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ANNUAL REPORT 2022

RESOURCE MINING CORPORATION LIMITED

ABN 97 008 045 083



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ABN	97 008 045 083
Directors	Asimwe Kabunga (Executive Chairman and Executive Director) Trevor Matthews (Non-Executive Director) David Round (Non-Executive Director) Noel O'Brien (Non-Executive Director)
Company Secretaries	Deborah Ho
Registered Office	Ground Floor 16 Ord Street WEST PERTH, WESTERN AUSTRALIA 6005
Principal Place of Business	Ground Floor 16 Ord Street WEST PERTH, WESTERN AUSTRALIA 6005 Telephone: +61 8 9482 0500 Website: www.resmin.com.au
Share Registry	Computershare Investor Services Pty Ltd Level 11, 172 St Georges Terrace PERTH, WESTERN AUSTRALIA 6000 Telephone Within Australia: 1300 850 505 Outside Australia: +61 3 9415 4000 www.investorcentre.com/contact
Auditor	BDO Audit (WA) Pty Ltd Level 9 Mia Yellagonga Tower 2 5 Spring Street PERTH, WESTERN AUSTRALIA 6000 Telephone: +61 8 6382 4600 Facsimile: +61 8 6382 4601
Bankers	Westpac Bank 116 James Street NORTHBRIDGE, WESTERN AUSTRALIA 6000
Securities Exchange Listing	Resource Mining Corporation Limited shares are listed on the Australian Securities Exchange (Home Exchange – Perth) ASX Code: Shares RMI

CHAIRMAN'S LETTER

Dear Shareholders,

On behalf of the Board of Directors, it is with pleasure that I present to you Resource Mining Corporation Limited's (**RMC** or **Company**) Annual Report for the year ended 30 June 2022.

This has been a transformative year for RMC with the divestment of the Wowo Gap Nickel Laterite Project in PNG completed, and a shift in focus towards Nickel, Cobalt, and Lithium projects including the Kabulanywele Nickel Project – majority owned by the Company – and announced acquisitions of further projects in both Tanzania and Finland at varying stages of progression.

Milestones we have achieved over the past twelve months include:

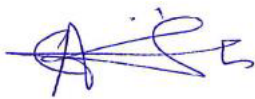
- Completion of the Wowo Gap Project divestment in October 2021;
- Initial exploration at Kabulanywele Nickel Project resulting in soil and rock samples delineating a Ni and Co anomaly with a strike length of 2km coincident with a historically mapped Ni laterite deposit – with rock chip and soil samples returning a maximum value of 1.27% Ni 0.85% Ni respectively;
- Reaching agreements with major debtholders to eliminate all debt in the Company – for the first time in many years (subject to shareholder approval);
- Commencing the process of seeking shareholder approval for the acquisition of the Massive Nickel project portfolio – including a number of prospecting licences in Tanzania which complement the Company's Kabulanywele Nickel Project;
- Commencing maiden drilling at our Kabulanywele Nickel Project with assay results due to be received in the coming month;
- Securing an exclusive option and conducting due diligence on a further acquisition of Nickel and Lithium projects in Finland – in one of Europe's most prospective regions.

Although there have been a number of changes to the composition of your Board, the Board and Management Team that I lead today is well placed and highly motivated to further realise the value of our current and future asset portfolio.

From a capital management perspective, we are in a strong position having finally secured agreements to become debt free (subject to shareholder approval) and have received strong support from new and existing investors in recent equity capital raising activities, totalling \$2.32 million in the past 12 months. We are also pleased to see a total comprehensive profit for the year, predominantly due to the sale of the Company's Wowo Gap Project in Papua New Guinea.

Your Board is looking forward to the exciting few months to come as we further expand our footprint in Tanzania and grow our portfolio of attractive high quality projects globally.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Asimwe Kabunga', written over a light blue circular stamp.

Asimwe Kabunga
Chairman

DIRECTORS' REPORT



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

DIRECTORS

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

Asimwe Kabunga	Chairman and Director (Executive) (Executive)	Appointed Director 9 May 2022 and Chairman 16 June 2022
Trevor Matthews	Director (Non-Executive)	Appointed 22 November 2021
David Round	Director (Non-Executive)	Appointed 23 March 2022
Noel O'Brien	Technical Director (Non-Executive)	Appointed 20 June 2022
William Mackenzie	Chairman (Non-Executive)	Resigned 4 April 2022
Warwick Davies	Managing Director (Executive Director)	Resigned 23 March 2022
Jason Livingstone	Director (Non-Executive)	Resigned 20 June 2022
Zhang Chi	Director (Non-Executive)	Resigned 22 November 2021

PRINCIPAL ACTIVITIES

The principal activity of the Group during the year was mineral exploration in Tanzania.

Summary of Financial Position, Asset Transactions and Corporate Activities

A summary of key financial indicators for the Group, with prior period comparison, is set out in the following table:

	Year 30 June 2022	Year 30 June 2021
	\$	\$
Cash and cash equivalents held at year end	1,728,598	43,060
Net profit/(loss) for the year after tax	2,913,126	(744,820)
Included in profit/loss for the year:		
Finance gain – fair value adjustment of loans	-	650,125
Finance costs – implicit interest on fair value adjustment of loans	(319,174)	(419,884)
Exploration costs	(574,324)	(219,417)
Exploration acquisition costs	-	(474,025)
Basic earnings/(loss) per share (cents) from continuing operations	0.75	(0.24)
Net cash (used in) operating activities	(555,420)	(303,655)
Net cash (used in) investing activities	(34,321)	-
Net cash from financing activities	2,282,659	307,822

During the year:

- In August 2021 there was a divestment of the Wowo gap project. RMI's subsidiary, Resource Exploration Pty Ltd (REX) signed a binding but conditional Share Purchase Agreement with Regency Mines Australasia Pty Ltd to sell 100% of the issued share capital in REX's subsidiary, Niugini Nickel Pty Ltd (NN). NN owns 100% of the Wowo Gap Nickel Laterite Project in Papua New Guinea. Regency Mines Australasia Pty Ltd is a wholly owned subsidiary of Corcel plc. As consideration for the sale, Corcel plc is releasing all liabilities and obligation in connection with its AUD4,761,087 of loans owing by RMI.
- In December 2021 RMI successfully raised \$500,000 before costs, from a share placement to fund preparation work for exploration programs for the 2022 field season at the Kabulwanyele Nickel Project in Tanzania. Funds used for debt servicing and working capital.
- In May 2022 RMI made a share placement to raise \$0.62million before costs for a new sophisticated investor. The funds raised are to advance the next phase of exploration activities at the Kabulwanyele Nickel Project in Tanzania, complete the acquisition of MNPL and its Tanzanian nickel projects, and general working capital.
- In June 2022 the Company entered into an exclusive option to acquire one Nickel and two Lithium projects in Finland. The option deed has a four month option term with due diligence and final negotiations to occur during term. The Company issued 2.5million shares for the exclusive option.

