



ACN: 629 672 144

Annual Report
For the Year Ended 30 June 2022



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Corporate Directory

Directors	Hon Adam Giles <i>Non-Executive Chairman</i> Mr Stephen Woodham <i>Managing Director</i> Mr Stephen Brockhurst <i>Non-Executive Director</i>
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Company Secretary	Mr Alan Armstrong
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Registered and Principal Office	Level 8, 216 St Georges Terrace Perth Western Australia 6000 Telephone: +61 (8) 9481 0389 Facsimile: +61 (8) 9463 6103
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Auditors	Hall Chadwick WA Audit Pty Ltd 283 Rokeby Road Subiaco Western Australia 6008
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Bankers	National Australia Bank Limited Ground Floor, 100 St Georges Terrace Perth Western Australia 6000
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Share Register	Computershare Investor Services Pty Limited Level 11, 172 St Georges Terrace Perth Western Australia 6000
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Stock Exchange Listing	Australian Securities Exchange ('ASX') ASX code: LKY
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ACN	629 672 144
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Website	www.locksleyresources.com.au
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Directors' Report

The Directors present their report together with the financial statements of Locksley Resources Limited (referred to hereafter as 'Locksley' or the 'Company') for the financial year ended 30 June 2022.

Directors

The following persons were directors of Locksley during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Hon Adam Giles | Non-Executive Chairman | Appointed 29 October 2018
- Mr Stephen Woodham | Managing Director | Appointed 29 October 2018
- Mr Stephen Brockhurst | Non-Executive Director | Appointed 29 October 2018

Principal Activity

The principal activity of the Company during the financial year was the evaluation of resource projects.

Operating Results

The operating result of the Company for the financial year was a loss of \$2,754,968 (2021: \$532,274).

Review of Operations

Locksley Resources was successfully admitted to the Australian Securities Exchange in early July 2021, by way of an over-subscribed Initial Public Offer in which it issued 25,000,000 fully paid ordinary shares at \$0.20 per share to raise \$5,000,000 (before costs). Activities during the year included establishment of exploration facilities, purchase of property and plant, and recruitment of staff. Activities were constrained by restrictions related to the COVID-19 pandemic with accommodation and staff movements impacted. Contractors such as assay companies were also heavily affected leading to delays. Two rounds of drilling were completed once restrictions eased with 1563.9m of diamond drilling and 3398m of reverse circulation, (RC), drilling. Historic drilling by previous explorers was recovered and relogged. A resource of 9.86Mt @0.73% Cu, 0.22g/t Au, 1.7g/t Ag was calculated covering the Carolina and Mount Royal to Orange Plains deposits. During Q2 of 2022 activities were hampered by persistent rain and several episodes of flooding. In late June 2022 a 1066.2 line km helicopter borne magnetic and electromagnetic, (HeliTEM²), survey was completed over parts of EL6592, EL9307 and all of EL8384.

Logistics

The company has purchased the property hosting the former Orange Plains Mine and exploration camp. This site contains over 9000m of previous drill core from exploration undertaken by Mincor Resources Ltd. and Bacchus Resources Pty. Ltd. from 2006 to 2020. An exploration office has been established in the regional mining centre of Orange. Other logistics included purchase of vehicles and mobile plant, establishment of computer facilities and staff recruitment.

Tenure

EL9307 was granted during the period for a term of 6 years. Transfer of EL6592, EL6656, and EL8384 from Mincor Copper Pty Ltd to Locksley Resources Ltd. has been completed. EL9400 has been granted for a period of 6 years over the Watsons Creek Tin Field.



Directors' Report (continued)

TOTTENHAM PROJECT NSW (Cu, Au, Ag, Zn)

Rock Sampling

17 reconnaissance rock samples, dominantly from the Carolina area, were assayed with details previously reported (ASX: LKY 30/9/2021). Most samples provide only back ground values, although molybdenum is elevated suggesting its use as a pathfinder element in future work. Three samples returned anomalous results:

- IC210510-03 from a prospecting pit 200m north of Carolina Mine. Quartz-magnetite rock returned 1ppm Ag, 0.29ppm Au, 0.24% Cu.
- IC210511-01, gossanous quartz veined psammite outcrop in a dam returned 1ppm Ag, 0.1ppm Au, 0.12% Cu, 15% Fe, 37ppm Mo, 0.21% Zn. This is considered significant in that the site is south of where the prospective horizon has been thought to lie.
- IC210511-02, gossanous ironstone and psammite from the Effies Ace Mine returned 6ppm Ag, 0.75% Cu, 36% Fe, 68ppm Mo, 0.31% Zn. Further reconnaissance is required in this area.

Results from 53 rock chip samples produced anomalous to ore grade results from several areas. Results were previously reported detail (ASX: LKY 30/6/2022).

Orange Plains

A single scout sample of ferruginised psammite float from ~270m north of the Orange Plains core yard returned anomalous values of 0.22ppm Au, 8ppm Ag, 326ppm Cu, 28ppm Mo. This area is well into the footwall of the Orange Plains deposit, in an area of no previous work.

Larkings

3 samples were collected about a dozer costean and shaft at the Larkings Prospect. Gossanous psammites returned values up to 0.1ppm Au, 1ppm Ag, 162ppm As, 452ppm Cu, 31% Fe.

Trabratong Crossing Rd Road Base Quarry

4 samples of quartz veined metasediment were collected from a road base quarry in the east of EL6592. This area of outcrop is ~500m east of a prospective horizon for mineralisation. No anomalous results were returned.

Jimmy Woodser

At Jimmy Woodser recent clearing has allowed quartz – magnetite rocks and minor gossan to be traced for 900m to the NNE from the old workings. This zone is up dip of a historic EM conductor plate that is intended to be tested by RC drilling. 3 areas of anomalous samples were detected:

- South shaft area with values to 0.38ppm Au, 2ppm Ag, 0.81% Cu, 0.15% Zn
- North Shaft (Main Shaft) area with values to 0.42ppm Au, 3ppm Ag, 1.13% Cu, 0.16% Zn
- A former railway cutting with values to 0.14ppm Au, 0.51% Cu, 0.12% Zn

Effies Ace

At Effies Ace, multiple shafts, pits and costeans trace a gossan horizon for ~300m before being obscured by cover to the west. Ore grade copper results were returned from multiple samples with values to 2.2% Cu. Gold values are consistently in the range of 0.5ppm Au to 1.4ppm Au. Silver values are elevated with up to 32ppm Ag. Zinc values are also elevated with up to 0.4% Zn. The rock chips outline 2 separate mineralised horizons at surface. (See attached plan)



Directors' Report (continued)

Mount Royal Dump Sampling

The former Mount Royal Copper Mine was the site of a blast furnace for processing ore from 1913 to 1924. A significant slag dump remains on site that is clearly visible on satellite images. Six costeans were sampled at regular intervals about the margins of the dump to assess the tenor of the material. Costeans were chip sampled on 1m intervals. All samples returned low to moderate Cu, Au, Ag, and Zn values. It is cautioned that it is difficult to extract metals from smelter slags and that economic extraction is uncertain.

Diamond Drilling

A seven hole, diamond drill programme was completed for 1563.9m of drilling at the Orange Plains and Carolina Deposits. Four of the holes consist of larger diameter PQ core to obtain geotechnical data and provide sufficient sample for metallurgical testwork. The remaining three holes were intended to test for southern extensions of the Carolina Deposit in an area of no previous drilling. Details were reported over several ASX announcements, (ASX: LKY 30/9/2021, 25/11/2021, 19/1/2021). Significant results from the Carolina Deposit include:

CAD001 1.79m @ 4.16% Cu, 1.12g/t Au from 69.74m

CAD002 9.50m @ 2.39% Cu, 0.79g/t Au from 109.5m

CAD003 24.00m @ 0.51% Cu, 0.28g/t Au from 57.0m

Holes CAD004, CAD005, CAD006 located no southerly extensions of the Carolina Deposit.

