defining significant additional mineralisation outside the flat-lying, structurally remobilised base metal mineralisation that has been historically identified.

Now that the Phase1 drilling program has been completed, the Company's focus now turns to completion of a maiden resource estimate. The phase 1 drill program was designed to satisfy three key objectives:

- Validate the historical drill hole database and resource model;
- Deliver a JORC compliant mineral resource estimate; and
- Test for extensions to the historical resource.

Mining Plus Pty Ltd have continued resource modelling studies and has recently completed a site visit as the Company pushes towards delivering a 2012 JORC-compliant resource. The maiden JORC compliant resources is expected to be released to the market in late October.

#### Significant Intercepts from the Lone Star drilling Program

| Hole_ID  | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Ag (g/t) |
|----------|----------|--------|--------------|--------|----------|----------|
| LS21-001 | 41.5     | 50.3   | 9.1          | 0.6    | 0.2      | 3.2      |
| LS21-001 | 54.9     | 61.2   | 6.9          | 1.2    | 0.8      | 12.9     |
| LS21-001 | 65.8     | 110.0  | 44.2         | 1.3    | 0.2      | 4.6      |
| inc.     | 65.8     | 88.7   | 19.8         | 2.4    | 0.5      | 6.7      |
| LS21-001 | 115.8    | 138.7  | 19.1         | 0.4    | NSR      | NSR      |
| LS21-001 | 140.4    | 162.5  | 22.1         | 1.2    | 0.3      | 2.2      |
| inc.     | 140.4    | 162.5  | 8.5          | 2.1    | 0.8      | 2.4      |
| LS21-001 | 198.7    | 200.9  | 4.7          | 0.8    | 0.3      | 1.0      |
| LS21-002 | 46.9     | 60.8   | 15.5         | 3.7    | 1.8      | 23.0     |
| inc.     | 56.7     | 59.3   | 2.6          | 18.5   | 10.4     | 106.0    |
| LS21-002 | 95.1     | 101.1  | 6.0          | 0.4    | NSR      | 2.5      |
| LS21-002 | 120.7    | 176.1  | 53.6         | 0.8    | 0.4      | 2.0      |
| inc.     | 167.6    | 176.1  | 7.6          | 2.1    | 1.4      | 6.2      |
| LS21-002 | 193.8    | 194.7  | 0.9          | 3.8    | 1.2      | 4.0      |
| LS21-002 | 199.3    | 200.5  | 1.2          | 3.0    | 1.9      | 4.0      |
| LS21-002 | 202.0    | 203.6  | 1.6          | 0.9    | 1.0      | 2.0      |
| LS21-003 | 72.4     | 77.4   | 5.0          | 3.5    | 1.1      | 17.5     |
| LS21-003 | 125.6    | 147.9  | 22.3         | 0.8    | 0.4      | NSR      |
| inc.     | 133.8    | 143.3  | 9.5          | 1.1    | 0.5      | 5.6      |

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|          |          |        |              |        |          |          |
|----------|----------|--------|--------------|--------|----------|----------|
| LS21-003 | 155.2    | 211.0  | 55.8         | 0.6    | NSR      | NSR      |
| inc.     | 165.9    | 175.1  | 9.2          | 1.0    | 0.3      | NSR      |
| LS21-004 | 7.0      | 14.6   | 7.6          | 1.2    | 0.3      | NSR      |
| LS21-005 | 42.98    | 49.83  | 6.9          | 0.4    | 0.2      | 2.1      |
| LS21-005 | 84.1     | 92.1   | 7.9          | 1.1    | 0.2      | 4.7      |
| LS21-006 | 99.7     | 111.6  | 11.9         | 1.0    | 2.0      | 3.3      |
| inc.     | 108.5    | 110.1  | 1.6          | 2.1    | 11.7     | 7.0      |
| LS21-007 | 107.9    | 125.6  | 17.7         | 1.6    | 2.8      | 5.9      |
| inc.     | 112.2    | 116.3  | 4.1          | 5.3    | 1.5      | 16.8     |
| inc.     | 117.4    | 122.3  | 4.9          | 0.5    | 7.9      | 2.6      |
| LS21-008 | 5.5      | 23.2   | 17.7         | 0.6    | 0.3      | NSR      |
| LS21-009 | 6.4      | 46.0   | 39.6         | 0.4    | NSR      | NSR      |
| LS21-009 | 63.4     | 70.7   | 7.3          | 0.5    | 0.4      | NSR      |
| LS21-010 | 7.8      | 43.9   | 37.9         | 1.0    | 0.4      | 4.5      |
| inc.     | 21.0     | 33.2   | 12.2         | 2.0    | 1.1      | 8.8      |
| LS21-010 | 59.2     | 80.5   | 21.3         | 0.6    | NSR      | 3.3      |
| LS21-010 | 127.1    | 138.4  | 11.3         | 0.4    | NSR      | 3.2      |
| LS21-011 | 108.8    | 111.9  | 3.1          | 2.6    | 1.0      | 8.6      |
| LS21-011 | 119.5    | 127.7  | 8.2          | 1.3    | 1.0      | 4.7      |
| LS21-012 | 50.3     | 50.9   | 0.6          | 2.4    | 1.4      | 8.0      |
| LS21-013 | 87.8     | 96.0   | 8.2          | 0.4    | 0.2      | 0.5      |
| Hole_ID  | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Ag (g/t) |
| LS21-014 | 3.1      | 10.4   | 7.3          | 0.4    | 0.2      | 2.5      |
| LS21-015 | 16.5     | 71.6   | 55.2         | 0.9    | 0.5      | 4.5      |
| LS21-016 | 12.8     | 162.2  | 149.4        | 0.7    | 0.2      | 1.3      |
| inc.     | 45.1     | 49.4   | 4.3          | 1.1    | 0.2      | 7.4      |
| inc.     | 108.8    | 113.4  | 4.6          | 3.1    | 1.3      | 11.7     |
| inc.     | 127.1    | 136.3  | 9.2          | 1.0    | 0.2      | 4.7      |
| LS21-016 | 169.8    | 171.3  | 1.5          | 1.1    | 0.3      | NSR      |
| LS21-016 | 178.3    | 182.6  | 4.3          | 0.7    | 0.5      | NSR      |
| LS21-017 | 80.2     | 96.9   | 16.8         | 0.4    | 0.4      | 2.7      |
| LS21-017 | 112.8    | 116.4  | 3.7          | 1.8    | 0.8      | 4.4      |
| LS21-017 | 142.3    | 174.4  | 32.0         | 0.5    | 0.2      | 1.4      |
| LS21-018 | NSR      |        |              |        |          |          |
| LS21-019 | NSR      |        |              |        |          |          |
| LS21-020 | 5.2      | 18.3   | 13.1         | 0.7    | 0.4      | 1.6      |
| LS21-020 | 106.4    | 114.0  | 7.6          | 0.4    | 0.2      | NSR      |
| LS21-021 | 6.1      | 13.4   | 7.3          | 2.1    | 0.7      | 19.1     |
| LS21-021 | 39.0     | 41.8   | 2.8          | 1.2    | 1.3      | 3.5      |

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|          |          |        |              |        |          |          |
|----------|----------|--------|--------------|--------|----------|----------|
| LS21-021 | 53.6     | 104.6  | 50.9         | 0.5    | 0.1      | 0.9      |
| inc      | 53.6     | 71.9   | 18.3         | 0.7    | 0.1      | 1.7      |
| LS21-021 | 120.7    | 150.3  | 29.6         | 0.8    | 0.1      | 3.7      |
| LS21-022 | 41.2     | 76.2   | 35.1         | 0.8    | 0.3      | 5.6      |
| inc      | 54.9     | 59.4   | 4.6          | 2.1    | 0.8      | 22.6     |
| LS21-022 | 97.5     | 177.4  | 79.9         | 0.6    | 0.4      | 2.1      |
| inc      | 151.2    | 158.8  | 7.6          | 1.3    | 2.8      | 11.8     |
| LS21-022 | 181.7    | 193.1  | 11.4         | 0.5    | 0.3      | 1.9      |
| LS21-023 | 138.7    | 163.1  | 24.4         | 0.6    | 0.3      | 2.7      |
| LS21-023 | 179.8    | 198.1  | 18.3         | 0.5    | 0.4      | 0.9      |
| LS21-024 | 50.3     | 75.6   | 25.3         | 0.7    | 0.2      | 1.4      |
| LS21-024 | 110.0    | 178.0  | 64.3         | 0.4    | 0.1      | 2.8      |
| LS21-025 | 140.5    | 198.7  | 58.2         | 0.6    | 0.3      | 2.2      |
| inc.     | 174.4    | 181.1  | 5.2          | 1.6    | 0.9      | 2.4      |
| LS21-026 | 82.6     | 84.7   | 2.1          | 0.7    | 0.2      | 1.3      |
| LS21-026 | 116.1    | 121.9  | 5.8          | 0.5    | 0.1      | 2.2      |
| LS21-026 | 139.9    | 184.1  | 44.2         | 0.4    | 0.2      | 1.0      |
| LS21-027 | 111.6    | 122.2  | 10.7         | 2.4    | 1.0      | 5.5      |
| inc.     | 117.0    | 122.2  | 5.2          | 4.1    | 1.9      | 9.5      |
| LS21-027 | 151.8    | 200.6  | 48.8         | 0.5    | 0.2      | 0.9      |
| LS21-027 | 215.8    | 237.1  | 21.3         | 0.4    | 0.7      | NSR      |
| inc.     | 226.0    | 232.3  | 6.3          | 0.8    | 2.3      | 0.8      |
| LS21-028 | NSR      |        |              |        |          |          |
| LS21-029 | 33.2     | 42.7   | 9.5          | 0.8    | 0.3      | 1.2      |
| Hole_ID  | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | Ag (g/t) |
| LS21-030 | 25.6     | 56.1   | 30.5         | 0.9    | 0.5      | 2.2      |
| inc.     | 40.5     | 53.6   | 13.1         | 1.5    | 0.7      | 2.7      |
| LS21-031 | 32.9     | 40.5   | 7.6          | 0.6    | 0.7      | 2.0      |
| LS21-031 | 51.5     | 55.2   | 3.7          | 0.9    | 0.2      | 1.1      |
| LS21-031 | 57.3     | 63.4   | 6.1          | 1.4    | 0.3      | 1.0      |
| LS21-031 | 157.6    | 181.4  | 23.8         | 0.7    | 0.4      | 1.2      |
| inc.     | 159.1    | 170.1  | 11.0         | 1.0    | 0.6      | 1.7      |
| LS21-032 | 102.1    | 102.4  | 1.5          | 2.8    | 14.8     | 25.0     |
| LS21-032 | 133.2    | 160.0  | 26.8         | 0.4    | 0.3      | 3.3      |
| LS21-033 | NSR      |        |              |        |          |          |
| LS21-034 | 42.4     | 55.2   | 12.8         | 0.6    | 0.3      | NSR      |
| LS21-035 | NSR      |        |              |        |          |          |
| LS21-036 | 137.2    | 195.1  | 57.9         | 0.7    | 0.3      | 0.3      |
| inc.     | 179.8    | 195.1  | 15.2         | 1.7    | 0.7      | 1.7      |

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|          |             |       |      |     |      |      |
|----------|-------------|-------|------|-----|------|------|
| LS21-037 | 192.0       | 214.9 | 22.9 | 0.2 | 0.1  | NSR  |
| LS21-037 | 223.1       | 243.5 | 18.9 | 1.7 | 0.8  | 1.0  |
| inc.     | 232.3       | 241.7 | 8.2  | 3.2 | 1.6  | 2.9  |
| LS21-037 | 253.3       | 259.7 | 7.3  | 0.8 | 0.6  | 1.0  |
| LS21-038 | 64.9        | 110.3 | 45.4 | 0.6 | 0.5  | 0.5  |
| inc.     | 94.8        | 102.6 | 7.8  | 1.3 | 1.3  | 3.2  |
| LS21-039 | 134.1       | 217.0 | 70.7 | 0.7 | 0.4  | 2.8  |
| inc.     | 148.7       | 152.1 | 3.4  | 4.3 | 14.9 | 29.5 |
| LS21-039 | 230.7       | 240.2 | 9.5  | 1.3 | 0.9  | 4.3  |
| LS21-040 | Not Drilled |       |      |     |      |      |
| LS21-041 | 55.2        | 60.4  | 5.2  | 0.7 | 0.3  | 4.9  |
| LS21-041 | 132.9       | 139.9 | 7.0  | 0.5 | 0.4  | 1.7  |
| LS21-041 | 179.5       | 187.2 | 7.6  | 1.0 | 0.9  | 1.3  |
| LS21-042 | Not Drilled |       |      |     |      |      |
| LS21-043 | 5.2         | 18.0  | 12.8 | 0.7 | 0.6  | 2.3  |
| LS21-044 | NSR         |       |      |     |      |      |
| LS21-045 | NSR         |       |      |     |      |      |
| LS21-046 | 17.4        | 27.3  | 9.9  | 1.3 | 0.9  | 2.0  |
| LS21-047 | 20.7        | 25.9  | 5.2  | 0.5 | 0.2  | NSR  |
| LS21-048 | NSR         |       |      |     |      |      |
| LS21-049 | 285.1       | 297.5 | 12.3 | 1.6 | 0.7  | 3.7  |

#### **Clayton Valley Lithium Project (USA 100%)**

Marquee Resources Limited provided the highly encouraging results from a completed ground gravity survey at the Clayton Valley Lithium Project, Nevada, USA during the 2022 financial year (See ASX Release 23 May 2022).

Results from the gravity survey identify a northeast trending channel on the eastern edge of the Clayton Valley that is interpreted to be prospective for brine and clay hosted lithium.

The Company completed an initial drill program (refer ASX release 26 November 2017) that confirmed the presence of lithium brine and a lithium hosting horizon on the Western side of the property. These results, coupled with the gravity results presented this quarter, has proven that the lithium potential extends further east than previously considered.

The project is approximately 3.5 hours from Tesla's Gigafactory Number 1, a large lithium-ion battery factory that sits on a gravity high interpreted to represent a graben (uplifted basin sediments), associated with normal faulting adjacent to Pure Energy Minerals (TSXV:PE) current mineral resource.