- Also in June 2022, the Company completed a \$1.2million (before costs) share placement for an existing shareholder and new sophisticated investors. The funds raised will be used for the due diligence program for Nickel and Lithium projects in Finland and for general working capital. The Company also commenced its maiden 1,000m RC drilling program at its Kabulwanyele Nickel Project in Tanzania.
- In September 2022, the Company obtained shareholder approval to acquire 100% of the issued capital of Massive Nickel Pty Ltd which indirectly holds a quality portfolio of Tanzanian nickel exploration assets. MNPL holds 99% of the issued capital of Massive Nickel Tanzania Limited (MNPL). MNPL holds a 100% interest in prospecting licences that are granted or in application, that complement the Company's existing Kabulwanyele Nickel Project. Consideration for the acquisition will be the issue of 75 million RMI shares and the grant of a net smelter return royalty.

REVIEW OF OPERATIONS

Kabulwanyele Nickel Project

The Kabulwanyele Nickel Project is located in the Mpanda District of Tanzania, approximately 35km from the eastern shore of Lake Tanganyika, with the area forming part of the western limb of the East African Rift systems.

In 2021, the Company conducted a sampling program that included a systematic collection of 254 soil samples and 19 rock chip samples from all tenements at the Project.

This program delivered highly encouraging nickel and cobalt results and delineated a Nickel-Cobalt anomaly with a strike length of 2km as illustrated in Figure 1, which is broadly coincident with a historically mapped nickel laterite. All samples collected from this anomaly returned grades equal to, or exceeding, 500ppm Ni and 200ppm Co, with grades of up to 1.27% Ni tested in a rock sample, and up to 0.85% Ni in soils .

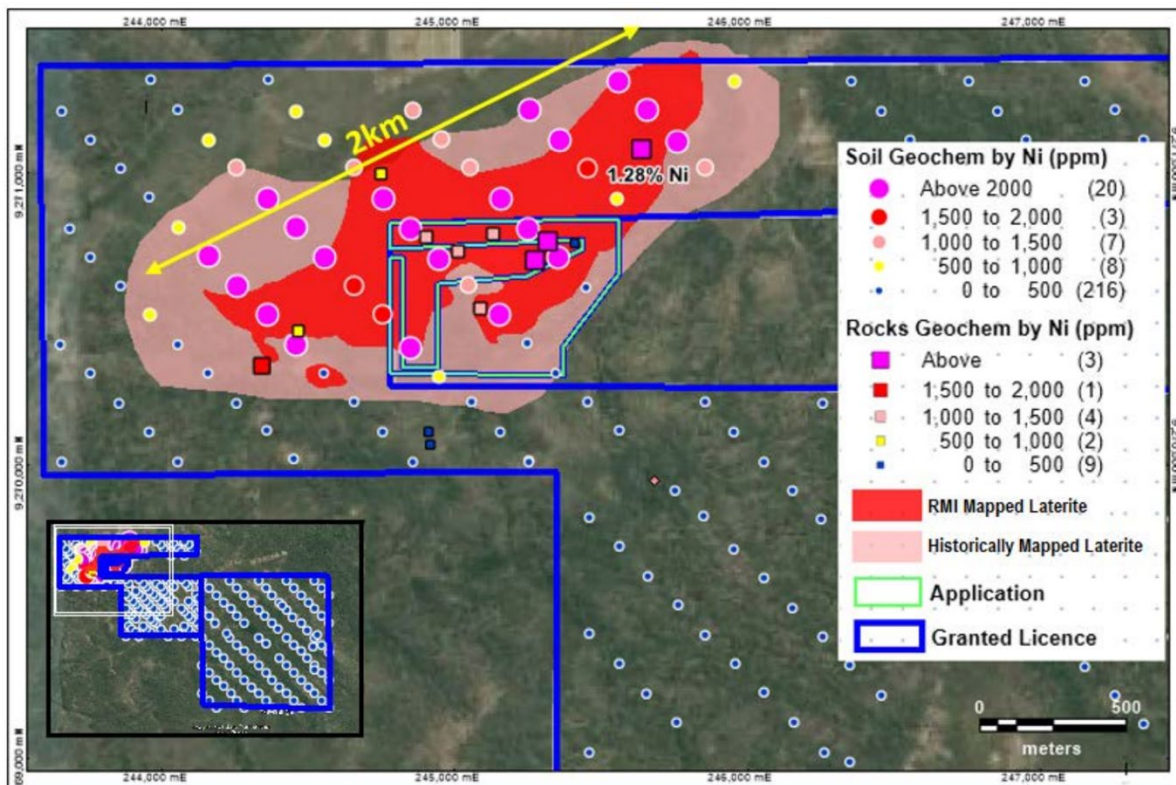


Figure 1: Nickel assay results for soil and rock samples at the Kabulwanyele Nickel Project. 1

¹ Please refer to ASX Announcement dated 18 November 2021 titled "Kabulwanyele Nickel Deposit – Encouraging Nickel and Cobalt Assay Results Received."

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Kabulwanyele is a lateritic occurrence overlying a mafic-ultramafic layered intrusion. The nature of the mineralisation present confirms the potential for both a possible lateritic nickel zone as well as an underlying nickel-enriched source within the serpentinite. Evidence for sulphide mineralization is supported by gossan-type box work structures seen within the serpentinite rock units (See Figure 2 below) and further field mapping will be used to define the extent of this gossanic feature.



Figure 2: Ferruginous silicious boulder with boxwork structures within the serpentinite unit

Following the highly encouraging findings from the 2021 field season, the Company announced a maiden drill program on a systematic grid of 200m by 800m. The drill program aimed at testing for the presence of massive sulphides underlying the laterite cover, increasing the geological understanding of the area.

This drilling program completed in July 2022 and comprised 19 drilled holes for a total of 799m. Geological logging of the RC chips has identified a lateritic profile comprising intercepts of ferruginous layers, highly weathered rocks (saprolite) and saprolitic rocks. The thickness of the ferruginous layer combined with saprolite layers ranges between 5 to 50m. Most of the holes ended in fresh rocks. The drill holes to the north have generally not ended in fresh rock due to groundwater inundation that the RC rig is unable to clear through increased air pressure – so those holes have ended predominantly in saprock.

The samples collected from the drilling program have been dispatched to Nesch Mintek Mwanza for preparation before being shipped to the ALS Chemex South Africa for analysis. The assay results are expected soon.

A gravity survey program has been proposed to assess the potential for a deeply buried mafic-ultramafic intrusive that may have been altered to form the identified nickel laterite anomalies. The generated gravity targets will then be followed up by a ground Electromagnetic (EM) survey. An EM survey will help identify any conducting sulphide layers that may exist at depth. Any combination of targets identified by Gravity and EM would then be tested using deeper diamond drilling.