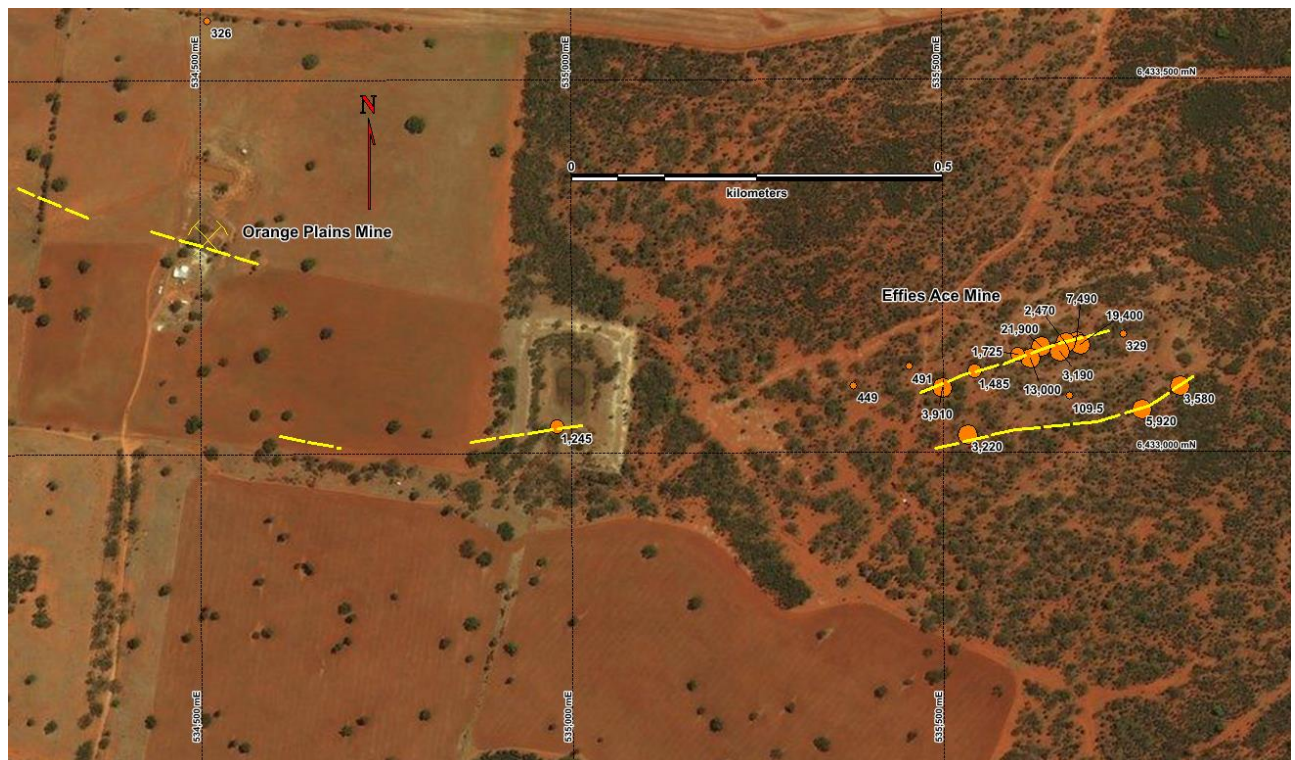


Figure 1: Orange Plains – Effies Ace Area with ppm copper rock chip values (10000ppm = 1%). Yellow lines represent mineralised horizons. (Map Grid Australia, zone 55)



Directors' Report (continued)

RC Drilling

28 RC drill holes (TORC001 to TORC028), were completed over the Chris Watson and Orange Plains Deposits for 3398m of drilling in October 2021. Details have been reported over several ASX announcements, (ASX: LKY 30/9/2021, 25/11/2021, 19/1/2021). All but 3 holes intersected mineralisation. Noteworthy results include:

TORC001 2.0m @ 1.03% Cu, 0.14g/t Au from 30.0m
TORC003 3.0m @ 1.04% Cu, 0.31g/t Au from 31.0m
TORC013 6.0m @ 0.73% Cu, 1.50g/t Au from 50.0m
TORC018 6.0m @ 0.96% Cu, 0.63g/t Au from 100.0m
TORC019 17.0m @ 0.54% Cu from 3.0m
TORC019 3.0m @ 1.88% Cu, 0.41g/t Au from 33.0m
TORC026 4.0m @ 0.32% Cu, 0.20g/t Au, 7g/t Ag and 3.16% Zn from 38.0m

Historic Drilling

28 historic drill holes, for over 2600m of drilling, from the Tottenham Project are stored at the W B Clarke Geoscience Centre (NSW Core Library) at Londonderry in western Sydney. All of these holes have been relogged and sampled, (holes A1, A2, A3, B, C, D, V1, CW1, NL1, R1, R2, R3, B1, L-DDH1, L-DDH2, N-DDH2, TF204D510, TH296D500, TH297.5D504, TL430D224, TL424D183, 10S, 10S-50', 7A, 7B, 8S 8S+50' 8S-50'). Details have been previously reported (ASX: LKY 30/9/2021, 4/4/2022).

Over 9000m of previous diamond drilling is stored at the Orange Plains field camp. Many of these holes contain unsampled intervals of mineralised core. Holes TMD021, TMD022, TMD028 and TPDD008, from the deeper sections of the Chris Watson Deposit, have been relogged and additional samples sent for assay. All of these holes contain significant copper mineralisation that demonstrates the system remains open at depth. Holes TMD021, TMD022, TMD028 each reported minor extensions to the previously identified mineralisation. Details are available from previous ASX releases, (ASX: LKY 25/11/2021, 19/1/2022).

Holes TMD029 and TMD030 were recovered from the Orange Plains core yard, marked up and relogged with some additional sampling. Both of these holes were drilled in late 2020 by private company Bacchus Resources Pty. Ltd. to test the down dip extent of the Carolina Deposit. Each reported minor extensions to the previously identified mineralisation. Details are available from previous ASX releases, (ASX: LKY 19/1/2022).

Petrography

15 core and RC chip samples were sent to Dr Paul Ashley for petrographic description. Aims of this work were to characterise alteration and metamorphism, identify and confirm sulphide mineralogy, and assist in identifying original rock types. Results from the descriptions can be summarised as follows:

- All samples show strong to intense deformation associated with the growth of metamorphic chlorite, epidote – clinozoisite, actinolite, dolomite, muscovite, albite with minor stilpnomelane talc, rutile, ilmenite, titanite. A typical mineral assemblage for lower greenschist metamorphism.



Directors' Report (continued)

- Sulphide mineralogy in the massive sulphide samples is simple with few deleterious phases. Sulphides are dominated by pyrite with pyrrhotite and chalcopyrite and generally minor sphalerite. Trace galena, marcasite, magnetite, and mackinawite were observed. No precious metal or cobalt phases were observed. This suggests that any gold present is contained within chalcopyrite, as also inferred by a positive correlation between Au and Cu values.
- The sulphides are in textural equilibrium with the metamorphic assemblage, suggesting that the sulphide mineralisation predates regional metamorphism.

Mineral Resource Estimate (MRE)

Based on compilation of historic drilling and additional new drilling by Locksley Resources a MRE has been prepared for the Tottenham Project of:

9.86Mt @ 0.79% Cu, 0.22G/t Au, 1.7g/t Ag

The Tottenham Mineral Resource is based on a mineralisation estimate prepared by SnowdenOptiro Consulting (SnowdenOptiro), of Perth. The MRE was announced in April 2022, (ASX: LKY 1/4/2022). Mineralisation is reported above a 0.3% Cu cut-off grade, this being considered appropriate for copper exploration mineralisation without a definite process route. The entire resource is classified in the inferred category. The mineralisation has been classified in accordance with the provisions of the JORC Code 2012. The MRE is calculated over two deposits being the Carolina Deposit and the Mount Royal to Orange Plains Deposit.

Helicopter Borne EM Survey

In June 2022, a 1066.2 line km helicopter borne magnetic and electromagnetic, (HeliTEM²), survey was completed over parts of EL6592, EL9307 and all of EL8384 by Xcalibur Multiphysics. Electromagnetic, (EM), surveys have been highly effective in directly detecting copper orebodies in the region such as at the Tritton Mine and the Constellation Deposit, (Aeris Resources Ltd.). Primary aims of the survey were:

- To explore the area under cover between the Tottenham deposits and the CZ Deposit.
- To explore the area in the core of the Orange Plains Anticline about the Lacey's Tank copper occurrence.
- To have additional data over previously identified anomalies in the Orange Plains – Effies Ace – Jimmy Woodser areas.
- To provide further data on untested anomalies in the Ace Mine and Underlay Mine areas.