Drilling on these highly prospective Clayton Valley targets is planned to begin in Q4-2022 and will test the high-priority targets generated from the gravity survey.

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## DIRECTORS' REPORT continued

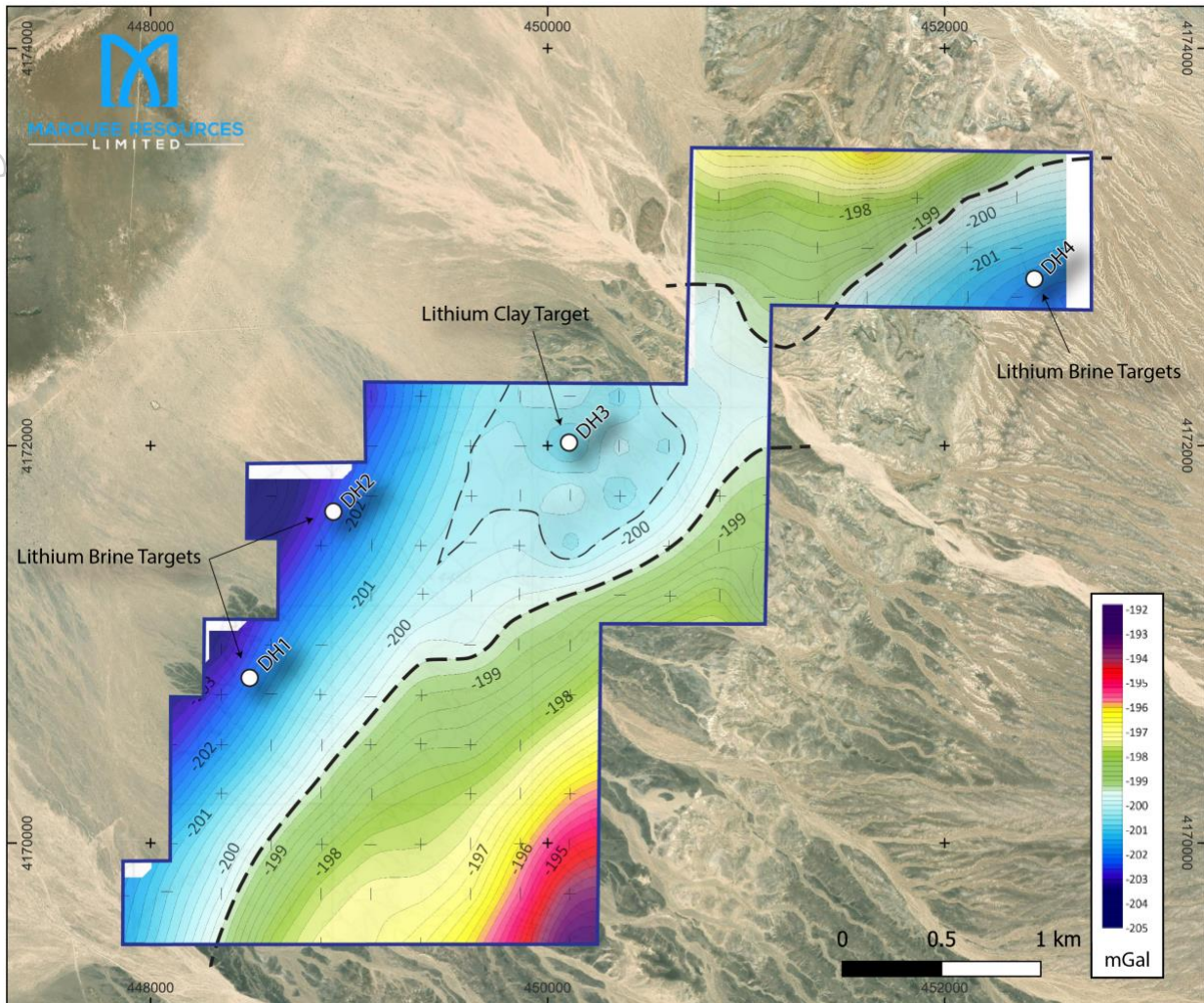


Figure 5 - Bouguer Gravity image of the Clayton Valley Project with planned drillhole locations.

The Project covers an area of approx. 12km<sup>2</sup> of claims in a region that is endowed in both lithium-rich clays and brines. The Project is situated in the southern portion of the Clayton Valley Basin, proximal to the Silver Peak lithium mine which is currently the only producing lithium mine in North America – owned by the world's largest lithium producer, Albemarle. Clayton Valley is located 60km south of Marquee's Kibby Basin Lithium Project and 10km east of ASX-listed Ioneer Ltd (ASX: INR) flagship Rhyolite Ridge Lithium-Boron Project which has recently been joint ventured with Sibayne Stillwater Ltd.

#### **Mt Clement Project**

The Mt Clement Project consists of exploration license E08/3214 and E08/3301. The Mt Clement Deposit is situated in the middle of the tenement package and numerous other historical gold and base metal mines and prospects surrounding the tenure. The Project consists of 360 square kilometers of tenure prospective for syngenetic gold-antimony mineralisation, a poorly understood and underexplored mineralisation style in the Ashburton Basin. This Project represents a genuine greenfields opportunity in one of Australia's most unexplored regions.

#### **Werner Lake Cobalt Project (Canada 30%)**

The Company did not conduct any on ground exploration work on the project during the quarter however the JV parties continue to explore the best way to unlock value from this cobalt project.

## DIRECTORS' REPORT continued

### Competent person Statement

The information in this report which relates to Exploration Results is based on information compiled by Dr. James Warren, a Competent Person who is a member of the Australian Institute of Geoscientists. Dr. Warren is the Chief Technical Officer of Marquee Resources Limited. Dr. Warren has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr. Warren consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

### New Project Opportunities

Marquee continues to review several complimentary projects that would be a strategic fit for the Company and would add substantial value for shareholders.

### Significant changes in the state of affairs.

There was no significant changes to the state of affairs of the Company.

### Significant events after reporting date

Subsequent to the year end Marquee Resources Limited announced that on completion of the due diligence process, the binding term sheet with Mineral Resources Limited (as announced to the ASX on 02 June 2022 and amended on 04 July 2022) had become binding. The Key terms of the agreement are outlined below.

#### **Key Terms:**

- MQR and MinRes have entered into a legally binding term sheet for a Farm-in and Joint Venture agreement at the West Spargoville Project in Western Australia.
- MinRes has the right to acquire an initial 25% legal and beneficial interest in the lithium rights (**Initial Farm-in Interest**) by funding all exploration and development activities and completing a feasibility study for the Project, including a JORC compliant resource (**Initial Farm-in Obligation**) within 24 months (**Initial Farm-in Period**).
- In performing the Initial Farm-in Obligation, MinRes will fund: at least \$1,000,000 of exploration and development activities on the Tenements by 31 December 2022; and the \$500,000 cost to exercise the Fyfehill Option.
- Marquee will be responsible for managing the implementation of the exploration and development activities on the Tenements during the Initial Farm-in Period

#### **(Processing Farm-in)**

If MinRes elects to proceed with the Processing Farm-in, it has the right to acquire an additional 45% legal and beneficial interest in the lithium rights by funding the Project until the point of a final investment decision on a mine development for the Project (**FID**). MinRes will provide complete mine to port services to the JV including: mining design, construction and operation of a processing plant, on-site power generation, haulage of product to nominated port facilities marketing of product and shipment of product to purchasers.

#### **(Mine Gate Sale Farm-in).**

If MinRes elects to proceed with Mine Gate, it has the right to acquire an additional 26% legal and beneficial interest in the lithium rights by funding the Project until the development, construction and commissioning of a mine and related facilities. MinRes will build, own and operate all plant, equipment and infrastructure for the mining operations and buy lithium bearing ore from the JV for a mine gate sale price to be established on commercially competitive and industry standard terms.

**DIRECTORS' REPORT continued****Environmental regulation**

In the course of its normal exploration activities, the Group adheres to environmental regulations imposed on it by the various regulatory authorities, particularly those regulations relating to ground disturbance and the protection of rare and endangered flora and fauna. The Group has complied with all material environmental requirements during the financial year. The Board believes that the Group has adequate systems in place for the management of its environmental requirements and is not aware of any breach of these environmental requirements as they apply to the Group.

**Indemnification and insurance of Directors and Officers**

The Company has agreed to indemnify all the directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

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## DIRECTORS' REPORT continued

### Remuneration report (Audited)

This report, which forms part of the directors' report, outlines the remuneration arrangements in place for the key management personnel ("KMP") of Marquee Resources Limited for the financial year ended 30 June 2022. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent Company.

#### Key Management Personnel

##### Directors

|                      |                        |
|----------------------|------------------------|
| Mr Charles Thomas    | Executive Chairman     |
| Mr George Henderson  | Non-Executive Director |
| Mr John Daniel Moore | Non-Executive Director |

#### Remuneration philosophy

The performance of the Company depends upon the quality of the directors and executives. The Board has the authority and responsibility for planning, directing and controlling the activities of the company and the Group, including directors of the company and of the senior management. Compensation levels for directors and senior management of the Group are competitively set to attract and retain appropriately qualified and experienced directors and executives.

Remuneration levels are not dependent upon any performance criteria as the Company and the Group are not generating a profit.

#### Remuneration committee

The Board of Directors of the Company is responsible for determining and reviewing compensation arrangements for the directors and the executive team.

The Board assesses the appropriateness of the nature and amount of remuneration of directors and executives on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team.

#### Remuneration structure

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

#### Non-executive director remuneration

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The aggregate level (\$250,000) was set at the time of the company's incorporation and has not changed since.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

The remuneration of non-executive directors for the year ended 30 June 2022 is detailed in page 21 of this report.

#### Executive director remuneration

Remuneration consists of fixed remuneration and share based payments detailed in the remuneration table.

#### Fixed Remuneration

Fixed remuneration is reviewed annually by the Board of Directors. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices.

## DIRECTORS' REPORT continued

### Remuneration report (Audited) continued

#### Use of Remuneration Consultants

The Committee has access to external, independent advice where necessary. No consultants were engaged during the reporting year.

The remuneration of the Company Directors and executives is detailed in page 21 of this report.

#### Voting of shareholders at last year's annual general meeting

The Company received 99.39% of "Yes" votes on its remuneration report for the 2021 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

#### Share based payment arrangements

##### Options

On 14 June 2022 shareholders meeting, approval was obtained to grant 11.5 million Incentive Options to Directors under the Employee Securities Incentive Plan. These options have an exercise price of 16 cents and expiry date 30 June 2025

Each share option converts into one ordinary share of the Company on exercise. No amounts were paid to the Company by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of expiry.

The options vested immediately upon grant and are based on share price performance. This issue seeks to align the efforts of Directors in seeking to achieve growth of the Share Price and in the creation of Shareholder value.

##### Performance Rights

There are no Performance Rights on issue.

### Employment /Director Contracts

#### Charles Thomas –Executive Chairman

The key employment terms of Mr. Thomas's service contract are:

- Executive Director fee of \$240,000 per annum plus statutory superannuation and approved employment expenses.
- Termination Notice 6 months by either party.

#### George Henderson – Non-Executive Director

The key employment terms of Mr Henderson's contract are:

- Director's fee of \$36,000 per annum plus statutory superannuation and approved employment expenses
- No termination benefits.

#### John Daniel Moore – Non-executive Director

The key employment terms of Mr Moore's contract are:

- Director's fee of \$36,000 per annum plus statutory superannuation and approved employment expenses
- No termination benefits.

**DIRECTORS' REPORT continued**  
**Remuneration report (Audited) continued**

Key Management Personnel remuneration for the year ended 30 June 2022 and year ended 30 June 2021

| 30 June 2022     | Short-term employment benefits |          | Post-employment benefit | Equity Share based payments | Total          | Remuneration consisting of Options |           |
|------------------|--------------------------------|----------|-------------------------|-----------------------------|----------------|------------------------------------|-----------|
|                  | Salary & fees                  | Bonus    | Superannuation          |                             |                | \$                                 | %         |
|                  | \$                             |          | \$                      | \$                          | \$             |                                    | %         |
| <u>Directors</u> |                                |          |                         |                             |                |                                    |           |
| C Thomas         | 202,500                        | -        | 20,250                  | 257,922                     | 480,672        |                                    | 54        |
| G Henderson      | 36,000                         | -        | 3,600                   | 68,779                      | 108,379        |                                    | 63        |
| D Moore          | 36,000                         | -        | 3,600                   | 68,779                      | 108,379        |                                    | 63        |
| <b>Total</b>     | <b>274,500</b>                 | <b>-</b> | <b>27,450</b>           | <b>395,480</b>              | <b>697,430</b> |                                    | <b>57</b> |

| 30 June 2021     | Short-term employment benefits |          | Post-employment benefit | Equity Share based payments | Total          | Remuneration consisting of Options |           |
|------------------|--------------------------------|----------|-------------------------|-----------------------------|----------------|------------------------------------|-----------|
|                  | Salary & fees                  | Bonus    | Superannuation          |                             |                | \$                                 | %         |
|                  | \$                             |          | \$                      | \$                          | \$             |                                    | %         |
| <u>Directors</u> |                                |          |                         |                             |                |                                    |           |
| C Thomas (i)     | 175,000                        | -        | 16,625                  | 261,250                     | 452,875        |                                    | 58        |
| G Henderson      | 36,000                         | -        | 3,420                   | 20,900                      | 60,320         |                                    | 35        |
| D Moore          | 36,000                         | -        | 3,420                   | 20,900                      | 60,320         |                                    | 35        |
| <b>Total</b>     | <b>247,000</b>                 | <b>-</b> | <b>23,465</b>           | <b>303,050</b>              | <b>573,515</b> |                                    | <b>53</b> |

(i) The amount paid includes a payout of Annual Leave entitlement totalling \$25,000 plus \$2,375 superannuation.

No member of key management personnel appointed during the year received a payment as part of his or her consideration for agreeing to hold the position.

Bonuses

No bonuses were granted during the year.