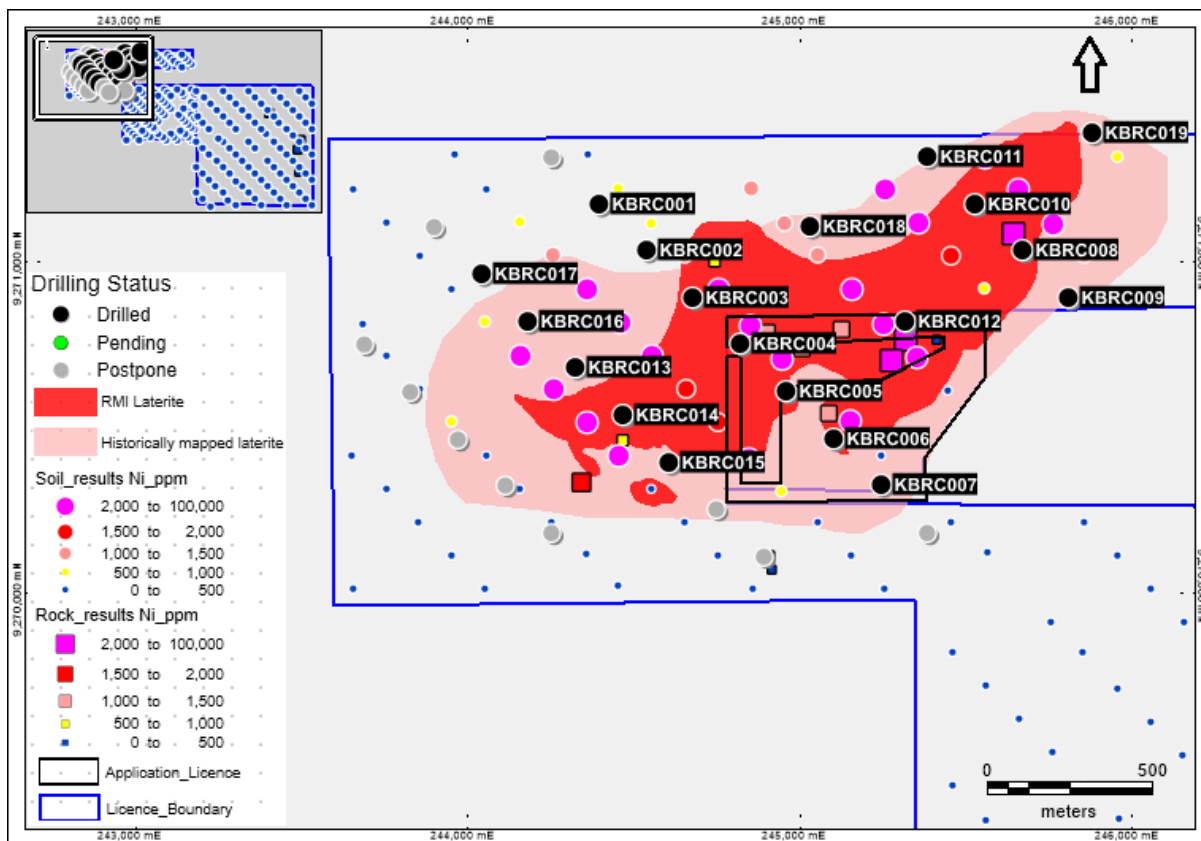


Figure 3: Map showing the completed drilling program over previous mapping and sampling.

Massive Nickel Project Portfolio Proposed Acquisition

In May 2022, the Company conditionally agreed to acquire 100% of the issued capital of Massive Nickel Pty Ltd which indirectly holds a quality portfolio of Tanzanian nickel exploration assets comprising:

- the Kabanga North Nickel Project: along strike from Kabanga Nickel's 'Kabanga Project' which is host to a total mineral resource of 58mt @ 2.62% Ni (prevailing in-situ nickel equivalent grade is 3.14% including cobalt and copper)²;
- the Kapalagula Nickel Project: complementing the Company's existing Kabulwanyele Nickel Project with ultramafic lithologies noted to host Nickel, along with platinum group elements and copper mineralisation³;
- the Southern Projects: including Mbinga, Liparamba and Kitai which all host ultramafic lithologies over considerable strike lengths with noted Nickel anomalism confirmed⁴.

The Company held a General Meeting on 29 September 2022 where a resolution was passed by shareholders on a poll to approve the acquisition of Massive Nickel Pty Ltd.

² Refer to the Company's ASX Announcement dated 9 May 2022 and must be read in conjunction with the Competent Persons Statement at the end of that announcement.

³ Refer to the Company's ASX Announcement dated 9 May 2022 and must be read in conjunction with the Competent Persons Statement at the end of that announcement.

⁴ Refer to the Company's ASX Announcement dated 9 May 2022 and must be read in conjunction with the Competent Persons Statement at the end of that announcement.

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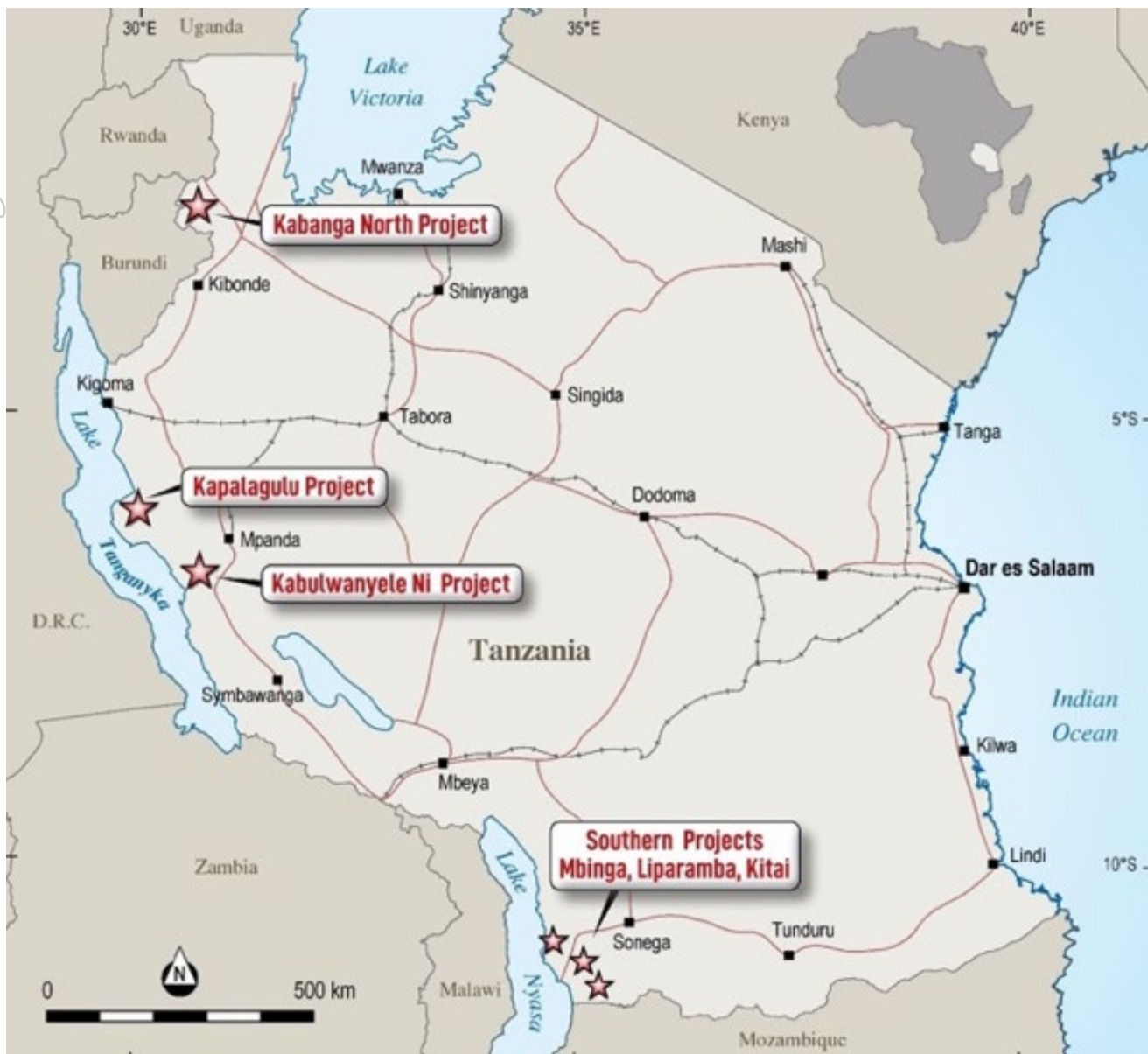


Figure 4: RMC Nickel Project and Proposed 'Massive Nickel' Acquisition Target Projects

Finland Nickel and Lithium Projects – Exclusive Option

In June 2022, the Company secured an exclusive option to acquire a portfolio of Nickel and Lithium projects in Finland, and has since commenced an extensive due diligence process to assess the prospectivity of these projects. This due diligence exercise included the commissioning of a report from Skapto reviewing historical data purchased from the Geological Survey of Finland (GTK).