The 2022, 12.5Hz HeliTEM survey over the Tottenham tenements has generated 10 Priority 1 and 15 Priority 2 targets. Most of these are on the Underlay, Effies Ace and Jimmy Woodser trends. Outside of this area, anomalies at Lacey's Tank represent the greatest likelihood of bedrock conductors. The location of these anomalies is shown in the attached figure. Details are available from previous ASX releases, (ASX: LKY 26/9/2022). The HeliTEM results indicate that for much of EL9307 and EL8384 the overburden is too conductive to allow the anomalies from moderate basement conductors to be discriminated from the strong and highly variable overburden response. The strength of the overburden response is most likely related to saline groundwater



Directors' Report (continued)

Deposit	Oxidation State	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Au (koz)	Ag (koz)
Carolina	Oxide	0.13	0.63	0.10	1.2	0.8	0.4	5.1
	Transitional	0.25	1.15	0.38	1.2	2.9	3.1	9.8
	Fresh	2.31	1.11	0.41	1.3	25.6	30.4	98.8
	Subtotal	2.68	1.09	0.39	1.3	29.3	33.9	113.6
Mt Royal - Orange Plains	Oxide	0.46	0.51	0.09	2.0	2.3	1.3	29.6
	Transitional	2.15	0.55	0.10	1.7	11.8	6.9	114.7
	Fresh	4.56	0.60	0.17	1.9	27.4	24.9	278.6
	Subtotal	7.18	0.59	0.16	1.9	41.5	33.2	422.9
TOTAL		9.86	0.73	0.22	1.7	70.9	67.1	536.5

Table 1: Tottenham, inferred mineral resource estimate above a 0.3% Cu cutoff. Note discrepancies may occur due to rounding. Figures rounded to the nearest 10,000 tonnes, 0.01% Cu grade, 0.01 g/t Au grade, 0.1g/t Ag grade, 100 copper tonnes, 100 ounces gold, and 100 ounces silver. Ounces are troy.

The Competent Person for the 2022 Resource is Mr Jeremy Peters FAusIMM CP(Geo, Min), a Director of Burnt Shirt Pty Ltd. The Mineral Resource estimate is stated in accordance with the provisions of the JORC Code (2012). Mr Peters has more than five years' experience in the estimation and reporting of Mineral Resources for base metals mineralisation in Australia and overseas, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Peters consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.



Directors' Report (continued)

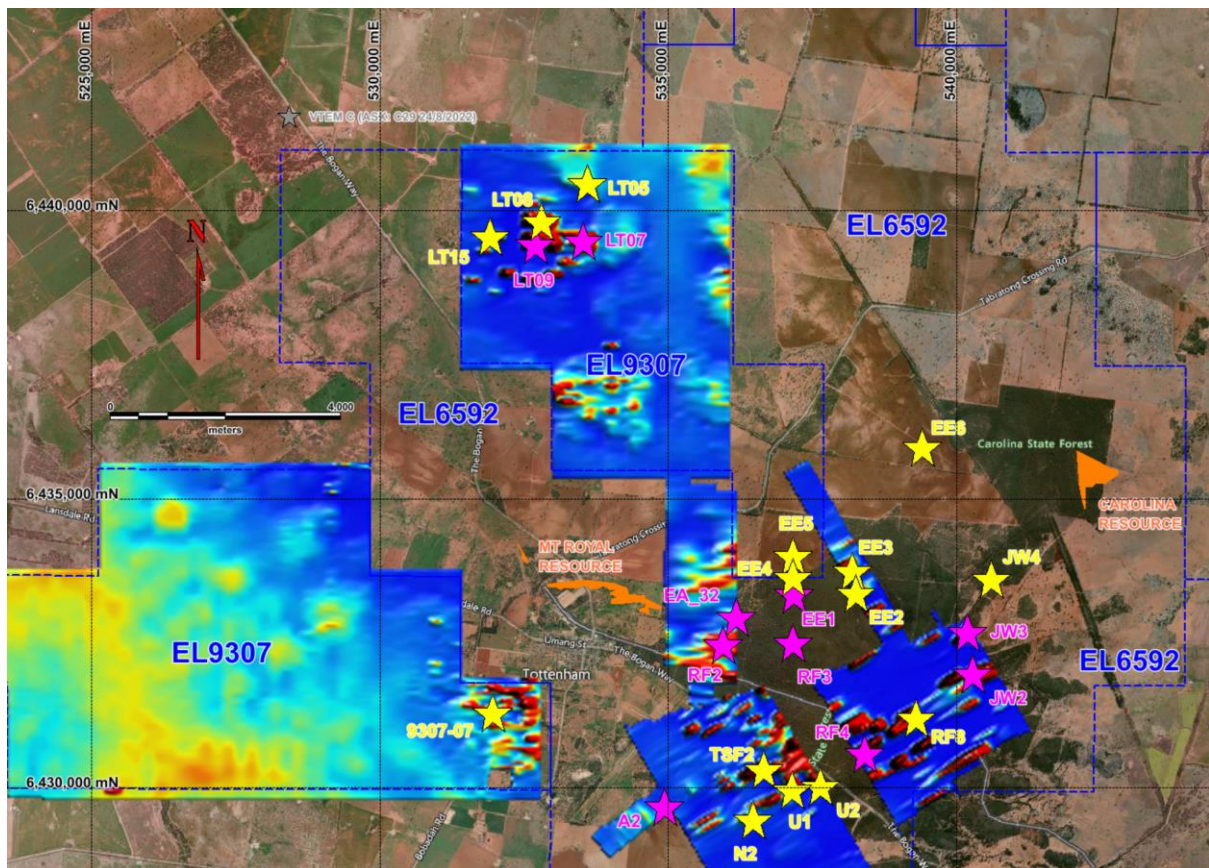


Figure 2: Priority 1 (magenta) and Priority 2 (yellow) HelixTEM² anomalies in the Tottenham area with current resources shown in Orange. Background is the maximum calculated time constant as supplied by Xcalibur Multiphysics. (Map Grid Australia 1994, zone 55)

WATSONS CREEK PROJECT (Sn, Cu, Au)

This 56 unit licence, (162.4km²), is located 15km north-west of the town of Bendemeer in northern NSW. Topography is rugged with the Moonbi Range rising 300m above the surrounding country to the northeast and 600m above the surrounding country to the south west.

EL9400 includes areas of previous alluvial tin production at Watsons Creek, Giants Den Creek, Fish Creek. The Watson's Creek alluvial cassiterite deposit commences at the foot of Giant's Den Hill and has been intensively exploited for 3km downstream. Concentrations of alluvial tin are present for a further 12km downstream. The Watson's Creek alluvial deposits grade into eluvial deposits on the flank of Giant's Den Hill. Minor alluvial gold have also been reported from Watson's Creek. Previous mining has been concentrated in the modern-day stream channels where floating dredges were employed. Away from these channels the dredging encountered problems with cemented gravel. Historically reported alluvial production is 1591.1t of concentrate, between 1885 and 1982. This is thought to be a minimum figure since artisanal alluvial production was often not reported.



Directors' Report (continued)

The Giant's Den, hard rock, tin mineralisation is as cassiterite in sheeted quartz-greisen veins, over an area of 400x 600m. A number of greisen veins have been exploited to a depth of ~30m. The deposit is located on Giant's Den Hill (1150m ASL), which is part of the Moonbi Range and forms a significant drainage divide. 2011 sampling by YTC Resources Ltd. showed the greisen veins to be significantly enriched in Sn, Ag, Au, Cu, Zn, In, and As.

Alluvial tin production is reported from Fish Creek, 6km to the ESE of Giant's Den with few details available. This area is in a separate drainage to the Giant's Den greisen and the source of the tin has not been identified.

Activities to date have been restricted to detailed data compilation.



Figure 3: Dredge Tailings, Watsons Creek

COMPLIANCE STATEMENTS

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning the Company's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "expect," "intend," "may", "potential," "should," "further" and similar expressions are forward-looking statements. Although the Company believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that further exploration will result in additional Mineral Resources.