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## DIRECTORS' REPORT continued

### Remuneration report (Audited) continued

#### Options

Options issued to Directors/Management during the 2022 financial year were issued under an Employee Securities Incentive Plan and were approved by shareholders on 14 June 2022 for Series 6 Options. These options vest immediately.

The following share-based payment arrangements were in place during the financial year:

| Series                      | Number     | Grant date | Expiry date | Exercise price | Fair value at grant date |
|-----------------------------|------------|------------|-------------|----------------|--------------------------|
| <b>Directors</b>            |            |            |             |                |                          |
| 1. Options issued 1/9/2020  | 7,250,000  | 28/8/2020  | 30/6/2023   | \$0.08         | \$0.0418                 |
| 6. Options issued 28/6/2022 | 11,500,000 | 14/6/2022  | 30/6/2025   | \$0.16         | \$0.0343                 |

The fair value of the unlisted options was determined using the Black Scholes Method. Inputs used to determine the valuation were:

| Series 1                     | Series 6                      |
|------------------------------|-------------------------------|
| Number of Options: 8,000,000 | Number of Options: 11,500,000 |
| Share Price: \$0.064         | Share Price: \$0.072          |
| Exercise Price: \$0.08       | Exercise Price: \$0.16        |
| Expected Volatility: 120%    | Expected Volatility: 100%     |
| Expiry date (years): 2.8     | Expiry date (years): 3        |
| Expected dividend yield: nil | Expected dividend yield: nil  |
| Risk free rate: 0.27%        | Risk free rate: 3.29%         |
| Total fair value: \$334,677  | Total fair value: \$395,480   |

#### Shareholdings of Key Management Personnel

|                     | Balance at beginning of year | Granted as remuneration | On Exercise of Options | Net Change Other | Balance at end of year |
|---------------------|------------------------------|-------------------------|------------------------|------------------|------------------------|
| 30 June 2022        | Number                       | Number                  | Number                 | Number           | Number                 |
| <b>Directors</b>    |                              |                         |                        |                  |                        |
| Mr Charles Thomas   | 1,000,000                    | -                       | -                      | 368,580          | 1,368,580              |
| Mr George Henderson | 10,000                       | -                       | -                      | 133,580          | 143,580                |
| Mr Daniel Moore     | -                            | -                       | -                      | -                | -                      |

All equity transactions with key management have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

#### Option holdings of Directors

|                     | Balance at beginning of year | Granted as remuneration | Options exercised | Net Change Other | Balance at end of year | Percentage vested |
|---------------------|------------------------------|-------------------------|-------------------|------------------|------------------------|-------------------|
| 30 June 2022        | Number                       | Number (ii)             | Number            | Number (i)       | Number                 |                   |
| <b>Directors</b>    |                              |                         |                   |                  |                        |                   |
| Charles Thomas      | 6,250,000                    | 7,500,000               | -                 | 4,100,000        | 17,850,000             | 100%              |
| Mr George Henderson | 500,000                      | 2,000,000               | -                 | -                | 2,500,000              | 100%              |
| Mr Daniel Moore     | 500,000                      | 2,000,000               | -                 | -                | 2,500,000              | 100%              |

(i) Allocated via GTT Ventures option remuneration fee

(ii) Unlisted options granted and approved by shareholders at the shareholders meeting held on 14 June 2022

## DIRECTORS' REPORT continued

### Remuneration report (Audited) continued

#### Performance Rights holdings of Directors

Nil

#### Other transactions with Key Management Personnel

Further payments to GTT Ventures Pty Ltd and 19808283 Pty Ltd (a company of which Charles Thomas is a Director and shareholder) included the following:

- Corporate Advisory Fees amounting to \$126,000 (ex GST) pursuant to a corporate consultancy agreement.
- Capital Raising fees \$483,370 relating to placements conducted in August 2021 and April 2022, Facilitation fees for Option Conversion \$145,058, and the Convertible Loan fee \$205,000 conducted in November 2021.
- 3.75 million unlisted options (exercise price \$0.12, expiry 30 Nov 2022) were issued to GTT Ventures Pty Ltd for corporate advisory services. These were valued at \$0.03689 per option totalling \$138,337.
- Facilitation fees in relation to the Lone Star and Kibby earn-in agreements - 3,374,095 shares (valued \$251,897) and 10 million options valued \$609,000.
- A sub lease for the rental of the office premises in Subiaco is in place with 19808283 Pty Ltd. Total rent paid to 30 June 2022 is \$36,000 (ex GST).

Payments to AGH Legal for legal services (a legal firm of which George Henderson is a Partner and shareholder) amounted to \$89,557 (ex GST).

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

#### Loans to Key Management Personnel

There are no loans to key management personnel.

#### Statutory performance indicators

We aim 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 financial performance over the last five years by the Corporations Act 2001. These are not necessarily consistent with measures used in determining 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.

#### Statutory key performance indicators of the group over the last five years

|  | 2022    | 2021    | 2020    | 2019    | 2018     |
|--|---------|---------|---------|---------|----------|
| Loss for the year attributable to owners of Marquee Resources Ltd (\$'000) | (3,067) | (2,742) | (1,717) | (4,078) | (3,734)  |
| Basic loss per share cents <sup>(i)</sup>                                  | (1.529) | (2.586) | (2.845) | (9.543) | (13.074) |
| Dividend payments  | 0       | 0       | 0       | 0       | 0        |
| Dividend payout ration   | n/a     | n/a     | n/a     | n/a     | n/a      |
| Increase/(decrease) in share price (%)                                     | 49%     | 30%     | (66%)   | (64%)   | 97%      |

End of Audited Remuneration Report.

## DIRECTORS' REPORT continued

### Directors' Meetings

The Directors regularly conduct teleconferences on all matters of business and approve transactions/management decisions via Circulating Resolutions regularly on a as is required basis.

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

|                              | <u>Director's<br/>meetings</u> |
|------------------------------|--------------------------------|
| Number of meetings held:     | 5                              |
| Number of meetings attended: |                                |
| Mr Charles Thomas            | 5                              |
| Mr George Henderson          | 5                              |
| Mr Daniel Moore              | 5                              |

### Proceedings on behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or 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 any part of those proceedings.

### Auditor's Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors, BDO Audit (WA) Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is set out on page 26 and forms part of this directors' report for the year ended 30 June 2022.

### Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company are important.

Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the year are set out below.

The board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor, as set out below did not compromise the auditor's independence requirements of the Corporations act 2001 for the following reasons:

- All non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor.
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practises and non-related audit firms:

|   | 2022          | 2021          |
|---|---------------|---------------|
|   | \$            | \$            |
| Auditors of the Group – BDO and related network firms |               |               |
| <i>Auditor of the parent entity</i>                   |               |               |
| Audit or review of the financial statements           | 48,756        | 38,285        |
|   | <u>48,756</u> | <u>38,285</u> |
| <i>Taxation and other advisory services</i>           |               |               |
| Taxation  | 7,210         | 12,500        |
|   | <u>7,210</u>  | <u>12,500</u> |
| Total services provided by BDO                        | <u>55,966</u> | <u>50,785</u> |

**DIRECTORS' REPORT continued**

Signed in accordance with a resolution of the directors.  
Dated: 30 September 2022

A handwritten signature in black ink that reads "Charles Thomas". The signature is written in a cursive style with a large initial 'C'.

Charles Thomas  
Executive Chairman

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DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF MARQUEE  
RESOURCES LIMITED

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

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

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



Phillip Murdoch  
Director

BDO Audit (WA) Pty Ltd  
Perth  
30 September 2022

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2022**

|   | Notes | 2022<br>\$         | 2021<br>\$         |
|---|-------|--------------------|--------------------|
| <b>Continuing operations</b>  |       |                    |                    |
| Interest income   | 2     | 1,546              | 1,038              |
| ATO cashflow boost  |       | -                  | 23,787             |
| Other Income  | 7     | 27,767             | -                  |
| Administrative expenses   | 2     | (662,403)          | (433,429)          |
| Staff expenses  |       | (690,243)          | (519,289)          |
| Depreciation expense  |       | (6,882)            | (5,125)            |
| Amortisation of right of use assets   |       | (32,454)           | (32,518)           |
| Exploration impairment  | 8     | (1,386,604)        | (989,801)          |
| Share based payment   | 14a   | (527,399)          | (423,699)          |
| Finance Cost  |       | (4,971)            | (2,770)            |
| Change in fair value of financial assets  |       | 189,485            | -                  |
| Unrealised currency movement  |       | 24,218             | -                  |
| <b>Loss before income tax expense</b>   |       | <b>(3,067,939)</b> | <b>(2,381,805)</b> |
| Income tax benefit  | 3     | -                  | -                  |
| <b>Loss after income tax for the year from continuing operations</b>  |       | <b>(3,067,939)</b> | <b>(2,381,805)</b> |
| <b>Other comprehensive income, net of income tax</b>  |       |                    |                    |
| <b>Loss from discontinued operations</b>  | 7     | -                  | (360,153)          |
| <b>Loss for the year</b>  |       | <b>(3,067,939)</b> | <b>(2,741,959)</b> |
| <b>Items that may be reclassified subsequently to profit or loss</b>  |       |                    |                    |
| Exchange differences arising on translation of foreign operations   |       | 168,083            | 104,964            |
| Other comprehensive loss for the year, net of tax   |       | 168,083            | 104,964            |
| <b>Total comprehensive loss for the year attributable to owners of the parent</b>   |       | <b>(2,899,856)</b> | <b>(2,636,995)</b> |
| <b>Basic loss per share from continuing operations attributable to the members of Marquee Resources Ltd (cents per share)</b>               | 5     | <b>(1.529)</b>     | (2.586)            |
| <b>Basic loss per share for the year attributable to the members of Marquee Resources Ltd (cents per share) for continuing operations</b>   | 5     | <b>(1.529)</b>     | (2.246)            |
| <b>Diluted loss per share for the year attributable to the members of Marquee Resources Ltd (cents per share) for continuing operations</b> | 5     | <b>(1.273)</b>     | -                  |

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

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2022**

|   | Notes | 2022<br>\$        | 2021<br>\$       |
|---|-------|-------------------|------------------|
| <b>Assets</b>                                   |       |                   |                  |
| <b>Current assets</b>                           |       |                   |                  |
| Cash and cash equivalents                       | 6     | 9,182,210         | 1,233,817        |
| Trade and other receivables                     |       | 194,066           | 37,348           |
| Prepayments                                     |       | 38,647            | 8,812            |
| Asset held for sale (Centenario)                | 7     | -                 | 659,644          |
| <b>Total current assets</b>                     |       | <b>9,414,923</b>  | <b>1,939,621</b> |
| <b>Non-current assets</b>                       |       |                   |                  |
| Property, plant and equipment                   |       | 30,357            | 18,394           |
| Right of use Asset                              |       | 57,310            | 56,065           |
| Deferred exploration and evaluation expenditure | 8     | 10,701,500        | 3,528,723        |
| Investment in Belmont Resources Inc.            | 9     | 665,219           | -                |
| <b>Total non-current assets</b>                 |       | <b>11,454,385</b> | <b>3,603,182</b> |
| <b>Total assets</b>                             |       | <b>20,868,309</b> | <b>5,542,804</b> |
| <b>Liabilities</b>                              |       |                   |                  |
| <b>Current liabilities</b>                      |       |                   |                  |
| Trade and other payables                        | 10    | 644,738           | 108,356          |
| Accruals  |       | 370,831           | 22,000           |
| Lease liability                                 |       | 33,095            | 31,284           |
| <b>Total current liabilities</b>                |       | <b>1,048,664</b>  | <b>161,640</b>   |
| <b>Non-current liabilities</b>                  |       |                   |                  |
| Lease Liability                                 |       | 26,381            | 25,522           |
| <b>Total Non-current liabilities</b>            |       | <b>26,381</b>     | <b>25,522</b>    |
| <b>Total Liabilities</b>                        |       | <b>1,075,045</b>  | <b>187,162</b>   |
| <b>Net assets</b>                               |       | <b>19,794,264</b> | <b>5,355,642</b> |
| <b>Equity</b>                                   |       |                   |                  |
| Issued capital                                  | 11    | 30,656,534        | 14,661,637       |
| Reserves  | 12    | 6,002,989         | 4,491,327        |
| Accumulated losses                              | 13    | (16,865,260)      | (13,797,322)     |
| <b>Total equity</b>                             |       | <b>19,794,264</b> | <b>5,355,642</b> |

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

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2022**

| Notes  | Issued capital<br>\$ | Option reserve<br>\$ | Equity based<br>payment<br>reserve<br>\$ | Foreign<br>currency<br>translation<br>reserve<br>\$ | Accumulated<br>Losses<br>\$ | Total equity<br>\$ |
|--|----------------------|----------------------|--|---|-----------------------------|--------------------|
| <b>Balance at 1 July 2021</b>  | <b>14,661,637</b>    | <b>1,978,340</b>     | <b>2,548,000</b>                         | <b>(35,013)</b>                                     | <b>(13,797,322)</b>         | <b>5,355,642</b>   |
| <b>Loss for the year</b>   | -                    | -                    | -  | -   | <b>(3,067,939)</b>          | <b>(3,067,939)</b> |
| <b>Exchange differences arising on translation of foreign operations</b> | -                    | -                    | -  | <b>168,083</b>                                      | -                           | <b>168,083</b>     |
| <b>Total comprehensive loss for the year</b>                             | -                    | -                    | -  | <b>168,083</b>                                      | <b>(3,067,939)</b>          | <b>(2,899,856)</b> |
| <i>Transactions with owners in their capacity as owner</i>               |                      |                      |  |   |                             |                    |
| <b>Issue of Shares</b>   | <b>17,128,653</b>    | -                    | -  | -   | -                           | <b>17,128,653</b>  |
| <b>Issue of Options</b>  | -                    | <b>1,343,579</b>     | -  | -   | -                           | <b>1,343,579</b>   |
| <b>Capital Raising Costs</b>   | <b>(1,133,755)</b>   | -                    | -  | -   | -                           | <b>(1,133,755)</b> |
| <b>Balance at 30 June 2022</b>   | <b>30,656,534</b>    | <b>3,321,919</b>     | <b>2,548,000</b>                         | <b>133,070</b>                                      | <b>(16,865,261)</b>         | <b>19,794,264</b>  |
| <b>Balance at 1 July 2020</b>  | <b>12,438,405</b>    | <b>1,471,000</b>     | <b>2,548,000</b>                         | <b>(139,977)</b>                                    | <b>(11,055,364)</b>         | <b>5,262,063</b>   |
| <b>Loss for the year</b>   | -                    | -                    | -  | -   | <b>(2,741,959)</b>          | <b>(2,741,959)</b> |
| <b>Exchange differences arising on translation of foreign operations</b> | -                    | -                    | -  | <b>104,964</b>                                      | -                           | <b>104,964</b>     |
| <b>Total comprehensive loss for the year</b>                             | -                    | -                    | -  | <b>104,964</b>                                      | <b>(2,741,959)</b>          | <b>(2,636,995)</b> |
| <i>Transactions with owners in their capacity as owner</i>               |                      |                      |  |   |                             |                    |
| <b>Issue of Shares</b>   | <b>2,454,028</b>     | -                    | -  | -   | -                           | <b>2,454,028</b>   |
| <b>Issue of Options</b>  | -                    | <b>507,340</b>       | -  | -   | -                           | <b>507,340</b>     |
| <b>Capital Raising Costs</b>   | <b>(230,796)</b>     | -                    | -  | -   | -                           | <b>(230,796)</b>   |
| <b>Balance at 30 June 2021</b>   | <b>14,661,637</b>    | <b>1,978,340</b>     | <b>2,548,000</b>                         | <b>(35,013)</b>                                     | <b>(13,797,322)</b>         | <b>5,355,642</b>   |