The portfolio comprises⁵:

- Ruossakero (Nickel): The Ruossakero Ni Project (named after the deposit it contains) is 283.72km² in size and is situated on the north western edge of Finland, near the Swedish border. The Ruossakero NiS deposits are hosted by Archean aged komatiitic ultramafic bodies and are considered to be of the 'Contact-type' Ni-Cu-PGE mineralisation. The largest of the occurrences is 4 km in length and 0.1 to 1.5 km in width. The thickness is at least 400 m. The Ruossakero Ni occurrence is at the basal contact zone of an NW-trending komatiitic cumulate sequence. Historic intersections include 14m @ 1.03% Ni (Ruossakero, Hole ID M183483R404).

⁵ Refer to the Company's ASX Announcement dated 9 May 2022 and must be read in conjunction with the Competent Persons Statement at the end of that announcement.

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DIRECTORS' REPORT (continued)



- **Hirvikallio (Lithium):** The Hirvikallio Lithium reservation is located in the Somero-Tammela area, Southern Finland. The Finnish Geological Survey GTK considers it one of the most promising lithium pegmatite provinces in Finland. It is within a geological setting that has known Li bearing pegmatites and does support significant more opportunity for discovery. Historic intersections include 5m @ 2.30% Li₂O (Hirvikallio, Hole ID M202458R1).
- **Kola (Lithium):** The Kola Lithium reservation is located in the Kaustinen district. The geology of the Keliber Oy lithium project extends into the Kola reservation. According to GTK data, abundant spodumene-containing pegmatite boulders were observed in the reservation area, especially directly south of the major Syväjärvi and Rapasaari deposits of Keliber.

The Company has an exclusive option to acquire these projects until 15 November 2022 and expects to make a decision as to its intentions and negotiate terms with the Vendors following further due diligence over the coming weeks.

PARTICULARS OF DIRECTORS AND COMPANY SECRETARY

Asimwe Kabunga **Chairman and Director (Executive)**

Qualifications: Bachelor of Science, Mathematics and Physics

Term: Executive Director since 9 May 2022 and Executive Chairman since 16 June 2022

Experience: Mr Kabunga is a Tanzanian-born Australian entrepreneur with extensive technical and commercial experience in Tanzania, Australia, the United Kingdom and the United States. Mr Kabunga has extensive experience in the mining industry, logistics, land access, tenure negotiation and acquisition, as well as a developer of technology businesses. Mr Kabunga has been instrumental in establishing the Tanzanian Community of Western Australia Inc., and served as its first President. He was also a founding member of Rafiki Surgical Missions and Safina Foundation, both NGO's dedicated to helping children in Tanzania.

Interest in Shares and Options in Resource Mining Corporation Limited: 56,965,053 ordinary shares held directly and 15,200,000 ordinary shares held by related parties.

Special Responsibilities: Mr Kabunga is Executive Chairman and Director.

Directorships held in other listed entities current or last 3 years: Current Non-Executive Chairman of Volt Resources Limited, and Executive Chairman of Lindian Resources Limited.

Trevor Matthews **Director (Non-Executive)**

Qualifications: Bachelor of Commerce Degree, Post-Graduate Diploma in Applied Finance and Investment

Term: Chairman and Director since 22 November 2021

Experience: Mr Matthews has an accounting and finance background with over 35 years' experience in the Resources industry, including roles with diversified resources companies North and WMC Resources in executive-level positions. His current role is Managing Director for Volt Resources Limited, and Executive Chairman of Victory Goldfields Limited. Previous roles included Managing Director for MZI Resources (2012-16) and Murchison Metals (2005-12). During his career, Trevor has gained considerable experience managing many nascent greenfields resource projects through to production. Consequently, he has extensive executive management experience of feasibility studies, project planning/development, coordination and leveraging capital markets effectively to secure the appropriate mix of debt/equity funding, to successfully develop a mining project.

Interest in Shares and Options in Resource Mining Corporation Limited: Nil.

Special Responsibilities: Mr Matthews is a Non-Executive Director.

Directorships held in other listed entities current or last 3 years: Current Managing Director for Volt Resources Limited, and current Executive Chairman of Victory Goldfields Limited.

DIRECTORS' REPORT (continued)



David Round **Director (Non-Executive)**

Qualifications: Chartered Accountant, MBA

Term: Director since 23 March 2022

Experience: Mr Round is an experienced finance professional with nickel and graphite operational experience within Africa and internationally. He is a qualified accountant and holder of an MBA and is currently an Executive Director of BlackEarth Minerals NL and previously Head of Finance, Sales and Marketing at Australian graphite producer, Bass Metals Ltd where he led a large team in the development of a successful mine operation with supplies of critical minerals worldwide. Prior roles held by Mr. Round include CFO of Nickel producer, Albidon Ltd, and Ironbark Zinc Ltd and formerly a senior executive at Ernst & Young and KPMG (London)

Interest in Shares and Options in Resource Mining Corporation Limited: Nil.

Special Responsibilities: Mr Round is a Non-Executive Director.

Directorships held in other listed entities current or last 3 years: Current Executive Director of BlackEarth Minerals NL.

Noel O'Brien **Technical Director (Non-Executive)**

Qualifications: Bachelor's degree in Metallurgical Engineering from the University of Melbourne, an MBA from the University of the Witwatersrand and is a Fellow of the AusIMM.

Term: Director since 20 June 2022

Experience: Mr O'Brien is a metallurgist with wide international and corporate experience. After a career spanning 40 years in Australia and Africa he established Trinol Pty Ltd, a Perth based consultancy, to provide process and project development services over a broad range of commodities. Mr O'Brien has been actively involved with projects containing manganese, iron ore, gold, base metals, and battery metals including lithium, graphite and cobalt. He has served on the board of a number of ASX listed companies over the past 9 years and is currently a technical advisor to several listed companies with early to advanced stage projects.

Interest in Shares and Options in Resource Mining Corporation Limited: Nil.

Special Responsibilities: Mr O'Brien is a Non-Executive Director.

Directorships held in other listed entities current or last 3 years: Current Independent Non-Executive Director of Galileo Mining Limited. Previously Non-Executive Director of Mali Lithium from 1 December 2017 to 6 April 2020 and Metals Tech Limited from 17 June 2019 to 6 July 2020.