Directors' Report (continued)

Competent Person's Statement

Except where indicated, exploration and technical information above have been reviewed and compiled by Ian Cooper BSc (Hons), BE (Mining), MSc, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy, (Member Number 106609) with over 35 years of experience in metallic minerals mining, exploration and development, and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Cooper is a full time employee and shareholder of Locksley Resources Limited and consents to the inclusion of this technical information in the format and context in which it appears.

Previously Reported information for reference

This report includes information that relates to announcements previously made to the ASX including exploration Results and Mineral Resources prepared and first disclosed under JORC Code 2012. Information was extracted from the Company's previous ASX announcements as follows:

- ❖ LKY ASX Announcement 30 June 2022 AIRBORNE EM SURVEY COMPLETE AND UPDATE
- ❖ LKY ASX Announcement 5 Apr 2022 EXPLORATION UPDATE
- ❖ LKY ASX Announcement 1 Apr 2022 9.8Mt RESOURCE AT TOTTENHAM
- ❖ LKY ASX Announcement 11 Jan 2022 EXPLORATION UPDATE
- ❖ LKY ASX Announcement 25 Nov 2021 TOTTENHAM DRILLING SUPPORTS RESOURCE DEFINITION
- ❖ LKY:ASX Announcement 30 Sept 2021 RC DRILLING COMMENCES AT THE TOTTENHAM COPPER PROJECT, EXPLORATION UPDATE
- ❖ LKY:ASX Announcement 24 Aug 2021 "EXPLORATION UPDATE DRILLING COMMENCES AT TOTTENHAM"
- ❖ Locksley Resources (LKY) Prospectus 6 Jul 2021

Significant Changes in State of Affairs

Other than those disclosed in this annual report, no significant changes in the state of affairs of the Company occurred during the financial year.

Events after Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.



Directors' Report (continued)

Information on Directors

The names of directors who held office from incorporation date (being 29 October 2018) until the date of this report are as follows. Directors were in office for this entire year unless otherwise stated.

- **Hon Adam Giles**

Non-Executive Chairman

Adam was the 10th Chief Minister of the Northern Territory and held office from 2013 until 2016. During his political career Adam held the portfolios of Northern Australia, Major Projects, Economic Development, Indigenous Affairs, Transport and Infrastructure and Treasury. Prior to politics, Adam had a long career in the Indigenous affairs, housing, training and employment sectors and previously worked as a social and economic policy adviser in the Department of Prime Minister and Cabinet and led Indigenous Economic Policy for the Australian Government. Adam now provides consultancy advice on agriculture and mining, politics, media, Indigenous policy and employment and training.

Directorships of other ASX listed companies in the last 3 years	Nil
Interest in securities	1,000,000 Ordinary Fully Paid Shares 1,000,000 Unlisted Options exercisable at \$0.25 on or before 31 March 2024

- **Mr Stephen Woodham**

Managing Director

Mr Woodham has over 15 years' experience in the mining and exploration industry in Western Australia and New South Wales. His area of specialisation includes field logistics and support and land access in rural and remote environments. He also has an extensive track record of tenement acquisition, mining investment and commercial and cross-cultural negotiation. Mr Woodham was a founding director of Centaurus Resources, Kingwest Resources and managing director of Tellus Resources.

Directorships of other ASX listed companies in the last 3 years	Coolabah Metals Ltd (28 July 2021 – Present) Kingwest Resources Ltd (13 March 2018 to 26 November 2019)
Interest in securities	2,000,000 Ordinary Fully Paid Shares 2,000,000 Unlisted Options exercisable at \$0.25 on or before 31 March 2024



Directors' Report (continued)

- **Mr Stephen Brockhurst**
Non-Executive Director

Mr Brockhurst is the founding director of Mining Corporate Pty Ltd and has over 15 years' experience in the finance and corporate advisory industry and has been responsible for the preparation of the due diligence process and prospectuses on a number of initial public offers. His experience includes corporate and capital structuring, corporate advisory and company secretarial services, capital raising, ASX and ASIC compliance requirements.

Directorships of other ASX listed companies in the last 3 years	- Kingwest Resources Ltd (13 March 2018 to 1 July 2021) - Estrella Resources Ltd (3 April 2017 – 4 April 2022) - Nelson Resources Ltd (since 1 February 2019) - Firetail Resources Ltd (since 10 November 2021)
Interest in securities	1,000,001 Ordinary Fully Paid Shares 1,000,000 Unlisted Options exercisable at \$0.25 on or before 31 March 2024

Company Secretary

Mr Alan Armstrong is an experienced director and company secretary with a demonstrated history of working in the mining and metals industry. He has strong business development professional experience, holds a Grad Dip CA from The Institute of Chartered Accountants Australia and is a member of the Australian Institute of Company Directors.

Meetings of Directors

The number of Directors' meetings and the number of meetings attended by each of the Directors of the Company for the time the Director held office during the financial year are as follows:

Director	Number Eligible to Attend	Number Attended
Hon Adam Giles	3	3
Mr Stephen Woodham	3	3
Mr Stephen Brockhurst	3	3

Remuneration Report (Audited)

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



Directors' Report (continued)

Details of Key Management Personnel and their service agreements are as follows:

- Hon Adam Giles - Non-Executive Chairman
 - Base Chairman fee of \$60,000 plus superannuation per annum (effective from date of admission to the ASX on 8 July 2021); and
 - Terms of agreement – no fixed term.
- Mr Stephen Woodham - Managing Director
 - Base salary of \$195,000 plus superannuation per annum (effective from date of admission to the ASX on 8 July 2021);
 - Motor vehicle allowance of \$30,000 per annum; and
 - Executive service employment agreement – no fixed term.
- Mr Stephen Brockhurst - Non-Executive Director
 - Base director's fee of \$48,000 plus superannuation per annum (effective from date of admission to the ASX on 8 July 2021); and
 - Terms of agreement – no fixed term.
- Ian Cooper – Operations Manager
 - Daily consulting rate – \$770 plus superannuation; and
 - Terms of agreement – no fixed term.

Remuneration Policy

The Board, in capacity as a Remuneration Committee, is responsible for determining and reviewing remuneration compensation arrangements for the Executive and Non-Executive Directors. The Remuneration Committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions and individual's experience and qualifications with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. The Company does not directly link the nature and amount of the emoluments of such officers to the Company's financial or operational performance. The expected outcome of the remuneration policy is to attract and retain the best executives and directors to run and manage the Company, as well as create goal congruence between directors, executives and shareholders.

As part of its Corporate Governance Policies and Procedures, the Board has adopted a formal Remuneration Committee Charter.

The rewards for Directors' have no set or pre-determined performance conditions or key performance indicators as part of their remuneration due to the current nature of the business operations. The Remuneration Committee determines appropriate levels of performance rewards as and when they consider rewards are warranted.



Directors' Report (continued)

Directors' Fees

The Company's Constitution provides that the remuneration of Directors will not be more than the aggregate fixed sum per annum as may be determined by a general meeting. This amount of the aggregate fixed sum may only be increased with the approval of shareholders at a general meeting. Fees for Non-Executive Directors are not dependant on the satisfaction of performance conditions. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in the employee incentive plan.

Directors are entitled to be paid all travelling, accommodation and other expenses incurred in consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors. A Director may also be paid additional amounts as fees or as the Directors determine where a Director performs extra services or makes any special exertions, which in the option of the Directors are outside the scope of the ordinary duties of a Director.

The remuneration for each Key Management Personnel of the Company during the financial years ended 30 June 2022 and 30 June 2021 are as follows:

Key Management Personnel	Year	Short-Term Benefits	Post-Employment Benefits	Other Benefits	Total
		Cash Salary and Fees	Super-annuation	Allowances	
Directors		\$	\$	\$	\$
Hon Adam Giles	2022	58,871	5,912	-	64,783
	2021	-	-	-	-
Mr Stephen Woodham ¹	2022	191,331	19,214	29,435	239,980
	2021	32,500	-	-	32,500
Mr Stephen Brockhurst ²	2022	52,000	-	-	52,000
	2021	-	-	-	-
Management					
Ian Cooper	2022	264,495	26,530	-	291,025
	2021	-	-	-	-
Total	2022	566,697	51,656	29,435	647,788
	2021	32,500	-	-	32,500

Notes:

- 1) Mr Woodham is entitled to an allowance per his employment agreement for the use of a motor vehicle suitable for field work and other general use.
- 2) Services provided by Mining Corporate Pty Ltd of which Mr Brockhurst is a Director.