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

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**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2022**

|   | Notes | 2022<br>\$         | 2021<br>\$       |
|---|-------|--------------------|------------------|
| <b>Cash flows from operating activities</b>             |       |                    |                  |
| Payments to suppliers and employees                     |       | (1,465,219)        | (986,706)        |
| Interest received                                       |       | 1,547              | 1,038            |
| ATO cashflow boost                                      |       | -                  | 23,787           |
| <b>Net cash outflows from operating activities</b>      | 6     | <b>(1,463,672)</b> | <b>(961,880)</b> |
| <b>Cash flows from investing activities</b>             |       |                    |                  |
| Exploration and evaluation expenditure                  |       | (6,425,167)        | (716,793)        |
| Cash Call Centenario – Lithium Power International      |       | -                  | (66,506)         |
| Sale of Centenario                                      |       | 687,412            | -                |
| Payment to acquire financial assets                     |       | (451,516)          | -                |
| Payment for plant and equipment                         |       | (18,843)           | (10,634)         |
| <b>Net cash outflows from investing activities</b>      |       | <b>(6,208,116)</b> | <b>(793,932)</b> |
| <b>Cash flows from financing activities</b>             |       |                    |                  |
| Proceeds from issue of shares                           |       | 16,554,006         | 2,454,028        |
| Payments for share issue costs                          |       | (897,825)          | (147,155)        |
| Repayment of lease                                      |       | (36,000)           | (36,000)         |
| <b>Net cash inflows from financing activities</b>       |       | <b>15,620,181</b>  | <b>2,270,873</b> |
| Net increase in cash and cash equivalents               |       | 7,948,393          | 515,060          |
| Cash and cash equivalents at the beginning of the year  |       | 1,233,817          | 718,757          |
| <b>Cash and cash equivalents at the end of the year</b> | 6     | <b>9,182,210</b>   | <b>1,233,817</b> |

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of preparation

This General-Purpose Financial Report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (including Australian Interpretations) and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

##### *Historical Cost Convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

##### *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 1e.

##### *Functional and presentation currency*

The functional currency of the Group is measured using the currency of the primary economic environment in which the entity operates (United States and Canada), however the financial statements are presented in Australian dollars, which is the economic environment that the parent operates.

#### (b) Adoption of new and revised standards

The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2021

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

##### *Accounting Standards Issued Not Yet Effective*

The following new/amended accounting standards and interpretations have been issued but are not mandatory for financial years ended 30 June 2022. They have not been adopted in preparing the financial statements for the year ended 30 June 2022 and are expected to impact the entity in the period of initial application. In all cases the entity intends to apply these standards from application date as indicated in the table below.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### Adoption of new and revised standards (continued)

##### *Standards Likely to Have a Financial Impact – All entities*

| <b>AASB reference</b>           | <b>Title and Affected Standard(s)</b>  | <b>Nature of Change</b>  | <b>Application Date</b>                          | <b>Impact on Initial Applications</b>   |
|---------------------------------|--|--|--|---|
| AASB 2021-2 (issued March 2021) | Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates | <p>Introduces a definition of 'accounting estimate' i.e. monetary amounts in financial statements that are subject to estimation uncertainty, such as estimating expected credit losses for receivables, or estimating the fair value of an item recognised in the financial statements at fair value.</p> <p>Accounting estimates are developed using measurement techniques and inputs. Measurement techniques comprise estimation techniques (such as used to determine expected credit losses or value in use) and valuation techniques (such as the income approach to determine fair value).</p> <p>The amendments clarify that a change in an estimate occurs when there is either a change in a measurement technique or a change in an input.</p> | Annual reporting periods on after 1 January 2023 | There will be no impact on the financial statements when these amendments are first adopted because they apply prospectively to changes in accounting estimates that occur on or after the beginning of the first annual reporting period to which these amendments apply, i.e. annual periods beginning on or after 1 July 2023. |

##### *Standards Likely to Have A Disclosure Impact Only – all entities*

| <b>AASB reference</b>           | <b>Title and Affected Standard(s)</b>  | <b>Nature of Change</b>  | <b>Application Date</b>                          | <b>Impact on Initial Applications</b> |
|---------------------------------|--|--|--|---------------------------------------|
| AASB 2021-2 (issued March 2021) | Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates | <p>Only 'material' accounting policy information must be disclosed in the financial statements, i.e. if it relates to material transactions, other events or conditions and:</p> <ul style="list-style-type: none"> <li>-The entity has changed its accounting policy during the period</li> <li>-There are one or more accounting policy options in Accounting Standards</li> <li>-The accounting policy was developed applying the hierarchy in AASB 108 because there is no specific IFRS dealing with the transaction</li> <li>-Significant judgement was required in applying the accounting policy</li> <li>-The accounting is complex, e.g. more than one IFRS applies to the transaction.</li> </ul> | Annual reporting periods on after 1 January 2023 | Disclosure impact only                |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES cont.

#### (c) Statement of compliance

The financial report was authorised for issue by the directors on 30 September 2022. The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

#### (d) Basis of consolidation

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

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity 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 consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity 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 consolidated entity.

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.

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

Where the consolidated entity 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 consolidated entity 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.

#### (e) Critical accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### *Investments in associate*

Associates are those entities over which the Group is able to exert significant influence but which are not subsidiaries. A holding of 20% or more of the voting power will indicate significant influence. They are accounted for using the equity method. The carrying amount of the investment in associates is increased or decreased to recognise the group's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the group.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### *Asset Acquisition*

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

#### *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 a Black and Scholes model. For equity instruments with market based vesting conditions, a Barrier 1 Valuation model is used.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the consolidated entity's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

#### *Deferred exploration and evaluation*

The Group capitalises exploration expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the Directors are of the continued belief that such expenditure should not be written off since exploration activities in such areas have not yet concluded.

#### *Impairment of exploration expenditure*

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. When assessing impairment of exploration and evaluation assets, the carrying amount of exploration and evaluation is compared to its recoverable amount. The estimated recoverable amount is used to determine the extent of the impairment loss (if any).

As at 30 June 2022 the Directors reviewed the Group's exploration portfolio for indicators of impairment. As a result of this review, the Board made that decision that impairment of exploration expenditure was required in the current year's accounts. Refer to Note 8.

#### *Asset held for Sale*

Non-current assets held for sale and disposal groups Are classified as held for sale when:

- They are available for immediate sale;
- Management is committed to a plan to sell;
- It is unlikely that significant changes to the plan will be made or that the plan will be withdrawn;
- An active programme to locate a Buyer has been initiated;
- The asset or disposal group is being marketed at a reasonable price in relation to its fair value; and
- A sale is expected to complete within 12 months from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of:

- Their carrying amount immediately prior to being classified as held for sale in accordance with the group's accounting policy; and
- Fair value less costs of disposal.

Following their classification as held for sale, non-current assets are not depreciated. The results of operations disposed during the year are included in the consolidated statement of comprehensive income up to the date of disposal.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A discontinued operation is a component of the group's business that represents a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale, that has been disposed of, has been abandoned or that meets the criteria to be classified as held for sale.

Discontinued operations are presented in the consolidated statement of comprehensive income as a single line which comprises the profit or loss of the discontinued operation along with the gain or loss of the re-measurement to fair value less costs.

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

The consolidated entity assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the consolidated entity 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.

#### *Fair Value Measurement*

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.

#### **(f) Revenue recognition**

Revenue is measured at fair value of the consideration received or receivable.

#### *Interest income*

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be reliably measured. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **(g) Segment reporting**

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

#### **(h) Foreign currency translation**

The functional currency of the Group is measured using the currency of the primary economic environment in which the entity operates (United States and Canada), however the financial statements are presented in Australian dollars, which is the economic environment in which the parent operates.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

As at the reporting date the assets and liabilities of this subsidiary are translated into the presentation currency of Marquee Resources Limited at the rate of exchange ruling at the reporting date and income and expense items are translated at the

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

average exchange rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

In addition, in relation to the partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in equity.

#### (i) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of 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 profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

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

#### (j) Goods and Services taxes

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

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

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

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

#### (k) 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.

#### (l) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

#### (m) Trade and other receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days. The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. Other receivables are recognised at amortised cost less an allowance for expected credit loss.

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (n) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

|                     |         |
|---------------------|---------|
| Plant and equipment | 3 years |
|---------------------|---------|

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

#### *Impairment*

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income in the cost of sales line item.

#### *Derecognition and disposal*

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

#### (o) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

#### (p) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit or Loss and Other Comprehensive Income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

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

When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (r) Share-based payment transactions

##### *Equity settled transactions*

Equity-settled transactions are awards of shares, or options over shares, that are provided to Directors. The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Barrier 1 Valuation model or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions. Refer to Note 14 for further information.

The cost of these equity-settled transactions with employees is measured 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 a Black-Scholes model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Marquee Resources Limited (market conditions) if applicable.

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

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The Statement of Profit or Loss and Other Comprehensive Income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

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

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share. Refer Note 5.

#### (s) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

#### (t) Loss per share

Basic loss per share is calculated as net loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted loss per share is calculated as net loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (u) Exploration and evaluation expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
  - the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
  - exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

#### (v) Parent entity financial information

The financial information for the parent entity, Marquee Resources Limited, disclosed in Note 18 has been prepared on the same basis as the consolidated financial statements, except as set out below.

##### *Investments in subsidiaries*

Investments in subsidiaries are accounted for at cost in the parent entity's financial statements.

#### (w) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave, when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by employees up to reporting date.

#### (x) Investment in Associate

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment. After application of the equity method, the company determines whether it is necessary to recognise any additional impairment loss with respect to the company's net investment in the associate.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The company's share of the associate post-acquisition profits or losses is recognised in the statement of profit or loss and other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

#### (y) Financial Assets

##### *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.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Investments in equity instruments are categorised as financial assets at fair value through profit or loss.

When these financial assets are recognised initially, they are measured at fair value. At each reporting date, gains or losses on these financial assets are recognised in profit or loss using Level 1 inputs of unadjusted quoted prices in active markets at the measurement date.

Financial assets are recognised and derecognised on settlement date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time-frame established by the market concerned. They are initially measured at fair value, net of transaction costs, except for those financial assets classified as fair value through profit or loss, which are initially measured at fair value. Transaction costs of financial assets carried at fair value through profit or loss.

The Group classifies its financial assets as either financial assets at fair value through profit or loss ("FVPL"), fair value through other comprehensive income ("FVOCI") or at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For investments in equity instruments, the classification depends on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVPL or FVOCI.

The Group's derivative financial instruments are recognised at FVPL. For assets measured at FVPL, gains and losses will be recorded in statement of profit or loss. Assets in this category are subsequently measured at fair value. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. Refer to Note 9 for additional details.

#### (z) Convertible Note Policy AASB 132

Convertible Notes were issued by the group during the period. The component of the convertible note that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 2: OTHER INCOME AND EXPENSES

|   | 2022          | 2021          |
|---|---------------|---------------|
|   | \$            | \$            |
| <i>Other Income</i>                         |               |               |
| Interest income                             | 1,546         | 1,038         |
| ATO cashflow Boost                          | -             | 23,787        |
| Profit on sale of Centenario (Refer Note 7) | 27,768        | -             |
|   | <u>29,314</u> | <u>24,825</u> |

|                                | 2022           | 2021           |
|--------------------------------|----------------|----------------|
|                                | \$             | \$             |
| <i>Administrative Expenses</i> |                |                |
| Legal Fees                     | 59,997         | 40,727         |
| Consultancy Fees               | 153,866        | 136,512        |
| Travel & Accommodation         | 6,631          | 3,747          |
| ASX/ASIC fees                  | 85,806         | 42,276         |
| Investor Relations             | 81,838         | 15,066         |
| Share Registry Fees            | 47,687         | 18,009         |
| Insurance                      | 50,093         | 47,514         |
| Other                          | 176,485        | 129,578        |
| Total administrative expenses  | <u>662,403</u> | <u>433,429</u> |

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 3: INCOME TAX

*Income tax recognised in profit or loss*

The major components of tax expense are:

|   | 2022     | 2021     |
|---|----------|----------|
|   | \$       | \$       |
| Current tax expense/(income)  | -        | -        |
| Deferred tax expense/(income) relating to the origination and reversal of temporary differences | -        | -        |
|   | <b>-</b> | <b>-</b> |

The prima facie income tax benefit on pre-tax accounting loss from operations reconciles to the income tax benefit in the financial statements as follows:

|   | 2022               | 2021        |
|---|--------------------|-------------|
|   | \$                 | \$          |
| Loss before tax from continuing operations  | <b>(2,976,160)</b> | (2,381,505) |
| Loss before tax from discontinued operations  | -                  | (360,153)   |
| Accounting loss before income tax   | <b>(2,976,160)</b> | (2,741,959) |
| Income tax benefit calculated at 25% (2020: 30%)  | <b>(744,040)</b>   | (822,588)   |
| Tax effect of amounts which are not deductible/(taxable) in calculating taxable income: |                    |             |
| Non-deductible expenditure/(Non-assessable income)                                      | <b>121,127</b>     | 421,378     |
| Difference in overseas tax rates  |                    |             |
| Effect of unused tax losses/temporary differences not recognised as deferred tax assets | <b>622,913</b>     | 351,209     |
| Income tax benefit reported in the consolidated statement of comprehensive income       | <b>-</b>           | -           |
| Income tax attributable to discontinued operations                                      | <b>-</b>           | -           |

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law.