William (Bill) Mackenzie **Chairman (Non-Executive)**

Qualifications: Bachelor of Engineering (Mining); MBA; M AusIMM

Term: Chairman and Director from 19 December 2008 to 4 April 2022

Experience: Mr Mackenzie is a mining engineer with over 40 years of experience in the resources sector with involvement in the assessment, development and operation of mineral projects both within Australia and overseas. Mr Mackenzie's experience has included direct operating, senior project management and executive roles with responsibility for business development, project and business unit management of various Australian and offshore ventures and from 2001 was Principal of a consulting group that provided specialised, independent technical and commercial advice to boards, banks and investors involved in the development of resources, energy and infrastructure projects worldwide. He served as a non-executive Director of ASX listed OM Holdings Limited from 2005 till 2007 and as Managing Director of a privately owned diversified Australian resource development company from 2007 till 2013. Since 2015, he has been a director of an Australian subsidiary of a privately owned international investment group.

Interest in Shares and Options in Resource Mining Corporation Limited: 4,000,000 ordinary shares

Special Responsibilities: Mr Mackenzie was a Non-Executive Chairman.

Directorships held in other listed entities current or last 3 years: None.

DIRECTORS' REPORT (continued)



Warwick Davies **Managing Director**

Qualifications: Bachelor of Arts (Economics) and has a Certificate of Chemistry.

Term: Director from 12 August 2004 to 23 March 2022.

Experience: Mr Davies has over fifty years' industry experience in the mining, exploration and manufacturing industries. He has held a variety of leadership roles in both technical and commercial positions during his extensive career with BHP, Hamersley Iron, Robe River Mining Co and RMC.

As an independent mining industry consultant since 2001, Mr Davies has worked on a wide variety of assignments initially in the Iron Ore Industry and more recently in the Non-Ferrous industry with specific emphasis on China. He brings to the Company, considerable practical and international experience, a strong technical background and an extensive potential customer contact network. Over the past 10 years, Mr Davies has developed detailed knowledge of the conduct of business in Papua New Guinea as well as the Nickel and emerging Battery Minerals industry.

Interest in Shares and Options in Resource Mining Corporation Limited: 1,679,437 ordinary shares held directly and 2,655,945 ordinary shares held by related parties.

Special Responsibilities: Mr Davies was responsible for the day-to-day operations of the Group and in particular Metallurgy, Marketing and Infrastructure.

Directorships held in other listed entities current or last 3 years: Fenix Resources Limited.

Jason Livingstone **Director (Non-Executive)**

Qualifications: Member of the Australian Institute of Geoscientists, BSc Mineral Exploration and Mining Geology

Term: Director from 4 April 2022 to 20 June 2022.

Experience: Mr Livingstone commenced his career in Kalgoorlie over 20 years ago. He is a graduate of the WA School of Mines BSc Mineral Exploration and Mining Geology, as well as the Curtin Graduate School of Business MBA and the Australian Institute of Company Directors, Company Directors Course. Mr Livingstone has worked in Australia, Africa, China and Panama, including managing exploration and resource definition programs in Tanzania. His commodity experience includes gold, copper, nickel, lead, zinc, iron ore, graphite and vanadium.

Interest in Shares and Options in Resource Mining Corporation Limited: Nil.

Special Responsibilities: Mr Livingstone was a Non-Executive Director.

Directorships held in other listed entities current or last 3 years: Current Executive Director of Metalicity Limited.

Zhang Chi (Andy) **Director (Non-Executive)**

Qualifications: Mr Zhang has an economics degree from Renmin University in China.

Term: Director from April 2006 to 22 November 2021

Experience: Mr Zhang is Managing Director of Sinom (Hong Kong) Limited and has very extensive experience in the Iron and Steel Industry in China. Prior to becoming involved in Sinom (Hong Kong) Limited, Mr Zhang held several positions with the BaoSteel Group, (China's largest steel maker).

Interest in Shares and Options in Resource Mining Corporation Limited: Nil.

Special Responsibilities: Mr Zhang was a Non-Executive Director.

Directorships held in other listed entities current or last 3 years: None

DIRECTORS' REPORT (continued)



Deborah Ho **Company Secretary**

Qualifications: AGIA

Term: Company Secretary appointed 21 March 2022

Experience: Ms Deborah Ho is employed by Ventnor Capital Pty Ltd and acts as Company Secretary to several other ASX listed and private companies. Ms Ho is an Associate Member of the Governance Institute of Australia and has over seven years of experience in company secretarial, corporate compliance and financial accounting matters.

Amanda Sparks **Company Secretary (Resigned 21 March 2022)**

Qualifications: B.Bus, CA, F.Fin

Term: Company Secretary from August 2016 to 21 March 2022

Experience: Ms Amanda Sparks is a Chartered Accountant with over 30 years of resources related financial experience, both with explorers and producers. Ms Sparks has extensive experience in financial management, corporate governance and compliance for listed companies.

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2022, and the number of meetings attended by each Director.

	Board Meetings	
	Number eligible to attend	Number attended
Asimwe Kabunga	-	-
Trevor Matthews	4	4
David Round	4	3
Noel O'Brien	-	-
Warwick Davies	3	3
William Mackenzie	3	3
Zhang Chi	2	-
Jason Livingstone	3	3

During the year, the Board held various discussions via phone calls and informal meetings, rather than formal Board meetings. In addition, circular resolutions were used to resolve important matters.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Group intends to continue its exploration activities with a view to the commencement of mining operations when practical. Refer to the Subsequent Events section in this Director's Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review not otherwise disclosed in this report or in the consolidated accounts.

DIVIDENDS

No dividends were paid or declared during the year. The Directors do not recommend payment of a dividend.

ENVIRONMENTAL REGULATIONS

The Group has conducted exploration activities on its mineral tenement. The right to conduct these activities is granted subject to environmental conditions and requirements. The Group aims to ensure a high standard of environmental care is achieved and, as a minimum, to comply with relevant environmental regulations. There have been no known breaches of any of the environmental conditions.

OPERATING AND FINANCIAL REVIEW

SHARE OPTIONS

As at the date of this report, the following unlisted options over unissued ordinary shares in the Resource Mining Corporation Limited have been issued.

Number of Options	Option Exercise Price A\$	Option Expiry
2,000,000	\$0.08	20/05/2025
8,000,000	\$0.10	25/05/2025
5,000,000	\$0.15	22/06/2025

REMUNERATION REPORT (Audited)

The Directors present the 2022 Remuneration Report, outlining key aspects of Resource Mining Corporation's remuneration policy and framework, together with remuneration awarded this year.

The report is structured as follows:

- A. Key management personnel (KMP) covered in this report
- B. Remuneration policy, link to performance and elements of remuneration
- C. Contractual arrangements of KMP remuneration
- D. Remuneration of key management personnel
- E. Equity holdings and movements during the year
- F. Other transactions with key management personnel
- G. Use of remuneration consultants
- H. Voting of shareholders at last year's annual general meeting

A. KEY MANAGEMENT PERSONNEL (KMP) COVERED IN THIS REPORT

For the purposes of this report key management personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether Executive or otherwise).