Given the nature of the Company's present activity, no remuneration is performance related.



Directors' Report (continued)

Number of Shares held by Key Management Personnel as at 30 June 2022

Key Management Personnel	1 July 2021	Net Change During the Year	30 June 2022
Directors			
Hon Adam Giles	1,000,000	-	1,000,000
Mr Stephen Woodham	2,000,000	-	2,000,000
Mr Stephen Brockhurst	1,000,001	-	1,000,001
Management			
Ian Cooper	250,000	-	250,000
Total	4,250,001	-	4,250,001

Number of Options held by Key Management Personnel as at 30 June 2022

Key Management Personnel	1 July 2021	Net Change During the Year	30 June 2022
Directors			
Hon Adam Giles	1,000,000	-	1,000,000
Mr Stephen Woodham	2,000,000	-	2,000,000
Mr Stephen Brockhurst	1,000,000	-	1,000,000
Management			
Ian Cooper	-	-	-
Total	4,000,000	-	4,000,000

Other Transactions with Key Management Personnel

During the year ended 30 June 2022, fees of \$138,560 were paid or due to be paid to Mining Corporate Pty Ltd, a company of which Mr Brockhurst is a Director of, for company secretarial, accounting and bookkeeping services.

The Company also paid \$23,660 to Locksley Holdings Pty Ltd during the year for motor vehicle and trailer rentals, a company of which Mr Woodham is a Director of.

No loans have been made to any KMP or any of their related parties during the 2022 financial year. There were no further transactions with KMPs including their related parties other than those disclosed above.

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

End of Remuneration Report (Audited)



Directors' Report (continued)

Shares under Option

At the date of this report, Locksley Resources Limited has the following ordinary shares under option that have been issued to Directors:

	Expiry Date	Exercise Price	Number under Option
Unlisted Options	31 March 2024	\$0.25	4,000,000
Total			4,000,000

Dividends

No dividends have been paid, and the Directors do not recommend the payment of a dividend for the financial year ended 30 June 2022.

Environmental Regulation

The Directors are mindful of the regulatory regime in relation to the impact of the Company's activities on the environment. There have been no known breaches of any environmental regulation by the Company during the financial year.

Future Developments

Further information, other than as disclosed this report, about likely developments in the operations of the Company and the expected results of those operations in future periods, has not been included in this report as disclosure of this information would be likely to result in unreasonable prejudice to the Company.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors support, and adhere to, good corporate governance practices. Refer to the Company's Corporate Governance Statement at: <https://locksleyresources.com.au/locksley-resources-policies/>

Indemnification and Insurance of Officers

The Company has entered into deeds of indemnity with each Director whereby, to the extent permitted by the Corporations Act 2001, the Company agreed to indemnify each director against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

The Company paid insurance premiums in respect of Directors' and Officers' Liability Insurance contracts for current officers of the Company. The liabilities insured are damages and legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company. The total amount of insurance premiums paid has not been disclosed due to confidentiality reasons.

Indemnity and Insurance of Auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.



Directors' Report (continued)

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 or any part of those proceedings.

Rounding of Amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Officers of Locksley who are Former Partners of Hall Chadwick WA Audit Pty Ltd

There are no officers of the Company who are former partners of Hall Chadwick WA Audit Pty Ltd.

Non-Audit Services

During this financial year, no fees were paid to Hall Chadwick WA Audit Pty Ltd for non-audit services.

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Hall Chadwick WA Audit Pty Ltd to provide the Directors of the Company with an Independence Declaration in relation to the audit of this financial report. The Directors have received the Independence Declaration which has been included within this financial report.

Signed in accordance with a resolution of the Directors.

Hon Adam Giles

Non-Executive Chairman

Dated this 30th day of September 2022

To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the audit of the financial statements of Locksley Resources Limited for the financial year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully,



HALL CHADWICK WA AUDIT PTY LTD



D M BELL CA
Director

Dated this 30th day of September 2022
Perth, Western Australia



Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2022

	Notes	2022 \$	2021 \$
Revenue		42,005	-
Expenses			
Exploration and evaluation expenses		(1,668,343)	(50,088)
Administration and other expenses		(701,358)	(205,411)
Depreciation and amortisation		(68,182)	(16,999)
Consulting fees		(221,527)	(126,224)
Directors' fees	15	(52,000)	(32,500)
Legal expenses		(14,846)	(83,692)
Travel expenses		(67,002)	(15,769)
Total expenses		(2,793,258)	(530,683)
Finance costs		(3,715)	(1,591)
Loss before income tax		(2,754,968)	(532,274)
Income tax expense	4	-	-
Net loss for the year		(2,754,968)	(532,274)
Other comprehensive income, net of income tax		-	-
Total comprehensive loss for the year		(2,754,968)	(532,274)
Basic and diluted loss per share (cents per share)	17	(4.99)	(9.12)

The accompanying notes form part of these financial statements.



Statement of Financial Position

As at 30 June 2022

	Notes	2022 \$	2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,905,730	4,288,939
Trade and other receivables	6	579,999	69,813
Prepayments	7	851	21,403
Total Current Assets		2,486,580	4,380,155
Non-Current Assets			
Exploration expenditure	8	4,574,500	-
Property, plant and equipment	9	174,397	46,801
Right-of-use asset	10	80,618	126,585
Total Non-Current Assets		4,829,515	173,386
Total Assets		7,316,095	4,553,541
LIABILITIES			
Current Liabilities			
Trade and other payables	11	653,051	142,548
Borrowings	12	1,805	1,805
Lease liabilities	10	49,486	46,325
Total Current Liabilities		704,342	190,678
Non-Current Liabilities			
Lease liabilities	10	29,699	76,841
Total Non-Current Liabilities		29,699	76,841
Total Liabilities		734,041	267,519
Net Assets		6,582,054	4,286,022
EQUITY			
Issued capital	13	9,297,301	602,301
Reserves	14	574,500	-
Other equity		-	4,218,500
Accumulated losses		(3,289,747)	(534,779)
Total Equity		6,582,054	4,286,022

The accompanying notes form part of these financial statements.



Statement of Cash Flows

For the Year Ended 30 June 2022

	Notes	2022 \$	2021 \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,123,565)	(440,058)
Payments for exploration and evaluation expenditure		(1,565,142)	(22,294)
Rental income		26,500	-
Interest received		5	-
Interest paid		(3,715)	(1,591)
Net cash used in operating activities	5	(2,665,917)	(463,943)
Cash flows from investing activities			
Payments for property, plant and equipment		(146,872)	(47,977)
Net cash used in investing activities		(146,872)	(47,977)
Cash flows from financing activities			
Proceeds from issue of ordinary shares		781,500	640,000
Payment for capital raising costs		(305,000)	(38,400)
Proceeds from capital fund held in trust		-	4,218,500
Repayment of lease liabilities		(46,920)	(19,242)
Net cash from financing activities		429,580	4,800,858
Net increase in cash and cash equivalents		(2,383,209)	4,288,938
Cash and cash equivalents at the beginning of the year		4,288,939	1
Cash and cash equivalents at the end of the year	5	1,905,730	4,288,939

The accompanying notes form part of these financial statements.



Statement of Changes in Equity

For the Year Ended 30 June 2022

	Contributed Equity \$	Reserves \$	Other Equity \$	Accumulated Losses \$	Total \$
Balance at 1 July 2021	602,301	-	4,218,500	(534,779)	4,286,022
Loss for the year	-	-	-	(2,754,968)	(2,754,968)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	-	(2,754,968)	(2,754,968)
Transactions with equity holders in their capacity as owners					
Issue of ordinary shares	9,000,000	-	(4,218,500)	-	4,781,500
Issue of options	-	574,500	-	-	574,500
Capital raising costs	(305,000)	-	-	-	(305,000)
Total transactions with equity holders in their capacity as owners	8,695,000	574,500	(4,218,500)	-	5,051,000
Balance at 30 June 2022	9,297,301	574,500	-	(3,289,747)	6,582,054
Balance at 1 July 2020	1	-	-	(2,505)	(2,504)
Loss for the year	-	-	-	(532,274)	(532,274)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	-	(532,274)	(532,274)
Transactions with equity holders in their capacity as owners					
Issue of ordinary shares	640,000	-	-	-	640,000
Capital raising costs	(38,400)	-	-	-	(38,400)
Conversion of loan to equity	700	-	-	-	700
Capital funds held in trust	-	-	4,218,500	-	4,218,500
Total transactions with equity holders in their capacity as owners	602,300	-	4,218,500	-	4,820,800
Balance at 30 June 2021	602,301	-	4,218,500	(534,779)	4,286,022

The accompanying notes form part of these financial statements.