#### *Unrecognised deferred tax assets*

Deferred tax assets have not been recognised in respect of the following items:

|                                      | 2022             | 2021      |
|--------------------------------------|------------------|-----------|
|                                      | \$               | \$        |
| Tax losses – revenue                 | <b>1,562,466</b> | 1,204,337 |
| Tax losses – capital                 | -                | -         |
| Leases                               | <b>542</b>       | 222       |
| Deductible temporary differences     | <b>352,646</b>   | 77,329    |
|                                      | <b>1,888,654</b> | 1,281,888 |
| Off-set of deferred tax liabilities  | <b>(665,735)</b> | (206,046) |
| Net unrecognised deferred tax assets | <b>1,222,919</b> | 1,075,842 |

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits thereof.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 4: SEGMENT REPORTING

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the Chief Operating Decision maker to make decisions regarding the Group's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the Chief Operating Decision Maker. Information reported to the Group's Board of Directors for the purposes of resource allocation and assessment of performance is more specifically focused on the exploration and development of mineral resource projects. The Group's reportable segments under AASB8 are therefore as follows:

- Exploration and evaluation - USA
- Exploration and evaluation - Canada
- Exploration and evaluation - Australia
- Exploration and evaluation - Argentina
- Other sector

Exploration and evaluation – Nevada refers to the Clayton Valley Project Exploration licenses (EL's) held in Nevada USA. The Group holds a 100% interest in these licences through Sovereign Gold Nevada Inc, a wholly owned subsidiary of Marquee Resources Limited. During the December 2021 half two projects have been added to this segment, the Lone Star and Kibby projects located in the US.

Exploration and evaluation – Canada refers to the 30% interest in the Werner Lake project in Canada.

Exploration and evaluation – Argentina refers to the 30% interest via its 100% subsidiary Centenario Lithium Ltd, a Lithium exploration project in the Centenario-Ratones, an area of the Andes in the north-west of Argentina. Subsequent to the sale of Centenario, this segment within the current period, is no longer in place.

Exploration and evaluation – Australia refers to Redlings, West Spargoville and Mt Clement Projects in Western Australia.

The other sector relates to head office operations, including cash management. Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies

#### Segment information

The following table presents revenue and profit information and certain asset and liability information regarding business segments for the period ended 30 June 2022 and 30 June 2021

| 30 June 2022        | Exploration and evaluation - USA | Exploration and evaluation - Canada | Exploration and evaluation - Australia | Exploration and evaluation - Argentina | Other       | Consolidated |
|---------------------|----------------------------------|-------------------------------------|--|--|-------------|--------------|
|                     | \$                               | \$                                  | \$                                     | \$                                     | \$          | \$           |
| Segment revenue     | -                                | -                                   | -                                      | 27,767                                 | 1,547       | 29,314       |
| Segment results     | -                                | (1,386,996) <sup>(i)</sup>          | -                                      | (1,135)                                | (1,678,260) | (3,067,939)  |
| Segment assets      | 7,386,791                        | 1,111,033                           | 2,992,814                              | -                                      | 9,378,671   | 20,869,309   |
| Segment Liabilities | -                                | -                                   | -                                      | -                                      | 1,075,045   | 1,075,045    |

(i) Includes impairment relating to Werner Lake of \$1,386,996

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 4: SEGMENT REPORTING cont.

| 30 June 2021        | Exploration and evaluation - USA | Exploration and evaluation - Canada | Exploration and evaluation - Australia | Exploration and evaluation - Argentina | Other       | Consolidated |
|---------------------|----------------------------------|-------------------------------------|--|--|-------------|--------------|
|                     | \$                               | \$                                  | \$                                     | \$                                     | \$          | \$           |
| Segment revenue     | -                                | -                                   | -                                      | -                                      | 24,825      | 24,825       |
| Segment results     | (82)                             | (990,211)                           | -                                      | (360,153)                              | (1,391,513) | (2,741,959)  |
| Segment assets      | 955,873                          | 1,742,329                           | 949,067                                | 659,644                                | 1,235,891   | 5,542,804    |
| Segment Liabilities | -                                | -                                   | -                                      | -                                      | 187,162     | 187,162      |

### NOTE 5: LOSS PER SHARE

|  | 2022<br>Cents per share | 2021<br>Cents per share |
|--|-------------------------|-------------------------|
| <i>Basic loss per share</i>  |                         |                         |
| Loss from continuing operations attributable to the members of Marquee Resources Ltd | <b>(1.529)</b>          | (2.586)                 |
| Loss attributable to the owners of Marquee Resources Limited                         | <b>(1.529)</b>          | (2.246)                 |

|  | 2022<br>Cents per share | 2021<br>Cents per share |
|--|-------------------------|-------------------------|
| <i>Diluted loss per share</i>  |                         |                         |
| Loss from continuing operations attributable to the members of Marquee Resources Ltd | <b>(1.273)</b>          | (2.586)                 |
| Loss attributable to the owners of Marquee Resources Limited                         | <b>(1.273)</b>          | (2.246)                 |

#### *Basic loss and diluted loss per share*

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

|   | 2022<br>\$         | 2021<br>\$  |
|---|--------------------|-------------|
| Loss from continuing operations   | <b>(3,067,939)</b> | (2,741,959) |
| Loss for the year attributable to the owners of Marquee Resources Limited | <b>(3,067,939)</b> | (2,381,805) |

|   | 2022<br>Number     | 2021<br>Number |
|---|--------------------|----------------|
| Weighted average number of ordinary shares for Basic earnings per share | <b>200,655,540</b> | 106,038,595    |
| Diluted earnings per share  | <b>240,979,146</b> | 106,038,595    |

The Company's potential ordinary shares, being its 8 cent options have been included in the diluted loss per share calculation. The remaining 25.5 million 16 cent options and 22.275 million 12 cent options are not considered dilutive.

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 6: CASH AND CASH EQUIVALENTS

|                          | 2022             | 2021      |
|--------------------------|------------------|-----------|
|                          | \$               | \$        |
| Cash at bank and on hand | <b>9,182,210</b> | 1,233,817 |

Cash at bank earns interest at floating rates based on daily bank deposit rates.

#### Reconciliation of loss for the year to net cash flows from operating activities

|  | 2022               | 2021        |
|--|--------------------|-------------|
|  | \$                 | \$          |
| Loss for the period                      | <b>(3,067,939)</b> | (2,741,959) |
| Depreciation and amortisation            | <b>39,336</b>      | 37,643      |
| Unrealised currency movement             | <b>(24,218)</b>    |             |
| Change in fair value of financial assets | <b>(189,485)</b>   |             |
| Other non-cash items                     | <b>(18,723)</b>    | (40,640)    |
| Exploration impairment                   | <b>1,386,604</b>   | 989,801     |
| Share based payments                     | <b>527,399</b>     | 423,699     |
| Loss from discontinued operations        | -                  | 360,153     |
| (Increase)/decrease in assets:           |                    |             |
| Trade and other receivables              | <b>(156,718)</b>   | 2,157       |
| Other current assets                     | <b>(29,835)</b>    | (8,812)     |
| Increase/(decrease) in liabilities:      |                    |             |
| Trade and other payables                 | <b>69,908</b>      | 16,078      |
| Net cash used in operating activities    | <b>(1,463,672)</b> | (961,880)   |

#### Non-cash investing and financing activities

|  | 2022             | 2021    |
|--|------------------|---------|
|  | \$               | \$      |
| Issue of 8 cent Options Lone Star and Kibby Projects                         | <b>609,000</b>   |         |
| Issue of shares Lone Star and Kibby Projects                                 | <b>545,897</b>   |         |
| Issue of shares Chief technical Officer                                      | <b>28,750</b>    |         |
| Issue of 12 cent options Convertible Note management fee (offset to equity)  | <b>138,338</b>   |         |
| Issue of 10 million broker options -Lead manager Services (offset to equity) | <b>97,593</b>    |         |
| Issue of options to Directors/Staff (Refer to Note 14)                       | <b>498,649</b>   | 423,699 |
| Issue of 2 million Broker Options (offset to equity)                         | -                | 83,641  |
|  | <b>1,918,227</b> | 507,340 |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 7: ASSET HELD FOR SALE (CENTENARIO)

|   | 30 June 2022 | 30 June 2021 |
|---|--------------|--------------|
|   | \$           | \$           |
| Opening Exploration Asset – held for sale               | 659,644      | -            |
| Sale proceeds   | (687,412)    | -            |
| Profit on sale  | 27,768       | -            |
| Opening Investment in Associate                         | -            | 770,491      |
| Cash Call   | -            | 65,789       |
| Miscellaneous expenses                                  | -            | 717          |
| Foreign exchange movement during the year               | -            | 182,800      |
| Impairment expense                                      | -            | (310,078)    |
| Loss for the period (30% share)                         | -            | (50,075)     |
| Closing balance Investment in Associate                 | -            | 659,644      |
| Transfer Investment in Associate to Asset held for sale | -            | (659,644)    |
| Closing Balance - Investment in Associate (i)           | -            | -            |
| Closing balance - Exploration Asset – held for sale     | -            | 659,644      |

The sale of Centenario was completed in November 2021 (Refer ASX Announcement dated 24 Nov 2021)

### NOTE 8: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

|   | 2022              | 2021             |
|---|-------------------|------------------|
|   | \$                | \$               |
| Costs carried forward in respect of:              |                   |                  |
| <i>Exploration and evaluation phase – at cost</i> |                   |                  |
| Balance at beginning of year                      | 3,528,723         | 3,866,967        |
| Assets acquired (i)                               | 1,582,181         | 205,890          |
| Exploration expenditure incurred                  | 6,810,790         | 521,221          |
| Foreign Exchange                                  | 166,409           | (75,555)         |
| Impaired exploration expenditure (ii)             | (1,386,604)       | (989,801)        |
| Total exploration and evaluation expenditure      | <b>10,701,500</b> | <b>3,528,723</b> |

(i) Acquisitions include:

West Spargoville extension option fee \$100,000.

A total of \$1,482,181 relates to the acquisition costs of Lone Star and Kibby projects under Earn-in Agreement with Belmont Resources Inc. This includes cash payment of \$219,106 and two million shares valued at \$230,000 to Belmont Resources Inc. plus facilitation fees paid in the form of 10 million options plus 705,000 shares to GTT Ventures or their nominees valued \$690,075.

In April 2022, a further cash payment of \$108,178 was paid for consideration of condition 2 and 3 Lone Star Project. Further to this 1 million MQR shares (valued \$64,000) were issued to Belmont Resources (satisfaction of condition 3) bringing the interest in the Lone Star Project to 50%. A further 2,669,095 MQR shares were issued in facilitation fees (valued \$170,822).

Pursuant to the agreement for the acquisition of the Kibby Project the Company can acquire up to an 80% interest in the Kibby Project over a 15-month earn-in period (commencing on 1 November 2021) for maximum consideration comprising:

- up to C\$100,000 (Canadian Dollars) cash consideration;
- up to C\$2,500,000 expenditure on the Kibby Project; and
- the issue of up to 3,000,000 ordinary shares in the Company.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 8: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE (continued)

In line with relevant accounting standards, the Company has treated the acquisition of Lone Star and Kibby Projects as asset acquisitions and share-based payment transactions under AASB 2 *Share-Based Payments*. The value of these transactions are measured by value of the consideration paid and value of the shares determined by the share price on the date they were issued. Acquisition related costs with regards to the acquisition are capitalised

Pursuant to the agreement for the acquisition of the Lone Star Project, the Company can acquire up to an 80% interest in the Lone Star Project over a 24-month earn-in period (commencing on 1 November 2021) for maximum consideration comprising:

- up to C\$250,000 cash consideration;
- up to C\$2,550,000 expenditure on the Lone Star Project; and
- the issue of up to 3,000,000 Shares.

The interest in the Kibby Project at balance date is 10%

(ii) The Board undertook a review of all Exploration and Evaluation assets and agreed that the value of Werner Lake project should be impaired by \$1,386,604 (2021: \$989,801).

The exploration assets satisfy AASB 6 and remain as exploration assets in the statement of financial position. The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent upon the successful development and commercial exploitation or sale of the respective areas.