Key Management Personnel during the Year

Non-Executive Directors

Trevor Matthews	–	Non-Executive Director (from 22 November 2021)
David Round	–	Non-Executive Director (from 23 March 2022)
Noel O'Brien	–	Non-Executive Director (from 20 June 2022)
William Mackenzie	–	Non-Executive Chairman (until 4 April 2022)
Zhang Chi	–	Non-Executive Director (until 22 November 2021)
Jason Livingstone	–	Non-Executive Director (from 4 April 2022 until 20 June 2022)

Executive Directors

Asimwe Kabunga	–	Executive Director and Chairman (from 9 May 2022)
Warwick Davies	–	Managing Director (until 23 March 2022)

B. REMUNERATION POLICY, LINK TO PERFORMANCE AND ELEMENTS OF REMUNERATION

The Board's policy is to remunerate Directors, officers and employees at market rates for companies of similar size and industry, for time, commitment and responsibilities. The Board determines payment to the Directors and reviews their remuneration as required, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of Directors' fees that can be paid is subject to approval by shareholders in general meeting, from time to time. Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholders' interests, the Directors are encouraged to hold securities in the Company.

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DIRECTORS' REPORT (continued)



The remuneration of Non-Executive Directors is set by reference to payments made by other companies of similar size and industry, and by reference to the Director's skills and experience, and for the Reporting Period included a consideration of the financial restrictions in place on the Company.

Remuneration policy and framework

The Company's policy on remuneration clearly distinguishes the structure of Non-Executive Directors' remuneration from that of executive Directors and senior executives. Given the financial restrictions placed on it, the Company may consider it appropriate to issue unlisted options to Non-Executive Directors, subject to obtaining the relevant approvals. The Remuneration Policy is subject to annual review.

The maximum aggregate amount of fees (including superannuation payments) that can be paid to Non-Executive Directors is subject to approval by shareholders at general meeting. The maximum aggregate Directors' fees payable to non-executive Directors is \$250,000 per annum as approved by the shareholders at the 2020 AGM on 11 December 2020 (stated in section 14.8 of the constitution adopted at that meeting).

Executive pay and rewards may consist of a base salary and performance incentives. Long term performance incentives may include options granted at the discretion of the Board and subject to obtaining the relevant approvals. The grant of options, when made, are designed to recognise and reward efforts as well as to provide additional incentive and may be subject to the successful completion of performance hurdles. Executives are offered a competitive level of base pay at market rates (for comparable companies) and are reviewed to ensure market competitiveness.

There are no termination or retirement benefits for Non-Executive Directors (other than superannuation).

Relationship between remuneration and the Group's performance

The Company does not pay any performance-based component of salaries.

C. CONTRACTUAL ARRANGEMENTS OF KMP REMUNERATION

On appointment to the board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the board policies and terms, including compensation, relevant to the office of director. Remuneration and other terms of employment for the executive directors and the other key management personnel are formalised in service agreements.

Executive Directors

Mr Asimwe Kabunga, Executive Chairman and Director, is responsible for the day-to-day operations of the Group. The Group has an agreement with Kabunga Holdings Pty Ltd* to provide the services of Mr Kabunga to the Company in relation to its activities on normal commercial terms and conditions, which are detailed as follows:

Terms of Agreement	Remuneration excluding GST	Termination benefit
Agreement commenced 16 June 2022	Fixed monthly fee of \$20,833.33 per calendar month	3 months notice

*Mr Kabunga is a Director and shareholder of Kabunga Holdings Pty Ltd.

From the period 1 July 2021 to 23 March 2022, Mr Warwick Davies was Managing Director and was responsible for the day-to-day operations of the Group. The Group had an agreement with Fairstone Holdings Pty Ltd* to provide the services of Mr Davies to the Company in relation to its activities on normal commercial terms and conditions, which are detailed as follows:

Terms of Agreement	Remuneration excluding GST	Termination benefit
Agreement commenced 31 August 2011 for 3 years, extended to 31 March 2016. Services continue to be provided under this agreement since 31 March 2016.	\$14,400 per calendar month based on a minimum of 216 business days per annum plus \$100 per hour there-after. However, to assist in reducing costs, Mr Davies has not invoiced the minimum monthly amount, and instead charged his time at \$100/hour, which has resulted in a significantly lower monthly cost for the Company. During the year, Mr Davies was paid a total of \$65,420 in consulting fees.	3 months notice

*Mr Davies is a Director and shareholder of Fairstone Holdings Pty Ltd.

DIRECTORS' REPORT (continued)



D. REMUNERATION OF KEY MANAGEMENT PERSONNEL

The total remuneration paid to Key Management Personnel is summarised below:

2022	Short-term benefit				Post-employment Benefits	Share-based payments	Total
	Name	Salary and Fees	Cash Bonus	Non-Monetary Benefit	Consulting/ Other	Super-annuation	
	\$	\$	\$	\$	\$	\$	\$
A Kabunga ¹	40,809	-	-	65,698	-	-	106,507
T Matthews ²	24,644	-	-	-	-	-	24,644
D Round ³	11,268	-	-	2,600	-	-	13,868
N O'Brien	1,636	-	-	-	-	-	1,636
W Mackenzie ⁴	34,091	-	-	-	3,409	-	37,500
W Davies	-	-	-	65,420	-	-	65,420
Zhang C	-	-	-	-	-	-	-
J Livingstone	8,444	-	-	13,313	-	-	21,757
Totals	120,894	-	-	147,031	3,409	-	271,333

1. Mr Kabunga's fees and consulting fees for 9 May 2022 to 30 June 2022 are unpaid as at 30 June 2022 (total \$106,507).
2. Mr Matthews' fees from 22 November 2021 to 30 June 2022 are unpaid as at 30 June 2022 (total \$24,444).
3. Mr Round's consulting fees for June 2022 are unpaid as at 30 June 2022 (total \$2,600 excluding GST).
4. Mr Mackenzie's fees for the period January 2022 to March 2022 are unpaid as at 30 June 2022 (total \$12,500).

Non-Executive Directors' Remuneration

Non-Executive Directors' remuneration consists of base fees (inclusive of superannuation) and is currently set at \$48,000 per annum. The Directors are entitled to reimbursement of out-of-pocket expenses incurred whilst on Company business.

2021	Short-term benefit			Post-employment Benefits	Share-based payments	Total
	Name	Salary and Fees	Cash Bonus	Non-Monetary Benefit	Super-annuation	
	\$	\$	\$	\$	\$	\$
W Mackenzie ¹	50,000	-	-	-	-	50,000
W Davies ²	106,957	-	-	-	-	106,957
Zhang C ³	-	-	-	-	-	-
Totals	156,957	-	-	-	-	156,957

1. Mr Mackenzie's fees for the period July 2016 to June 2021 are unpaid as at 30 June 2021 (total \$300,000).
2. Mr Davies' fees for the period May 2015 to June 2021 are unpaid as at 30 June 2021 (total \$622,400 excluding GST).
3. Mr Zhang Chi elected not to receive any Director's fees effective 1 July 2014.

Long term benefits and termination benefits paid for the year were nil (2021: nil).

During the year, no share-based payments were made (2021: none). The Company issued \$50,000, with a fair value on issue date of \$37,076 worth of fully paid ordinary shares to previous Director Mr William Mackenzie in lieu of \$300,000 accrued directors' fees for the period July 2015 to June 2021. In lieu of the \$300,000 worth of accrued directors' fees owed, Mr Mackenzie agreed to forgive \$245,000 of the \$300,000 worth of accrued directors' fees, and to receive \$50,000 worth of RMI fully paid ordinary shares plus \$5,000 of statutory superannuation.