Notes to the Financial Statements

For the Year Ended 30 June 2022

Note 1. Corporate Information

This financial report of Locksley Resources Limited ('the Company') was authorised for issue in accordance with a resolution of the Directors on 30 September 2022.

Locksley Resources Limited is a publicly listed company, incorporated and domiciled in Australia.

Note 2. Summary of Significant Accounting Policies

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets.

(b) Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred a loss for the year of \$2,754,968 (2021: \$532,274) and net cash outflows from operating activities of \$2,665,917 (2021: 463,943). As at 30 June 2022, the Company has a working capital surplus of \$1,782,238 (2021: 4,189,477).

At the date of this report, the Directors are satisfied there are reasonable grounds to believe that, having regard to the Company's financial position and its ability to raise capital, the Directors' believe that the Company will be able to meet its obligations as and when they fall due.

The financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of recorded assets or liabilities that might be necessary should the Company not be able to continue as a going concern.

(c) New and Amended Accounting Policies Adopted by the Company

During the year ended 30 June 2022, the Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

(d) Segment Reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision makers to make decisions about resources to be allocated to the segments and assess their performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues.

Operating segments have been identified based on the information presented to the chief operating decision makers – being the Board of Directors.

Information about other business activities and operating segments that do not meet the quantitative criteria set out in AASB 8 "Operating Segments" are combined and disclosed in a separate category called "other".

(e) Cash and Cash Equivalents

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

(f) Trade and Other Receivables

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

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

(g) Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Depreciation and Amortisation

The depreciable amount of all fixed assets including buildings is calculated using the straight line method, over their estimated useful lives to the economic entity commencing from the time the asset is held ready for use. The straight line depreciation and amortisation rates used for each class of assets are as follows:

- Computer equipment – 25%
- Computer software – 20%
- Office equipment – 10%
- Motor vehicle – 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss.

(h) Right-Of-Use Assets

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

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

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

(i) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed in profit and loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

(j) Exploration and Evaluation Assets

Exploration and evaluation expenditure is expensed as incurred, with the exception of consideration for the acquisition of projects, which is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the capitalised costs for the relevant area of interest will be amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

(k) Trade and Other Payables

Liability for trade creditors and other amounts are carried at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed.

(l) Borrowings

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

The component of the convertible notes 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 current liability until extinguished on conversion or redemption as the maturity date is within 12 months. The corresponding interest on convertible notes is expensed to profit or loss.

(m) Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

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



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

(n) Employee Benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

(o) Provisions

Provisions are recognised when the Company 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 measured at the present value of the expected liabilities.

(p) Contributed Equity

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.

(q) Revenue Recognition

The Company recognises revenue as follows:

Interest

Revenue is recognised as the interest accrues (using the effective interest method) to the net carrying amount of the financial asset.

Other revenue

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

(r) Finance Costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

(s) Income Tax

Deferred 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 assets and unused tax losses can be utilised, except:

- Where the deferred 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; and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred 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 tax asset to be utilised.

Unrecognised deferred 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 tax assets and liabilities are measured at the tax rates that are expected to apply to the financial period 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.

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 tax authority.



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

(t) Goods and Services Tax ('GST')

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

- Where 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 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.

(u) Earnings Per Share ('EPS')

Basic EPS is calculated by dividing the net profit/(loss) attributable to members of the Company for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated by dividing the basic EPS earnings/(loss), adjusted by the after tax effect of financing costs associated with dilutive potential ordinary shares and the effect on revenues and expenses of conversion to ordinary shares associated with dilutive potential ordinary shares, by the weighted average number of ordinary shares and dilutive ordinary shares adjusted for any bonus issue.

(v) New Accounting Standards for Application in Future Periods

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

(w) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company. In the opinion of the Directors, there are no critical accounting estimates or judgments in this financial report. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial period are discussed below.



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Share-Based Payment Transactions

The Company measures the cost of equity-settled transactions 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 the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 14 for further information.

Coronavirus (COVID-19) Pandemic

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

(x) Rounding of Amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Note 3. Segment Information

The Company has identified its operating segments based on the internal reports that are used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Board as a whole will regularly review the identified segments in order to allocate resources to the segment and to assess its performance.

The Board considers that it has only operated in one segment, being mineral exploration.



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 4. Income Tax Expense

Major components of income tax expense are:

	2022	2021
	\$	\$
Income tax expense reported in the statement of profit or loss and other comprehensive income	-	-

A reconciliation of income tax expense applicable to accounting loss before income tax at the statutory income tax rate to income tax expense at the Company's effective income tax rate is as follows:

Net loss before income tax	(2,754,968)	(532,274)
Corporate tax rate applicable	30.00%	26.00%
Income tax expense/(benefit) on above at applicable corporate rate	(826,490)	(138,391)
Increase in income tax due to tax effect of:		
- Non-deductible expenses	70,912	-
- Current year tax losses not recognised	742,110	138,391
Decrease in income tax expense due to:		
- Movement in unrecognised temporary differences	13,468	-
Income tax expense attributable to entity	-	-

Availability of Tax Losses

The availability of the tax losses for future years is uncertain and will be dependent on the Company satisfying strict requirements with respect to continuity of ownership and the same business test imposed by income tax legislation.

The recoupment of available tax losses as at 30 June 2022 is contingent upon the following:

- the Company deriving future assessable income of a nature and of an amount sufficient to enable the benefit from the losses to be realised;
- the conditions for deductibility imposed by income tax legislation continuing to be complied with; and
- there being no changes in income tax legislation which would adversely affect the Company from realising the benefit from the losses.

Given the Company is currently in a loss making position, a deferred tax asset has not been recognised with regard to unused tax losses, as it has not been determined that the Company will generate sufficient taxable profit against which the unused tax losses can be utilised.



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 5. Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash at bank and in hand	1,905,730	4,288,939

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

Reconciliation from net loss after tax to net cash flows from operations:

	2022	2021
	\$	\$
Net loss for the year	(2,754,968)	(532,274)
<i>Non-cash flows in loss:</i>		
Depreciation and amortisation	68,182	16,999
<i>Changes in assets and liabilities:</i>		
Increase in other receivables	(213,456)	(69,813)
Increase in prepayments	20,552	(21,403)
Increase in trade and other payables	213,773	142,548
Net cash used in operating activities	(2,665,917)	(463,943)



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 6. Trade and Other Receivables

	2022	2021
	\$	\$
Reimbursement of costs receivable	188,424	-
Security deposits	92,533	8,833
GST receivable	281,992	60,979
Other receivables	17,050	-
	579,999	69,813

Note 7. Prepayments

	2022	2021
	\$	\$
Prepayments	851	21,403
	851	21,403

Note 8. Exploration Expenditure

	2022	2021
	\$	\$
Exploration and evaluation assets		
Balance at the beginning of year	-	-
Issue of shares to acquire the Tottenham Project ⁽ⁱ⁾	4,000,000	-
Issue of options to acquire the Tottenham Project ⁽ⁱⁱ⁾	574,500	-
Balance at the end of the year	4,574,500	-

(i) The issue of 20 million shares at a deemed price of 20 cents per share to the vendors of the Tottenham Project.