### NOTE 9: FINANCIAL ASSETS

On 18 March 2022, the company participated in a placement by Belmont Resources Inc, a Canadian Company listed with Toronto Stock Exchange. The Company subscribed to 6 million shares at an issue price of CAD 7 cents per share for a total of CAD 420,000 which equated to AUD 451,516. The Company in addition received 6 million warrants with an exercise price of CAD 10 cents up to 18 March 2023 and 15 cents up to 18 March 2024.

| Derivative Financial Instruments                         | 2022    | 2021 |
|--|---------|------|
|  | \$      | \$   |
| Opening Balance  | -       | -    |
| Acquisition of shares (CAD 7 cents per share)            | 451,516 | -    |
| Change in fair value (share price CAD 8 cents per share) | 64,502  | -    |
| Change in fair value (exchange rate movement)            | 24,218  | -    |
| Grant of 6 million warrants                              | 124,983 | -    |
| Closing Balance  | 665,219 | -    |

### NOTE 10: TRADE AND OTHER PAYABLES (CURRENT)

|                            | 2022    | 2021    |
|----------------------------|---------|---------|
|                            | \$      | \$      |
| Trade payables (i)         | 513,128 | 43,983  |
| Credit Card                | 14,919  | 14,954  |
| Payroll provisions/payable | 116,692 | 49,419  |
|                            | 644,738 | 108,356 |

(i) Trade payables are non-interest bearing and are normally settled on 30-day terms. Information regarding the interest rate, foreign exchange and liquidity risk exposure is set out in Note 15.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 11: ISSUED CAPITAL

|                                       | Number             | 2022<br>\$        | Number             | 2021<br>\$        |
|---------------------------------------|--------------------|-------------------|--------------------|-------------------|
| Ordinary shares issued and fully paid | 315,617,580        | 30,656,534        | 119,910,102        | 14,661,637        |
| <b>Total</b>                          | <b>315,617,580</b> | <b>30,656,534</b> | <b>119,910,102</b> | <b>14,661,637</b> |

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

#### Movement in ordinary shares on issue

|   | 2022        |             | 2021        |            |
|---|-------------|-------------|-------------|------------|
|   | Number      | \$          | Number      | \$         |
| Balance at beginning of year                          | 119,910,102 | 14,661,637  | 63,610,102  | 12,438,405 |
| Placement (i)   | 29,750,000  | 1,487,500   |             |            |
| Option exercise @ 8 cents per share                   | 15,750,000  | 1,260,000   |             |            |
| Conversion Convertible Note (ii)                      | 37,500,000  | 3,000,000   |             |            |
| Vendor and facilitation shares (iii)                  | 2,705,000   | 311,075     |             |            |
| Technical Officer shares (iv)                         | 250,000     | 28,750      |             |            |
| Exercise of options (v) (Jan to April 2022)           | 12,737,500  | 1,025,500   |             |            |
| Placement (vi) April 2022                             | 54,338,144  | 5,705,505   |             |            |
| Option exercise (Jan to April 2022) (vii)             | 912,500     | 75,500      |             |            |
| Share Purchase Plan (May 2022) (viii)                 | 38,095,239  | 4,000,000   |             |            |
| Lone Star earn in shares and facilitation shares (ix) | 3,669,095   | 234,822     |             |            |
| Placement July/Sep 2020                               | -           | -           | 40,000,000  | 1,600,027  |
| Option exercise                                       | -           | -           | 1,300,000   | 104,000    |
| Placement Feb 2021                                    | -           | -           | 15,000,000  | 750,000    |
| Capital Raising Costs                                 | -           | (1,133,755) | -           | (230,796)  |
| Balance at end of year                                | 315,617,580 | 30,656,534  | 119,910,102 | 14,661,637 |

(i) Placement in August 2021 at 5 cents per share.

(ii) On 5 November 2021 Marquee Resources Ltd entered into binding loan commitments for \$3,000,000 via convertible loan agreements. No interest was payable on the loan and the conversion to shares was subject to shareholder approval. Approval was obtained 30 November 2021 and the loan was automatically deemed to be converted into fully paid ordinary shares at a conversion price of \$0.08 per share, together with free attaching options on the basis of 1 option for every 2 shares, exercisable at \$0.12 each and expiring 30 November 2022. The converted shares and free attaching options were issued 6 December 2021.

(iii) 2 million ordinary shares were issued to Belmont Resources Inc as consideration to the earn-in agreement relating to the Lone Star and Kibby projects in the US. There was a further issue of 705,000 shares as facilitation fee for the acquisition.

(iv) Issue of 250,000 shares to the Chief Technical Officer.

(v) Conversion of 12,575,000 options to shares at 8 cents per option and 162,500 options at 12 cents per option.

(vi) Placement at 10.5 cents per share.

(vii) Conversion of 850,000 options at 8 cents and 62,500 options at 12 cents.

(viii) Share Purchase Plan issue of shares at 10.5 cents per share.

(ix) Issue of 1 million MQR shares to Belmont Resources pursuant to the Earn-in Agreement on the Lone Star Project, and a further 2,669,095 shares as facilitation fee to GTT in relation to the transaction (June 2022).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 11: ISSUED CAPITAL (continued)

| Listed Options               | 2022   |           | 2021        |           |
|------------------------------|--------|-----------|-------------|-----------|
|                              | Number | \$        | Number      | \$        |
| Balance at beginning of year | -      | 1,471,000 | 8,000,000   | 1,471,000 |
| Expired Options Sep 2020     | -      | -         | (8,000,000) | -         |
| Balance at end of year       | -      | 1,471,000 | -           | 1,471,000 |

| Unlisted Options   | 2022         |           | 2021        |         |
|--|--------------|-----------|-------------|---------|
|  | Number       | \$        | Number      | \$      |
| Balance at beginning of year   | 50,700,000   | 507,340   | -           | -       |
| Free attaching options Convertible Loan Participants<br>18,750,000, and Lead Manager Options 3,750,000 (12<br>cents exercise price expiry 30 Nov 2022) | 22,500,000   | 138,338   | -           | -       |
| 10 million 8 cents option issued pursuant to the Belmont<br>Resources Earn-In Agreement as Facilitation fee  | 10,000,000   | 609,000   | -           | -       |
| 10 million 16 cent options issued in lieu of Lead<br>Management Services of Placement conducted April<br>2022  | 10,000,000   | 97,592    | -           | -       |
| Placement – issue of free attaching options  | -            | -         | 40,000,000  | -       |
| Broker options in relation to Placement  | -            | -         | 2,000,000   | 83,641  |
| Management Options   | 14,500,000   | 498,649   | 8,000,000   | 334,566 |
| Exercise of Options  | (29,400,000) | -         | (1,300,000) | -       |
| Options to Technical Officer Class A   | -            | -         | 1,000,000   | 49,219  |
| Options to Technical Officer Class B   | -            | -         | 1,000,000   | 39,914  |
| Balance at end of year   | 78,300,000   | 3,321,919 | 50,700,000  | 507,340 |

#### Performance Rights

The Company during the 2018 financial year granted 8 million Performance Rights to Directors and Company Secretary. The movement in Performance Rights in the current financial year were as follows with the Rights expiring 8 June 2021:

|                                | 2022   |           | 2021        |           |
|--------------------------------|--------|-----------|-------------|-----------|
|                                | Number | \$        | Number      | \$        |
| Balance at beginning of year   | -      | 2,548,000 | 7,000,000   | 2,548,000 |
| Expired Performance Rights (i) | -      | -         | (7,000,000) | -         |
| Balance at end of year         | -      | 2,548,000 | -           | 2,548,000 |

(i) Performance Rights expired 8 June 2021

### NOTE 12: RESERVES

Movements in reserves were as follows:

|                                  | Option<br>premium<br>reserve | Equity based<br>payment<br>reserve | Foreign<br>currency<br>translation<br>reserve | Total     |
|----------------------------------|------------------------------|------------------------------------|---|-----------|
| 2022                             | \$                           | \$                                 | \$  | \$        |
| Balance at beginning of year     | 1,978,340                    | 2,548,000                          | (35,013)                                      | 4,491,327 |
| Equity based payment (options)   | 1,343,579                    | -                                  | -   | 1,343,579 |
| Currency translation differences | -                            | -                                  | 168,083                                       | 168,083   |
| Balance at end of year           | 3,321,919                    | 2,548,000                          | 133,070                                       | 6,002,989 |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 12: RESERVES (continued)

Movements in reserves were as follows:

|                                  | Option<br>premium<br>reserve | Equity based<br>payment<br>reserve | Foreign<br>currency<br>translation<br>reserve | Total     |
|----------------------------------|------------------------------|------------------------------------|---|-----------|
| 2021                             | \$                           | \$                                 | \$  | \$        |
| Balance at beginning of year     | 1,471,000                    | 2,548,000                          | (139,977)                                     | 3,879,023 |
| Equity based payment (options)   | 507,340                      | -                                  | -   | 507,340   |
| Currency translation differences | -                            | -                                  | 104,964                                       | 104,964   |
| Balance at end of year           | 1,978,340                    | 2,548,000                          | (35,013)                                      | 4,491,327 |

*Nature and purpose of reserves*

#### Equity based payment and option premium reserve

The share based payment reserve is used to record the value of equity benefits provided to employees and directors as part of their remuneration. The option premium reserve arises on the grant of share options for consideration.

#### Foreign currency translation reserve

Exchange differences relating to the translation from the functional currencies of the Group's foreign controlled entities into Australian dollars are brought to account by entries made directly to the foreign currency translation reserve.

### NOTE 13: ACCUMULATED LOSSES

*Accumulated Losses*

Movements in accumulated losses were as follows:

|                              | 2022         | 2021         |
|------------------------------|--------------|--------------|
|                              | \$           | \$           |
| Balance at beginning of year | (13,797,322) | (11,055,364) |
| Net loss for the year        | (3,067,939)  | (2,741,959)  |
| Balance at end of year       | (16,865,261) | (13,797,322) |

### NOTE 14: SHARE BASED PAYMENTS

*14.a Expenses arising from share based payments*

There were expenses arising from share based payments transactions recognised during the year as follows:

|   | June 2022 | June 2021 |
|---|-----------|-----------|
|   | \$        | \$        |
| <b>Equity</b>   |           |           |
| 12 cent Options (series 5) issued to consultant in lieu of fees, (offset to equity)(i)  | 138,337   |           |
| 16 cent Options (series 7) issued to consultant in lieu of fees (offset to equity) (ii) | 97,593    |           |
| Series 1 Options issued to consultants in lieu of fees, offset to equity                | -         | 83,641    |
| Total share-based payment - equity  | 235,930   | 83,641    |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 14: SHARE BASED PAYMENTS (continued)

|   | June 2022        | June 2021      |
|---|------------------|----------------|
| <b>Asset</b>  |                  |                |
| Issue of shares-acquisition Lone Star and Kibby projects (assets acquired) (iii)    | 230,000          | -              |
| Issue of shares as facilitation fee for Lone star and Kibby projects (asset) (iv)   | 81,075           | -              |
| Issue of shares acquisition Lone Star 50% interest (asset) (v)                      | 64,000           | -              |
| Issue of shares as facilitation fee for Lone star projects (asset) (vi)             | 170,822          | -              |
| Issue of options as facilitation fee for Lone Star and Kibby Projects (asset) (vii) | 609,000          | -              |
| Total Share based payment - asset   | <u>1,154,897</u> | <u>-</u>       |
| <b>Expense</b>  |                  |                |
| Issue of shares to technical Officer (expense) (viii)                               | 28,750           | -              |
| Series 6 Options to Management (ix)   | 498,649          | -              |
| Series 1 Options issued to Directors and officers of the Company                    | -                | 334,566        |
| Series 1 and 2 Options issued to Technical officer                                  | -                | 89,133         |
| Total Share based payment - expense   | <u>527,399</u>   | <u>423,699</u> |

(i) Issue of 3.75 million 12 cent options to GTT Ventures Pty Ltd or nominees as fees for management of the Convertible loan Agreements (valued at \$0.03689 per option) See Note 13b also.

(ii) Issue of 10 million broker options for Lead manager Services of placement.

(iii) Issue of 2 million shares to Belmont Inc as consideration as part of the Earn-in Agreement for the Lone Star and Kibby projects (valued at 11.5 cents per share).

(iv) Issue of 705,000 shares as facilitation fees (valued at 11.5 cents per share) for the Earn-in agreement with Belmont Resources Inc to GTT Ventures or nominees. C Thomas is a director and shareholder of GTT Ventures Pty Ltd.

(v) Issue of 1 million share to Belmont Inc as consideration as part of the Earn-in agreement Lone Star project to earn 50% (valued at 6.4 per cents per share).

(vi) Issue of 2,669,095 shares as facilitation fees (valued at 6.4 cents per share) pursuant to Earn-In agreement with Belmont Resources Inc to GTT Ventures or nominees. C Thomas is a director and shareholder of GTT Ventures Pty Ltd.

(vii) Issue of 10 million options to GTT Ventures Pty Ltd or nominee as facilitation fees for the Earn-in agreement with Belmont Resources Inc. The options have an exercise price of 8 cents and are valued at \$0.0609 per option.

(viii) Issue of 250,000 ordinary shares to the technical officer Dr James Warren (valued at 11.5 cents per share).

(ix) Grant of 14.5 million Management Incentive Options exercise price \$0.16 expiry 14/6/2025 (\$0.03439 per option).

#### 14.b New Options issued during the period

The following share-based payment arrangements were put place during the 2022 financial year:

| Series                      | Number     | Grant date | Expiry date | Exercise price | Fair value at grant date |
|-----------------------------|------------|------------|-------------|----------------|--------------------------|
| 4.Options issued 6/12/2021  | 10,000,000 | 30/11/2021 | 30/6/2023   | \$0.08         | \$0.0609                 |
| 5. Options issued 6/12/2021 | 3,750,000  | 30/11/2021 | 30/11/2022  | \$0.12         | \$0.03689                |
| 6. Options issued 28/6/2022 | 14,500,000 | 14/6/2022  | 30/6/2025   | \$0.16         | \$0.03439                |
| 7. Options issued 28/6/2022 | 10,000,000 | 14/6/2022  | 30/6/2023   | \$0.16         | \$0.0098                 |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### 14.b New Options issued during the period (continued)

The fair value of the unlisted options was determined using the Black Scholes Method. Inputs used to determine the valuation were:

| Series 4                      | Series 5                     | Series 6                      |
|-------------------------------|------------------------------|-------------------------------|
| Number of Options: 10,000,000 | Number of Options: 3,750,000 | Number of Options: 14,500,000 |
| Grant date: 30 Nov 2021       | Grant Date: 30 Nov 2021      | Grant Date: 14 Jun 2022       |
| Share Price: \$0.12           | Share Price: \$0.12          | Share Price: \$0.072          |
| Exercise Price: \$0.08        | Exercise Price: \$0.12       | Exercise Price: \$0.16        |
| Expected Volatility: 79%      | Expected Volatility: 79%     | Expected Volatility: 100%     |
| Expiry date (years): 1.6      | Expiry date (years): 1       | Expiry date (years): 3        |
| Expected dividend yield: nil  | Expected dividend yield: nil | Expected dividend yield: nil  |
| Risk free rate: 0.01%         | Risk free rate: 0.01%        | Risk free rate: 3.29%         |
| Total fair value: \$609,000   | Total fair value: \$138,337  | Total fair value: \$498,649   |

| Series 7                      |
|-------------------------------|
| Number of Options: 10,000,000 |
| Grant Date: 14 Jun 2022       |
| Share Price: \$0.072          |
| Exercise Price: \$0.16        |
| Expected Volatility: 100%     |
| Expiry date (years): 1        |
| Expected dividend yield: nil  |
| Risk free rate: 3.29%         |
| Total fair value: \$97,593    |

| Option Reserve   | 2022<br>\$       | 2021<br>\$       |
|--|------------------|------------------|
| Opening Balance  | 1,978,340        | 1,471,000        |
| Options 10 million (8 cent) Lone Star & Kibby Projects   | 609,000          |                  |
| Options 3.75 million (12 cent) Consultant Convertible Note fee                                     | 138,337          |                  |
| Grant of 14.5 million management Options (16 cents)  | 498,649          |                  |
| Options issued to Directors (7,250,000 @ \$0.04182)  | -                | 303,200          |
| Options issued to Company sec and Executive Assistant (750,000 @ \$0.04182)                        | -                | 31,366           |
| Options issued to Technical Officer (1 million Class A @\$0.0492 and 1 million Class B @ \$0.0399) | -                | 89,133           |
| Options 10 million (16 cent) issued to brokers   | 97,593           | 83,641           |
| <b>Option reserve closing balance</b>  | <b>3,321,919</b> | <b>1,978,340</b> |

There are a total of 78.3 million options on issue as at 30 June 2022 with an average exercise price of 11.7 cents and average remaining life of 14.5 months.