DIRECTORS' REPORT (continued)



E. EQUITY HOLDINGS AND MOVEMENTS DURING THE YEAR

Share holdings of key management personnel (Includes shares held directly, indirectly and beneficially)

	Balance At the beginning of the Year	Granted as Remuneration	On-market Purchase/(Sale)	Balance 30 June 2022
Directors				
W Davies	4,335,382	-	-	4,335,382
W Mackenzie ¹	2,092,847	-	1,907,153	4,000,000
Zhang C	136,793,768	-	(136,793,768)	-
J Livingstone	-	-	-	-
T Matthews	-	-	-	-
D Round	-	-	-	-
A Kabunga ²	-	-	56,965,053	56,965,053
N O'Brien	-	-	-	-
Totals	143,221,997	-	(77,921,562)	65,300,435

1. For the period July 2015 to June 2021, \$300,000 of Director fees accrued to Mr Mackenzie, and in lieu of this unpaid remuneration he agreed to receive \$50,000 worth of RMI shares plus \$5,000 of statutory superannuation. 2,153,995 shares were issued to Mr Mackenzie on 3 February 2022, and this number was determined by dividing \$50,000 by the volume weighted average sale price of RMI shares sold on ASX during the 20 consecutive trading days prior to the date of the Annual General Meeting held on 21 January 2022.
2. On 3 February 2022 the Company issued 34.375 million fully paid ordinary shares to a related party of the Executive Chairman, Kabunga Holdings Pty Ltd, as consideration for the repayment of a \$550,000 debt owing to Kabunga Holdings Pty Ltd.

There are no option holdings of key management personnel as at year end (2021: nil).

F. OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Office Usage

Warwick Davies is a previous Director, is also shareholder and Director of Fairstone Holdings Pty Ltd (Fairstone). During the year Fairstone provided office usage to the Company amounting to \$1,439 for the year ended June 2022 (2021: \$4,080).

Advances from Previous Managing Director

These advances were interest free and unsecured. Mr Davies had agreed not to call for the outstanding payable balances prior to 30 September 2022 unless Resource Mining Corporation Limited is in a position to repay the amounts.

During the 2021/2022 year, the Managing Director made \$66,059 worth of advances to the Company which were repaid in December 2021 (2021: advances made to the Company \$18,953, and \$29,234 repaid).

Director Fees Forgiven

For the period July 2015 to June 2021, \$300,000 of remuneration for previous RMI Director, Mr William Mackenzie has accrued, but not been paid. Mr Mackenzie agreed to receive \$50,000 worth of RMI fully paid ordinary shares plus \$5,000 of statutory superannuation in lieu of \$300,000 in unpaid remuneration for the period July 2015 to June 2021. The actual number of shares issue was determined by dividing \$50,000 by the volume weighted average sale price of share sold on ASX during the 20 consecutive trading days prior to the date of the Annual General Meeting held on 21 January 2022. The fair value of the shares on issue date was \$37,076.

Kabunga Holdings loan

On 3 February 2022 the Company issued 34.375 million fully paid ordinary shares to a related party of the Executive Chairman, Kabunga Holdings Pty Ltd, as consideration for the repayment of a \$550,000 debt owing to Kabunga Holdings Pty Ltd. As at 30 June 2022, the Company owes a \$649,186 debt to Kabunga Holdings Pty Ltd. The original debtholders assigned their debt to Kabunga Holdings Pty Ltd as follows:

- \$475,000 which was borrowed by the Company from Sinom (Hong Kong) Limited. Sinom is an entity controlled by previous Company Director Zhang Chi.
- \$724,186 is owing by the Company to Fairstone Holdings Pty Ltd, and entity controlled by previous Company Director Warwick Davies.

The Company held a General Meeting on 29 September 2022 where shareholders approved the issue of 10,470,742 Shares and 2,094,118 Options with an expiry date of 20 May 2025 and an exercise price of \$0.08 to Kabunga Holdings Pty Ltd by way of repayment of the \$649,186 debt.

DIRECTORS' REPORT (continued)



Other transactions

There were no other transactions with key management personnel during the year.

G. USE OF REMUNERATION CONSULTANTS

No remuneration consultants were engaged by the Company during the year.

H. VOTING OF SHAREHOLDERS AT LAST YEAR'S ANNUAL GENERAL MEETING

The Company received 100% of 'yes' votes for its remuneration report for the 2021 financial year and did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

This is the end of audited remuneration report.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company does not have insurance for Directors and Officers of the Company.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Resource Mining Corporation Limited support and adhere to the principles of corporate governance. Please refer to the Company's website for details of corporate governance policies: <http://resmin.com.au/corporate/corporate-governance/>.

AUDITOR

BDO Audit (WA) Pty Ltd was appointed as auditors in November 2012 in accordance with section 327 of the *Corporations Act 2001*.

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 in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

BDO Corporate Finance (WA) Pty Ltd were paid fees for non-audit services totalling \$41,550 during the year ended 30 June 2022 (2021: nil).

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration is included after the Auditor's Report in this annual report.

MATTERS SUBSEQUENT TO THE END OF FINANCIAL YEAR

Subsequent to year end, the following occurred:

- On 14 July 2022, the Chairman, Asimwe Kabunga made an off-market share acquisition of 13,746,883 fully paid ordinary shares for a non-cash consideration with a deemed value of \$0.10 per share.
- On 29 September 2022 the Company held a General Meeting and all resolutions were passed on a poll. Amongst other resolutions passed, shareholders approved of the Massive Nickel Pty Ltd acquisition, and the issue of 10,470,742 Shares and 2,094,118 Options with an expiry date of 20 May 2025 and an exercise price of \$0.08 to Kabunga Holdings Pty Ltd by way of repayment of the Company's \$649,186 debt to Kabunga Holdings Pty Ltd.

There are no other matters or circumstances that have arisen since 30 June 2022 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial years.

DIRECTORS' REPORT (continued)



Signed in accordance with a resolution of the Directors

A handwritten signature in blue ink, appearing to read "Asimwe Kabunga", is positioned below the text "Signed in accordance with a resolution of the Directors". The signature is stylized and somewhat cursive.