(ii) The value of the 5 million options granted to the vendors of the Tottenham Project has been determined using the Black-Scholes Valuation Method, using the following inputs:

Exercise Price	\$0.25
Grant Date	6/7/2021
Expiry Date	6/7/2024
Share Price at Grant	\$0.20
Risk Free Rate	0.07%
Volatility	100%



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 9. Property, Plant and Equipment

	2022	2021
	\$	\$
Land – at cost	75,610	-
Plant and equipment – at cost	51,369	47,977
Less: Accumulated depreciation	(13,676)	(1,176)
	37,693	46,801
Motor vehicles – at cost	67,870	-
Less: Accumulated depreciation	(6,777)	-
	61,094	-
Total property, plant and equipment	174,397	46,801

Reconciliations

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

	Land	Plant and equipment	Motor vehicles	Total
	\$	\$	\$	\$
Balance at 1 July 2020	-	-	-	-
Additions	-	47,977	-	47,977
Depreciation expense	-	(1,176)	-	(1,176)
Balance at 1 July 2021	-	46,801	-	46,801
Additions	75,610	3,392	67,870	146,872
Depreciation expense	-	(12,500)	(6,777)	(19,276)
Balance at 30 June 2022	75,610	37,693	61,094	174,397



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 10. Leases

The Company has a lease contract for its office, which has a three-year lease term. The Company's obligations under its lease are secured by the lessor's title to the leased assets.

Set out below is the carrying amount of the right-of-use asset recognised and the movements during the year:

	2022	2021
	\$	\$
Right-of-Use Asset		
Carrying amount at the beginning of the year	126,585	-
Additions	-	142,408
Modifications	2,939	
Depreciation	(48,906)	(15,823)
Carrying amount at the end of the year	80,618	126,585

Set out below are the carrying amount of lease liabilities and the movements during the year:

	2022	2021
	\$	\$
Lease Liabilities		
Carrying amount at the beginning of the year	123,166	-
Additions	-	142,408
Modifications	2,939	-
Repayments	(46,920)	(19,242)
Carrying amount at the end of the year	79,185	123,166
Lease liabilities - current	49,486	46,325
Lease liabilities – non-current	29,699	76,841
Total lease liabilities	79,185	123,166
Depreciation expense for right-of-use asset	48,906	15,823
Interest expense on lease liabilities	3,715	1,591
Total amount recognised in statement of profit or loss	52,621	17,414

Note 11. Trade and Other Payables

	2022	2021
	\$	\$
Trade Payables	464,919	118,897
Accruals	153,727	23,651
Provision for annual leave	34,405	-
	653,051	142,548

Trade creditors are expected to be paid on 30-day terms.



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 12. Borrowings

	2022	2021
	\$	\$
Loans – Directors	1,805	1,805
Total Borrowings	1,805	1,805

All loans made to the Company by related and third parties are unsecured, non-interest bearing and are due and payable within 12 months. Amounts were loaned to the Company by Mr Woodham & Mr Brockhurst when the Company was first established.

Reconciliation of liabilities from financing activities:

	2022	2021
	\$	\$
Carrying amount at beginning of the year	1,805	2,505
Cash flows	-	-
<i>Non-cash changes:</i>		
Conversion to equity	-	(700)
Carrying amount at the end of the year (total liabilities from financing activities)	1,805	1,805

Non-cash changes relate to the conversion of non-interest bearing loans into ordinary shares during the year.

Note 13. Issued Capital

	2022	2021
	\$	\$
56,000,001 Ordinary shares – issued and fully paid (2021: 11,000,001 Ordinary shares)	9,297,301	602,301

Movement in Ordinary Shares on Issue	Number of Shares	\$
On issue at 1 July 2021	11,000,001	602,301
Issue of vendor shares	20,000,000	4,000,000
Issue of IPO shares	25,000,000	5,000,000
Share issue costs	-	(305,000)
On issue at 30 June 2022	56,000,001	9,297,301



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Shares under Option

At 30 June 2022, Locksley Resources Limited had the following shares under option on issue:

- 5,000,000 unlisted options exercisable at \$0.25 on or before 1 July 2024; and
- 4,000,000 unlisted options exercisable at \$0.25 on or before 31 March 2024.

Note 14. Reserves

	2022	2021
	\$	\$
Share based payments reserve – options ⁽ⁱ⁾	574,500	-
(i) The issue of 5 million options granted to the vendors of the Tottenham Project has been determined using the Black-Scholes Valuation Method, using the following inputs:		

Exercise Price	\$0.25
Grant Date	6/7/2021
Expiry Date	6/7/2024
Share Price at Grant	\$0.20
Risk Free Rate	0.07%
Volatility	100%

Note 15. Related Party Disclosures

(a) Remuneration of Key Management Personnel

	2022	2021
	\$	\$
KMP remuneration		
Directors' fees	52,000	32,500
Salaries and wages	514,697	-
Superannuation	51,656	-
Allowances	29,435	-
Total KMP remuneration	647,788	32,500

(b) Related Party Transactions

During the year ended 30 June 2022, fees of \$138,560 were paid or due to be paid to Mining Corporate Pty Ltd, a company of which Mr Brockhurst is a Director of, for company secretarial, accounting and bookkeeping services.

The Company also paid \$23,660 to Locksley Holdings Pty Ltd during the year for motor vehicle and trailer rentals, a company of which Mr Woodham is a Director of.

No loans have been made to any KMP or any of their related parties during the 2022 financial year. There were no further transactions with KMPs including their related parties other than those disclosed above. Related party loans to the Company have been disclosed above in Note 12.

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



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Note 16. Auditor's Remuneration

	2022	2021
	\$	\$
Remuneration of the auditor for:		
Auditing the financial statements	26,000	10,500
Total auditor's remuneration	26,000	10,500

Note 17. Loss Per Share

	2022	2021
	\$	\$
Basic and diluted loss per share (cents per share)	(4.99)	(9.12)
Loss used to calculate basic and diluted loss per share	(2,754,968)	(532,274)
Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted loss per share	55,260,275	5,838,357

Note 18. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise receivables, payables and cash which arise directly from its operations.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Company through regular reviews of the risks.

The main risks arising from the Company's financial instruments are interest rate risk, liquidity risk, and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Risk Exposures and Responses

Interest rate risk

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

Interest rate sensitivity analysis

The Company has no material interest rate risk.



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2022

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company's potential concentration of credit risk consists mainly of cash balances with banks. The Company's short term cash surpluses are placed with banks that have investment grade ratings. The maximum credit risk exposure relating to the financial assets is represented by the carrying value as at the reporting date. The Company considers the credit standing of counterparties when making deposits to manage the credit risk.

Liquidity risk

The responsibility with liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained. The Company's policy is to ensure that it has sufficient cash reserves to carry out its planned exploration activities over the next 12 months.

Fair values

Fair values of financial assets and liabilities are equivalent to carrying values due to their short terms to maturity.

Note 19. Commitments

The Company's minimum expenditure commitments in relation to its tenements are as follows:

	2022	2021
	\$	\$
Within 1 year	310,000	184,967
Between 2 and 5 years	1,115,945	536,533
More than 5 years	-	16,100
Total commitments	1,425,945	737,600

Note 20. Contingent Liabilities

The Company has no contingent liabilities as at 30 June 2022.

Note 21. Events after Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.



Directors' Declaration

In accordance with a resolution of the directors of Locksley Resources Limited, I state that:

1. In the opinion of the directors:

- (a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the year ended on that date.
 - (ii) complying with Australian Accounting Standards, International Financial Reporting Standards as issued by the International Accounting Standards Board and *Corporations Regulations 2001*.
- (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.

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*.

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

Hon Adam Giles
Non-Executive Chairman

Dated this 30th day of September 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOCKSLEY RESOURCES LIMITED

Report on the Audit of the Financial Report

Opinion

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

In our opinion:

- a. the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a).