### NOTE 15: FINANCIAL INSTRUMENTS

#### Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of cash and cash equivalents (no debt) and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax, and general administrative outgoings.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 15: FINANCIAL INSTRUMENTS (continued)

#### Categories of financial instruments

|   | 2022      | 2021      |
|---|-----------|-----------|
|   | \$        | \$        |
| <b>Financial assets</b>                         |           |           |
| Cash and cash equivalents                       | 9,182,210 | 1,233,817 |
| Receivables                                     | 194,066   | 37,348    |
| Investment in Belmont Resources Inc non-current | 665,219   | -         |
| <b>Financial and lease liabilities</b>          |           |           |
| Trade and other payables                        | 550,046   | 80,938    |
| Lease Liabilities                               | 22,522    | 56,806    |

#### Financial risk management objectives

The Group is exposed to market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

#### Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, commodity prices and exchange rates.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

#### Liquidity Risk

Management monitors rolling forecasts of the Group's cash reserves on the basis of expected cash flows. The Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to pay debts as and when they become due and payable.

|                                      | Weighted<br>average<br>interest<br>rate | 1 year or<br>less<br>\$ | Between 1 and<br>2 years<br>\$ | Between 2 and<br>5 years<br>\$ | Over 5 years<br>\$ | Remaining<br>contractual<br>maturities<br>\$ |
|--------------------------------------|---|-------------------------|--------------------------------|--------------------------------|--------------------|--|
| <b>Non-interest bearing</b>          |   |                         |                                |                                |                    |  |
| Trade and other payables             | -                                       | 550,046                 | -                              | -                              | -                  | 550,046                                      |
|                                      | -                                       | 550,046                 | -                              | -                              | -                  | 550,046                                      |
| <b>Interest-bearing – fixed rate</b> |   |                         |                                |                                |                    |  |
| Lease Liability                      | 7.00%                                   | 22,522                  | -                              | -                              | -                  | 22,522                                       |
| Credit Card                          | 18.5%                                   | 14,919                  | -                              | -                              | -                  | 14,919                                       |
| Total non-derivatives                |   | 37,441                  | -                              | -                              | -                  | 37,441                                       |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 15: FINANCIAL INSTRUMENTS (continued)

#### *Foreign Exchange Risk*

The consolidated group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the relevant group company. The consolidated group's borrowings and deposits are largely denominated in US dollars. Currently there are no foreign exchange hedge programmes in place. However, the consolidated group treasury function manages the purchase of foreign currency to meet operational requirements.

As at 30 June 2022 the consolidated group's net exposure to foreign exchange risk was as follows:

| Currency   | 2022<br>\$000s | 2021<br>\$000s |
|--|----------------|----------------|
| <b>Functional currency of individual entity: AUD</b> |                |                |
| <b>Net Foreign Currency Financial Assets</b>         |                |                |
| Cash & cash equivalents                              | CAD            | 103            |
|  | 103            | 103            |

The effect of a 10% strengthening of the CAD against the AUD at the reporting date on the CAD-denominated assets carried within the AUD functional currency entity would, all other variables held constant, have resulted in an increase in post-tax loss for the year and decrease of net assets of AUD 10,545 (2021: 10,090).

#### Interest rate risk management

The Group's exposures to interest rates on financial assets and financial liabilities are confined to variable interest rates on its cash holdings of \$9,182,210 at reporting date.

#### Credit risk management

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 adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

#### Fair Values

##### *Fair value hierarchy*

The following details the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

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

Derivative financial instruments as included within Note 9 have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

The carrying amount of the Group's financial assets and liabilities approximates their carrying amounts at reporting date.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 16: COMMITMENTS AND CONTINGENCIES

a) *USA minerals exploration program*

As at 30 June 2022, Sovereign Gold Nevada Inc (100% subsidiary of Marquee Resources) held Exploration licences in Nevada USA. The annual financial commitment is as follows;

| Licence           | Annual Commitment     |
|-------------------|-----------------------|
| 106 Claims Nevada | \$32,671 (USD 22,507) |
|                   |                       |
|                   | \$32,671              |

b) *Canada minerals exploration program*

| Project             | Annual Commitment |
|---------------------|-------------------|
| Werner Lake Project | CAD 4,961         |

c) *Redlings, West Spargoville and Mt. Clement minerals exploration program*

| Project                  | Annual Commitment  |
|--------------------------|--|
| Redlings Project         | \$ 8,914 annual rent<br>\$66,000 minimum spend                   |
| West Spargoville Project | \$5,932 annual rent<br>\$49,000 minimum spend                    |
| Mt Clement Project       | \$ 10,121 annual rent<br>\$71,000 minimum spend (part estimated) |

d) *Contingent Liability*  
Deferred Consideration

- the company has an obligation under the Share Sale Deed with unrelated party **vendors of the project** to issue 35,000,000 fully paid MQR shares or \$175,000 upon confirmation of JORC Code compliant inferred lithium carbonate resource of at least 300,000 tonnes on the Clayton Valley Claims. The Company considers this target is still unlikely and therefore this deferred consideration has not been reflected in the financial statements.
- the company has a deferred consideration under the share purchase agreement to the sellers of **Canadian CO27 Pty Ltd** of a 1.5% net royalty smelter on Werner Lake. The Company considers this target is still unlikely and therefore this deferred consideration has not been reflected in the financial statements.
- the company has a deferred consideration under the Project Agreement - Werner Lake with **GEMC** whereby a 2% net smelter royalty on the Project is payable to the previous owner. The Company considers this target is still unlikely and therefore this deferred consideration has not been reflected in the financial statements.
- The company successfully completed the acquisition of 100% of the issued capital of Centenario Lithium Ltd on the 5<sup>th</sup> September 2019. Deferred consideration included Class A Performance Rights having a value of A\$1,000,000 which will vest and convert to a share upon the delineation of JORC-compliant Resource of 250,000 tonnes of lithium across the Tenements. In addition, Class B performance Rights having a value of A\$1,000,000 which will vest and convert to a share upon delineation of JORC-compliant Resource of 500,000 tonnes of lithium across the tenements. These deferred Performance Rights expired 5 September 2021 unvested.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 17: RELATED PARTY DISCLOSURE

The consolidated financial statements include the financial statements of Marquee Resources Limited and the subsidiaries listed in the following table. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

|  | Country of incorporation | 2022<br>% | 2021<br>% |
|--|--------------------------|-----------|-----------|
| Parent Entity  |                          |           |           |
| Marquee Resources Limited  | Australia                |           |           |
| Subsidiaries   |                          |           |           |
| Sovereign Gold Nevada Inc<br>(held 100% by Marquee Resources Nevada Pty Ltd) | USA                      | 100       | 100       |
| Marquee Resources Nevada Pty Ltd <sup>(i)</sup>                              | Australia                | 100       | 100       |
| Canadian CO27 Pty Ltd <sup>(ii)</sup>  | Australia                | 100       | 100       |
| Marquee Resources Canada Ltd   | Canada                   | 100       | 100       |
| Centenario Lithium Limited <sup>(iii)</sup>                                  | Australia                | 0         | 100       |
| Lithium Power International Holdings (Argentina) <sup>(iii)</sup>            | Australia                | 0         | 30        |
| Lithium Power S.A <sup>(iii)</sup>   | Argentina                | 0         | 30        |

Marquee Resources Limited is the ultimate Australian parent entity and ultimate parent of the Group.

- (i) Marquee Resource Nevada Pty Ltd was incorporated to hold the 100% shares in Sovereign Gold Nevada Inc. No transactions or activities have occurred in Marquee Resources Nevada Pty Ltd during the current financial period.
- (ii) Marquee Resources acquired 100% of the issued capital of Canadian CO27 Pty Ltd, the party that holds Project Agreements at Werner Lake.
- (iii) Marquee Resources completed the acquisition of 100% of the issued capital of Centenario Lithium Ltd. This company holds 30% of the issued capital of Lithium Power International Holdings (Argentina) Pty Ltd. This holding company holds 100% of the issued capital of Lithium Power S.A (incorporated in Argentina) and the holder of the seven tenements in Centenario Salar Argentina. Centenario Lithium Limited was disposed in the current financial year. See Note 7

#### Key Management Personnel Remuneration

##### Transactions with Key Management Personnel

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report. Total remuneration paid to key management personnel is as follows:

| Remuneration type             | 2022<br>\$ | 2021<br>\$ |
|-------------------------------|------------|------------|
| Short- term employee benefits | 274,500    | 247,000    |
| Post-employment benefits      | 27,450     | 23,465     |
| Share based payments          | 395,480    | 303,050    |
| Total                         | 697,430    | 573,515    |

Further payments to GTT Ventures Pty Ltd and 19808283 Pty Ltd (a company of which Charles Thomas is a Director and shareholder) included the following:

- Corporate Advisory Fees amounting to \$126,000 (ex GST) pursuant to a corporate consultancy agreement.
- Capital Raising fees \$483,370 relating to placements conducted in August 2021 and April 2022, Facilitation fees for Option Conversion \$145,058, and the Convertible Loan fee \$205,000 conducted in November 2021.
- 3.75 million unlisted options (exercise price \$0.12, expiry 30 Nov 2022) were issued to GTT Ventures Pty Ltd for corporate advisory services. These were valued at \$0.03689 per option totalling \$138,337.
- Facilitation fees in relation to the Lone Star and Kibby earn-in agreements - 3,374,095 shares (valued \$251,897) and 10 million options valued \$609,000.
- A sub lease for the rental of the office premises in Subiaco is in place with 19808383 Pty Ltd. Total rent paid to 30 June 2022 is \$36,000 (ex GST).

Payments to AGH Legal for legal services (a legal firm of which George Henderson is a Partner and shareholder) amounted to \$89,557 (ex GST).

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 17: RELATED PARTY DISCLOSURE continued

#### *Loans to Key Management Personnel*

There were no loans to Key Management Personnel.

#### *Other transactions and balances with Key Management Personnel*

Nil

### NOTE 18: PARENT ENTITY DISCLOSURES

#### *Financial position*

|                                    | 2022<br>\$          | 2021<br>\$          |
|------------------------------------|---------------------|---------------------|
| <b>Assets</b>                      |                     |                     |
| Current assets                     | 9,291,005           | 1,160,116           |
| Non-current assets                 | 13,959,002          | 4,382,508           |
| Total assets                       | <b>23,250,006</b>   | <b>5,542,624</b>    |
| <b>Liabilities</b>                 |                     |                     |
| Current liabilities                | 1,048,664           | 161,460             |
| Non-current liabilities            | 26,381              | 25,522              |
| Total liabilities                  | <b>1,075,045</b>    | <b>186,982</b>      |
| Net Assets                         | <b>22,174,961</b>   | <b>5,355,642</b>    |
| <b>Equity</b>                      |                     |                     |
| Issued capital                     | 30,656,534          | 14,661,637          |
| Reserves                           |                     |                     |
| • Option premium reserve           | 3,321,919           | 1,978,340           |
| • Equity settled employee benefits | 2,548,000           | 2,548,000           |
| Accumulated losses                 | <b>(14,351,492)</b> | <b>(13,832,335)</b> |
| Total equity                       | <b>22,174,961</b>   | <b>5,355,642</b>    |

#### *Financial performance*

|                          | 2022<br>\$         | 2021<br>\$         |
|--------------------------|--------------------|--------------------|
| Loss for the period      | <b>(1,020,163)</b> | <b>(2,381,313)</b> |
| Other comprehensive loss | -                  | -                  |
| Total comprehensive loss | <b>(1,020,163)</b> | <b>(2,381,313)</b> |

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

Marquee Resources Limited has not entered into any deed of cross guarantee with its wholly-owned subsidiaries during the year ended 30 June 2022.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

### NOTE 19: EVENTS AFTER THE REPORTING PERIOD

Subsequent to the year end, Marquee Resources Limited announced that on completion of the due diligence process, the binding term sheet with Mineral Resources Limited (as announced to the ASX on 02 June 2022 and amended on 04 July 2022) had become binding. The Key terms of the agreement are outlined below.

#### Key Terms:

- MQR and MinRes have entered into a legally binding term sheet for a Farm-in and Joint Venture agreement at the West Spargoville Project in Western Australia.
- MinRes has the right to acquire an initial 25% legal and beneficial interest in the lithium rights (**Initial Farm-in Interest**) by funding all exploration and development activities and completing a feasibility study for the Project, including a JORC compliant resource (**Initial Farm-in Obligation**) within 24 months (**Initial Farm-in Period**).
- In performing the Initial Farm-in Obligation, MinRes will fund: at least \$1,000,000 of exploration and development activities on the Tenements by 31 December 2022; and the \$500,000 cost to exercise the Fyfehill Option.
- Marquee will be responsible for managing the implementation of the exploration and development activities on the Tenements during the Initial Farm-in Period

#### (Processing Farm-in)

If MinRes elects to proceed with the Processing Farm-in, it has the right to acquire an additional 45% legal and beneficial interest in the lithium rights by funding the Project until the point of a final investment decision on a mine development for the Project (**FID**). MinRes will provide complete mine to port services to the JV including: mining; design, construction and operation of a processing plant; on-site power generation; haulage of product to nominated port facilities; marketing of product and shipment of product to purchasers.

#### (Mine Gate Sale Farm-in).

If MinRes elects to proceed with the Mine Gate Farm-in, it has the right to acquire an additional 26% legal and beneficial interest in the lithium rights by funding the Project until the development, construction and commissioning of a mine and related facilities. MinRes will build, own and operate all plant, equipment and infrastructure for the mining operations and buy lithium bearing ore from the JV for a mine gate sale price to be established on commercially competitive and industry standard terms.

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

### NOTE 20: AUDITOR'S REMUNERATION

The auditor of Marquee Resources Limited is BDO Audit (WA) Pty Ltd. The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

| Auditors of the Group – BDO and related network firms | 2022   | 2021   |
|---|--------|--------|
|   | \$     | \$     |
| <i>Auditor of the parent entity</i>                   |        |        |
| Audit or review of the financial statements           | 48,756 | 38,285 |
|   | 48,756 | 38,285 |
| <i>Taxation and other advisory services</i>           |        |        |
| Taxation  | 7,210  | 12,500 |
| Total services provided by BDO                        | 55,966 | 50,785 |

**DIRECTORS' DECLARATION**

1. In the opinion of the directors of Marquee Resources Limited (the 'Company'):
  - a. the accompanying financial statements and notes are 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 performance for the year then ended; and
    - ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
  - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
  - c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2022.

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



Charles Thomas  
Executive Chairman

Dated: 30 September 2022

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## INDEPENDENT AUDITOR'S REPORT

To the members of Marquee Resources Limited

### Report on the Audit of the Financial Report

#### Opinion

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

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

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

#### Basis for opinion

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

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

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

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## 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.

### Recoverability of deferred exploration and evaluation expenditure

| <i>Key audit matter</i>  | <i>How the matter was addressed in our audit</i>  |
|--|---|
| <p>Note 8 of the financial report discloses the carrying value of the Group's capitalised exploration and evaluation expenditure assets.</p> <p>As the carrying value of the capitalised exploration and evaluation expenditure represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular:</p> <ul style="list-style-type: none"> <li>• Whether the conditions for capitalisation are satisfied;</li> <li>• Which elements of exploration and evaluation expenditures qualify for recognition;</li> <li>• Recognition and valuation of purchase consideration for tenement acquisitions; and</li> </ul> <p>Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.</p> | <p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>• Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date;</li> <li>• Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes;</li> <li>• Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;</li> <li>• Verifying, on a sample basis, evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6;</li> <li>• Considering whether any facts or circumstances existed to suggest impairment testing was required;</li> <li>• Reviewing the basis of impairment recorded by management and the methodology used to determine the fair value for compliance with the relevant accounting standards; and</li> <li>• We also assessed the adequacy of the related disclosures in Note 1(e), Note 1(u) and Note 8 to the financial report.</li> </ul> |

## Other information

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

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

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

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

## Responsibilities of the directors for the Financial Report

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

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

## Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf)

This description forms part of our auditor's report.



## Report on the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 23 of the directors' report for the year ended 30 June 2022.

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

### Responsibilities

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

BDO Audit (WA) Pty Ltd

BDO  


Phillip Murdoch

Director

Perth

30 September 2022

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**ADDITIONAL SECURITIES EXCHANGE INFORMATION****ASX additional information as at 20 September 2022****Number of holders of equity securities**Ordinary share capital

315,617,580 fully paid ordinary shares are held by 3,259 individual shareholders.

All issued ordinary shares carry one vote per share.

Options

30.525 million unlisted options exercise price \$0.08 expiry 30/06/2023

11 million unlisted options exercise price \$0.16 expiry 30/06/2023

22.275 million unlisted options exercise price \$0.12 expiry 30/11/2022

14.5 million unlisted options exercise price \$0.16 expiry 30/06/2025

## Distribution of holders of equity securities

|                  | <b>Number of holders<br/>(shares)</b> | <b>Fully paid ordinary shares</b> |
|------------------|---------------------------------------|-----------------------------------|
| 1 – 1,000        | 70                                    | 8,023                             |
| 1,001 – 5,000    | 345                                   | 1,390,618                         |
| 5,001 – 10,000   | 559                                   | 4,515,339                         |
| 10,001 – 100,000 | 1,718                                 | 68,362,844                        |
| 100,001 and over | 567                                   | 241,340,756                       |
|                  | <b>3,259</b>                          | <b>315,617,580</b>                |

Holding less than a  
marketable parcel

**601**

## Distribution of holders of unlisted options

|                  | <b>Number of holders</b> | <b>Unlisted Options</b> |
|------------------|--------------------------|-------------------------|
| 1 – 1,000        | -                        |                         |
| 1,001 – 5,000    | -                        |                         |
| 5,001 – 10,000   | -                        |                         |
| 10,001 – 100,000 | 30                       | 2,062,500               |
| 100,001 and over | 72                       | 76,237,500              |
|                  | <b>102</b>               | <b>78,300,000</b>       |

**Substantial shareholders**

| <b>Ordinary shareholders</b>              | <b>Fully paid ordinary shares</b> |                   |
|---|-----------------------------------|-------------------|
|   | <b>% held</b>                     | <b>Number</b>     |
| HSBC Custody Nominees (Australia) Limited | <b>7.88</b>                       | <b>24,859,941</b> |

**Twenty largest holders of quoted equity securities**

|  |    | Fully paid ordinary shares |              |
|--|----|----------------------------|--------------|
|  |    | Number                     | Percentage   |
| <b>Ordinary shareholders</b>   |    |                            |              |
| HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED                              | 1  | 24,859,941                 | 7.88%        |
| CITICORP NOMINEES PTY LIMITED  | 2  | 9,426,636                  | 2.99%        |
| MS CHUNYAN NIU   | 3  | 6,347,545                  | 2.01%        |
| TANGO88 PTY LTD<br><TANGO88 A/C>                                       | 4  | 4,500,000                  | 1.43%        |
| MR NICOLAS STOTT   | 5  | 3,483,556                  | 1.10%        |
| BNP PARIBAS NOMINEES PTY LTD<br><IB AU NOMS RETAILCLIENT DRP>          | 6  | 3,086,236                  | 0.98%        |
| MR DAVID JOHN HARRISON<br><J & D HARRISON FAMILY A/C>                  | 7  | 2,800,000                  | 0.89%        |
| BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD<br><DRP A/C>     | 8  | 2,657,756                  | 0.84%        |
| MR MARX LIN  | 9  | 2,633,580                  | 0.83%        |
| SUPERHERO SECURITIES LIMITED<br><CLIENT A/C>                           | 10 | 2,425,900                  | 0.77%        |
| SIMWISE DEVELOPMENTS PTY LTD   | 11 | 2,385,714                  | 0.76%        |
| ALISSA BELLA PTY LTD<br><THE C&A TASSONE SF NO 2 A/C>                  | 12 | 2,366,666                  | 0.75%        |
| MR BLAIR HUGH TOWNSEND   | 13 | 2,250,000                  | 0.71%        |
| MR SIMON WILLIAM TRITTON<br><INVESTMENT A/C>                           | 14 | 2,000,000                  | 0.63%        |
| BLTS CAPITAL PTY LTD<br><ERKES A/C>                                    | 14 | 2,000,000                  | 0.63%        |
| MRS YING XIONG   | 15 | 1,999,019                  | 0.63%        |
| MR ARUN KUMAR NATARAJAN  | 16 | 1,652,482                  | 0.52%        |
| MR NATHAN VADALA   | 17 | 1,600,000                  | 0.51%        |
| L H SCAMATON PROPERTY CORPORATION PTY LTD<br>< THE RAINBOW FAMILY A/C> | 18 | 1,514,071                  | 0.48%        |
| MR DANIEL JAMES RUTHERFORD   | 19 | 1,462,766                  | 0.46%        |
| BOOMSLANG CAPITAL PTY LTD  | 20 | 1,428,571                  | 0.45%        |
|  |    | <b>82,880,439</b>          | <b>0.77%</b> |

**Company Secretary**

Mrs Anna MacKintosh

**On-market buy-back**

Currently there is no on-market buy-back of the Company's securities

**Registered and principal office**22 Townshend Road  
Subiaco WA 6008**Share registry**Automatic Registry  
Level 5, 191 St. George's Tce  
Perth WA 6000

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**TENEMENT SCHEDULE**

As at 30 June 2022

Tenements held by Marquee Resources and subsidiary companies.

| TENEMENT           | LOCATION        | NAME           | INTEREST |
|--------------------|-----------------|----------------|----------|
| CVE 1              | Nevada USA      | Clayton Valley | 100%     |
| CVE 3-4            | Nevada USA      | Clayton Valley | 100%     |
| CVE 8-17           | Nevada USA      | Clayton Valley | 100%     |
| CVE19-75           | Nevada USA      | Clayton Valley | 100%     |
| CVE 81-82          | Nevada USA      | Clayton Valley | 100%     |
| CVE 84             | Nevada USA      | Clayton Valley | 100%     |
| CVE 86-102         | Nevada USA      | Clayton Valley | 100%     |
| CVE 119-126        | Nevada USA      | Clayton Valley | 100%     |
| CVE 143 – 150      | Nevada USA      | Clayton Valley | 100%     |
| KRL 98381-83       | Kenora, Ontario | Werner Lake    | 30%      |
| 9385-87, 19096/97  | Kenora, Ontario | Werner Lake    | 30%      |
| 19107-12           | Kenora, Ontario | Werner Lake    | 30%      |
| 29054/55, 29058-76 | Kenora, Ontario | Werner Lake    | 30%      |
| 30055 -58, 31229   | Kenora, Ontario | Werner Lake    | 30%      |
| 31373/74, 31823-28 | Kenora, Ontario | Werner Lake    | 30%      |
| 33170-72, 33175-96 | Kenora, Ontario | Werner Lake    | 30%      |
| 33198 -212, 33240  | Kenora, Ontario | Werner Lake    | 30%      |
| 33270/1, 33280-84  | Kenora, Ontario | Werner Lake    | 30%      |
| 33328-33, 33416    | Kenora, Ontario | Werner Lake    | 30%      |
| 33419, 33421-23    | Kenora, Ontario | Werner Lake    | 30%      |
| 36272, 33173-4     | Kenora, Ontario | Werner Lake    | 30%      |
| 10661              | Kenora, Ontario | Werner Lake    | 30%      |
| 12128              | Kenora, Ontario | Werner Lake    | 30%      |
| 12246 -12247       | Kenora, Ontario | Werner Lake    | 30%      |
| 12501              | Kenora, Ontario | Werner Lake    | 30%      |
| 13150 - 13151      | Kenora, Ontario | Werner Lake    | 30%      |
| 13283 - 13284      | Kenora, Ontario | Werner Lake    | 30%      |
| 13292              | Kenora, Ontario | Werner Lake    | 30%      |
| E37/1311           | W. Australia    | Redlings       | 100%     |
| E37/1376           | W. Australia    | Redlings       | 100%     |
| E08/3214           | W. Australia    | Mount Clement  | 100%     |
| E08/3301           | W.Australia     | Mount Clement  | 100%     |
| E15/1781           | W. Australia    | Spargoville    | 100%     |
| NV101387026        | NV,USA          | Kibby Basin    | 10%      |
| NV101387027        | NV,USA          | Kibby Basin    | 10%      |
| NV101387028        | NV,USA          | Kibby Basin    | 10%      |

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|                               |            |                      |     |
|-------------------------------|------------|----------------------|-----|
| NV101387029                   | NV,USA     | Kibby Basin          | 10% |
| NV101388219                   | NV,USA     | Kibby Basin          | 10% |
| NV101388218                   | NV,USA     | Kibby Basin          | 10% |
| NV101388217                   | NV,USA     | Kibby Basin          | 10% |
| NV101387030                   | NV,USA     | Kibby Basin          | 10% |
| NV101388220                   | NV,USA     | Kibby Basin          | 10% |
| NV101388221                   | NV,USA     | Kibby Basin          | 10% |
| NV101388222                   | NV,USA     | Kibby Basin          | 10% |
| NV101388223                   | NV,USA     | Kibby Basin          | 10% |
| NV101388224                   | NV,USA     | Kibby Basin          | 10% |
| NV101388225                   | NV,USA     | Kibby Basin          | 10% |
| NV101388226                   | NV,USA     | Kibby Basin          | 10% |
| NV101388227                   | NV,USA     | Kibby Basin          | 10% |
| 349                           | WA,USA     | Lone Star            | 50% |
| 349                           | WA,USA     | Washington           | 50% |
| 679                           | WA,USA     | Sunset               | 50% |
| 679                           | WA,USA     | Sunrise              | 50% |
| 607                           | WA,USA     | Prytis               | 50% |
| 670                           | WA,USA     | Helen                | 50% |
| 531                           | WA,USA     | Shone No.2           | 50% |
| 1031                          | WA,USA     | Shawnee (aka Shonee) | 50% |
| 1031                          | WA,USA     | Pauline              | 50% |
| 1031                          | WA,USA     | Carter               | 50% |
| 1031                          | WA,USA     | Arthur Jr.           | 50% |
| 1031                          | WA,USA     | Houck                | 50% |
| 1031                          | WA,USA     | Walter               | 50% |
| 1031                          | WA,USA     | Primrose Fraction    | 50% |
| 1031                          | WA,USA     | Black Diamond        | 50% |
| 1031                          | WA,USA     | Snowstorm            | 50% |
| 1031                          | WA,USA     | Motherlode           | 50% |
|                               |            |                      |     |
| <b>Total Number of Claims</b> | <b>427</b> |                      |     |