Basis for Opinion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2(b) in the financial report, which indicates that the Company incurred a net loss of \$2,754,968 during the year ended 30 June 2022. As stated in Note 2(b), these events or conditions, along with other matters as set forth in Note 2(b), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key Audit Matter	How our audit addressed the Key Audit Matter
Exploration Expenditure As disclosed in note 8 to the financial statements, as at 30 June 2022, the Company's exploration expenditure was carried at \$4,574,500. The recognition of exploration and evaluation was considered a key audit matter due to: • The carrying value represents a significant asset of the Company, we considered it necessary to assess whether facts and circumstances existed to suggest whether an impairment event has occurred; and • Determining whether impairment indicators exist involves significant judgement.	Our audit procedures included but were not limited to: • Assessing management's determination of its areas of interest for consistency with the definition in AASB 6 <i>Exploration and Evaluation of Mineral Resources</i> ("AASB 6"); • Assessing the Company's rights to tenure for a sample of tenements; • Testing the Company's additions to capitalised exploration costs for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Company's accounting policy and the requirements of AASB 6; • Reviewing the acquisition agreements entered into during the year, and assessed the fair value of the consideration transferred; • Testing the status of the Company's tenure and planned future activities, reading board minutes and enquiries with management we assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised exploration costs: ○ The licenses for the rights to explore expiring in the near future or are not expected to be renewed; ○ Substantive expenditure for further exploration in the area of interest is not budgeted or planned; ○ Decision or intent by the Company to discontinue activities in the specific area

Key Audit Matter	How our audit addressed the Key Audit Matter
	of interest due to lack of commercially viable quantities of resources; and ○ Data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recorded in full from successful development or sale; and ○ We also assessed the appropriateness of the related disclosures in notes 8 to the financial statements.
Share Based Payments As disclosed in note 14 in the financial report, during the year ended 30 June 2022, the Company incurred share-based payments of \$574,500. Share based payments are considered to be a key audit matter due to • the value of the transactions; • the complexities involved in recognition and measurement of these transactions; and • the judgement involved in determining the inputs used in the valuation.	Our procedures included, amongst others: • Analysing agreements to identify the key terms and conditions of share based payments issued and relevant vesting conditions in accordance with AASB 2 Share Based Payments; • Evaluating valuation models and assessing the assumptions and inputs used; • Assessing the amount recognised during the period in accordance with the vesting conditions of the arrangements; and • Assessing the adequacy of the disclosures included in Note 14 of the financial report.

Other Information

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

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2(a), the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. 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.

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

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

as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2022. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

Auditor's Opinion

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



HALL CHADWICK WA AUDIT PTY LTD



D M BELL CA
Director

Dated this 30th day of September 2022
Perth, Western Australia



List of Tenements

Tenement ID	Tenement Type	Name	Location	Units	Area (km ²)	Holder	% Locksley	Expiry	Notes
EL6592	Exploration Licence (NSW 1992 act)	Tottenham	Tottenham, NSW	50	145.0	Locksley Resources Ltd	100	29/06/2026	Main Tottenham licence hosting Carolina and Mt Royal – Orange Plains resources.
EL6656	Exploration Licence (NSW 1992 act)	Tottenham North	14km NNE of Tottenham, NSW	10	29.0	Locksley Resources Ltd	100	27/10/2026	
EL8384	Exploration Licence (NSW 1992 act)	Collerina	Collerina, 30km NW of Tottenham, NSW	12	34.8	Locksley Resources Ltd	100	28/07/2026	
EL9307	Exploration Licence (NSW 1992 act)	Bulbodney Creek	4 separate areas; 20km NW, 1km west, 5km north and 13km east of Tottenham, NSW	90	261.0	Locksley Resources Ltd	100	16/10/2027	Granted October 2021
EL9400	Exploration Licence (NSW 1992 act)	Watsons Creek	15km NW of Bendemeer, NSW	56	162.4	Locksley Resources Ltd	100	10/5/2028	Granted May 2022



Compliance Statements

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning the Company's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "expect," "intend," "may", "potential," "should," "further" and similar expressions are forward-looking statements. Although the Company believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that further exploration will result in additional Mineral Resources.

Competent Persons

Except where indicated, exploration and technical information above have been reviewed and compiled by Ian Cooper BSc (Hons), BE (Mining), MSc, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy, (Member Number 106609) with over 35 years of experience in metallic minerals mining, exploration and development, and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Cooper is a full time employee and shareholder of Locksley Resources Limited and consents to the inclusion of this technical information in the format and context in which it appears.

Previously Reported information for reference

This report includes information that relates to announcements previously made to the ASX including exploration Results and Mineral Resources prepared and first disclosed under JORC Code 2012. Information was extracted from the Company's previous ASX announcements as follows:

- ❖ LKY ASX Announcement 30 June 2022 AIRBORNE EM SURVEY COMPLETE AND UPDATE
- ❖ LKY ASX Announcement 5 Apr 2022 EXPLORATION UPDATE
- ❖ LKY ASX Announcement 1 Apr 2022 9.8Mt RESOURCE AT TOTTENHAM
- ❖ LKY ASX Announcement 11 Jan 2022 EXPLORATION UPDATE
- ❖ LKY ASX Announcement 25 Nov 2021 TOTTENHAM DRILLING SUPPORTS RESOURCE DEFINITION
- ❖ LKY:ASX Announcement 30 Sept 2021 RC DRILLING COMMENCES AT THE TOTTENHAM COPPER PROJECT, EXPLORATION UPDATE
- ❖ LKY:ASX Announcement 24 Aug 2021 "EXPLORATION UPDATE DRILLING COMMENCES AT TOTTENHAM"
- ❖ Locksley Resources (LKY) Prospectus 6 Jul 2021



ASX Additional Information

Additional information required by the Australia Securities Exchange Ltd ('ASX') and not shown elsewhere in this report is as follows. The information is current as at 28 September 2022.

(a) Distribution of Shareholders

Range of Shares Held	Number of Shareholders	Number of Shares
1 – 1,000	12	1,986
1,001 – 5,000	36	130,378
5,001 – 10,000	131	1,232,280
10,001 – 100,000	174	7,333,788
100,001 and over	67	47,301,569
Total	420	56,000,001

The number of shareholders with an unmarketable parcel of shares is 65, with a total of 239,050 shares.

(b) Top 20 Shareholders

	Shareholder	Number of Shares	%
1	Mincor Copper Pty Ltd	14,500,000	25.89
2	Bacchus Resources Pty Ltd	5,500,000	9.82
3	Jetosea Pty Ltd	3,017,378	5.39
4	BNP Paribas Nominees Pty Ltd Barclays <DRP A/C>	2,962,021	5.29
5	Mr Peter Hiney	2,250,000	4.02
6	Alphda Pty Ltd <Alphda Family A/C>	2,000,000	3.57
7	DRFT Management Pty Ltd <D Roberts Invest No2 A/C>	1,081,089	1.93
8	Adgile Investments Pty Ltd	1,000,000	1.79
9	Mr Stephen Michael Brockhurst <SM Brockhurst Family A/C>	999,500	1.78
10	Elton Holdings Pty Ltd	800,500	1.43
11	Sisu International Pty Ltd	625,000	1.12
12	Crossroads (Aust) Pty Ltd	500,000	0.89
13	Macunzie Pty Ltd <Geelan Family A/C>	471,304	0.84
14	J & M Super Co Pty Ltd <J & M Pollock S/F No 2 A/C>	433,343	0.77
15	CH2 Investments Pty Ltd	400,000	0.71
16	M Carless & Sons Pty Ltd <Mcarless&Sons PL SF No2 A/C>	383,550	0.68
17	Mr Mark Robinson Davies	362,352	0.65
18	The CDPVL Super Group Pty Ltd <Provost SF A/C>	350,496	0.63
19	Mr Peter Nicholas Georgiou + Mrs Michelle Georgiou	349,465	0.62
20	Mad Fish Management Pty Ltd	337,500	0.60
	Total	38,323,498	68.42
	Total Issued Capital	56,000,001	100.00



(c) Substantial Shareholder (Holding not less than 5%)

	Shareholder	Number of Shares	%
1	Mincor Copper Pty Ltd	14,500,000	25.89
2	Bacchus Resources Pty Ltd	5,500,000	9.82
3	Jetosea Pty Ltd	3,017,378	5.39

(d) Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares:

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

(e) Restricted Securities

The Company has the following restricted securities on issue as at 28 September 2022:

- 21,552,750 fully paid ordinary shares - restricted to 8 July 2023;
- 4,000,000 unlisted options exercisable at \$0.25 on or before 31 March 2024 - restricted to 8 July 2023; and
- 3,500,000 unlisted options exercisable at \$0.25 on or before 1 July 2024 - restricted to 8 July 2023.

(f) Unquoted Securities

The Company has the following unquoted securities on issue as at 28 September 2022:

Options	Number	Expiry Date	Exercise Price
Unlisted options	4,000,000	31 March 2024	\$0.25
Unlisted options	3,500,000	1 July 2024	\$0.25
Unlisted options	1,500,000	1 July 2024	\$0.25
Total	9,000,000		

(g) On-Market Buy Back

There is no current on-market buy back of ordinary shares.