Asimwe Kabunga
Executive Chairman and Director
Dated at Perth 30th day of September 2022

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
for the year ended 30 June 2022**



	Note	Consolidated	
		2022	2021
		\$	\$
Other Income			
Sale of subsidiary	2	4,856,783	-
Director Fees Forgiven		245,000	-
Finance Income – fair value adjustment of loans	12(c)	-	650,125
Interest income		40	-
Total other income		5,101,823	650,125
Expenses			
Administration and corporate expenses	3(a)	(713,654)	(280,433)
Share based payment expense	18	(546,400)	-
Exploration expenditure	3(b)	(574,324)	(219,417)
Exploration expenditure – acquisition costs	3(c)	-	(474,025)
Borrowing costs	3(d)	(354,320)	(421,070)
Total expenses		(2,188,697)	(1,394,945)
PROFIT/(LOSS) BEFORE INCOME TAX		2,913,126	(744,820)
INCOME TAX BENEFIT / (EXPENSE)	5	-	-
PROFIT/(LOSS) AFTER INCOME TAX FOR THE YEAR		2,913,126	(744,820)
Total profit/(loss) is attributable to:			
Owners of Resource Mining Corporation Limited		2,960,669	(733,705)
Non-Controlling Interests	16	(47,543)	(11,115)
		2,913,126	(744,820)
OTHER COMPREHENSIVE INCOME/(LOSS)			
<i>Items that maybe re-classified to profit or loss</i>			
Exchange translation difference	15	(185,577)	(16,601)
OTHER COMPREHENSIVE INCOME/(LOSS)		(185,577)	(16,601)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		2,775,092	(761,421)
Total comprehensive income/(loss) is attributable to:			
Owners of Resource Mining Corporation Limited		2,822,635	(750,306)
Non-Controlling Interests		(47,543)	(11,115)
		2,775,092	(761,421)
PROFIT/(LOSS) PER SHARE FOR THE YEAR ATTRIBUTABLE TO THE MEMBERS OF RESOURCE MINING CORPORATION LIMITED			
Basic and diluted earnings/(loss) per share (cents per share)	4	0.82	(0.24)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2022



	Note	Consolidated	
		30 June 2022 \$	30 June 2021 \$
CURRENT ASSETS			
Cash and cash equivalents	6	1,728,598	43,680
Receivables and other current assets	8	42,589	22,097
Total Current Assets		1,771,187	65,777
NON CURRENT ASSETS			
Plant and equipment	9	-	75,014
Total Non-Current Assets		-	75,014
TOTAL ASSETS		1,771,187	140,791
CURRENT LIABILITIES			
Trade and other payables	10	559,935	1,098,212
Interest bearing liabilities	11	1,767	2,854
Non-interest bearing liabilities	12	649,186	4,901,075
Provisions	13	-	33,655
Total Current Liabilities		1,210,888	6,035,796
TOTAL LIABILITIES		1,210,888	6,035,796
NET ASSETS / (NET ASSET DEFICIENCY)		560,298	(5,895,005)
EQUITY			
Issued capital	14	66,921,753	63,768,599
Reserves	15	651,415	262,392
Accumulated losses		(66,954,214)	(69,914,883)
Capital and reserves attributable to owners of Resource Mining Corporation Limited		618,954	(5,883,892)
Non-controlling interests	16	(58,656)	(11,113)
TOTAL EQUITY / (DEFICIENCY IN EQUITY)		560,298	(5,895,005)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2022



Group	Issued Capital	Accumulated Losses	Reserves	Non-controlling Interests	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2022					
Balance at 1 July 2021	63,768,599	(69,914,883)	262,392	(11,113)	(5,895,005)
Profit/(Loss) for the year	-	2,960,669	-	(47,543)	2,913,126
Other comprehensive loss for the year	-	-	(185,577)	-	(185,577)
Total comprehensive profit/(loss) for the year	63,768,599	(66,954,214)	76,815	(58,656)	(3,167,456)
Transactions with owners in their capacity as owners					
Shares issued	3,291,875	-	-	-	3,291,875
Cost of share issues	(178,721)	-	-	-	(178,721)
Exercise of options	40,000	-	-	-	40,000
Options issued to Corporate Advisor	-	-	574,600	-	574,600
Balance at 30 June 2022	66,921,753	(66,954,214)	651,415	(58,656)	560,298

Group	Issued Capital	Accumulated Losses	Reserves	Non-controlling Interests	Total
	\$	\$	\$	\$	\$
Year ended 30 June 2021					
Balance at 1 July 2020	63,294,571	(69,576,673)	585,555	-	(5,696,547)
Loss for the year	-	(733,705)	-	(11,115)	(744,820)
Other comprehensive loss for the year	-	-	(16,601)	-	(16,601)
Total comprehensive profit/(loss) for the year	-	(733,705)	(16,601)	(11,115)	(761,421)
Transfer of convertible notes reserve to accumulated losses	-	395,495	(395,495)	-	-
Transactions with owners in their capacity as owners					
Shares issued	474,028	-	-	2	474,030
Fair value adjustment to related party borrowings	-	-	88,933	-	88,933
Balance at 30 June 2021	63,768,599	(69,914,883)	262,392	(11,113)	(5,895,005)

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

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 June 2022



	Note	Consolidated	
		2022	2021
		\$	\$
CASH FLOWS FROM OPERATION ACTIVITIES			
Payments to suppliers and employees		(578,376)	(320,195)
Interest income received		40	-
Other income received, including GST refunds		23,687	17,726
Interest expense/finance costs paid		(771)	(1,186)
Net Cash Utilised In Operating Activities	7(a)	(555,420)	(303,655)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash disposed on sale of subsidiary		(34,321)	-
Net Cash Utilised In Investing Activities		(34,321)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		2,360,000	-
Proceeds from borrowings and advances	7(b)	145,747	337,056
Repayment of borrowings and advances	7(b)	(129,909)	(29,234)
Cost of issue of shares		(93,179)	-
Net Cash From Financing Activities		2,282,659	307,822
Net increase in cash and cash equivalents		1,692,918	4,167
Cash and cash equivalents at beginning of the year		43,680	43,962
Effect of exchange rate changes on cash and cash equivalents		(8,000)	(4,449)
Cash and cash equivalents at the end of the year	6	1,728,598	43,680

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

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1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated statements and notes represent those of Resource Mining Corporation Limited (“**Company**”) and controlled entities (the “**Group**”). Resource Mining Corporation Limited is a listed public company, incorporated and domiciled in Australia.

The financial report was authorised for issue on 30th September 2022 by the Board of Directors.

(a) Basis of Preparation and Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards. The financial report has also been prepared on a historical cost basis.

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied to all years presented, unless otherwise stated.

The consolidated financial statements are presented in Australian dollars. The functional currency of Resource Mining Corporation Limited and its subsidiaries is Australian dollars, except for Eastern Nickel Tanzania whose functional currency is Tanzanian Shillings.

(b) Statement of Compliance

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

(c) Going Concern

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a profit of \$2,913,126 and had net cash outflows from operating activities of \$555,420. At 30 June 2022, the Company had \$1,728,598 in cash and cash equivalents. For the Group to continue to carry out its exploration activities, meet its expenditure requirements and continue as a going concern it is dependent on securing additional funding. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group’s ability to continue as a going concern.

For the Group to be able to continue to carry out its exploration activity and to have sufficient working capital, it is dependent on the financial support from its shareholders to fund its working capital requirements and/or successfully raising capital. The Directors are satisfied they will be able to raise additional working capital as required and thus it is appropriate to prepare the financial statements on a going concern basis. In arriving at this position, the Directors have considered the following matters:

- Ongoing financial support from shareholders;
- Successfully raising funds through debt and/or equity. The Group had successfully raised \$2,141,279 (before costs) via Placements, and raised \$40,000 via the exercise of unlisted options during the year, which supports the Group’s ability to raise capital if required; and
- The ability to reduce expenditure, where required. In the event that funding of an amount required to meet the future budgeted operational and investing activities of the Company is unavailable, the Directors would undertake steps to scale down its operations and reduce its discretionary expenditure in order to curtail cash outflows.

The Directors have assessed the cash flow requirements for the 12-month period from the date of approval of the financial statements and its impact on the Group and believe there will be sufficient funds to meet the Group’s working capital requirements.

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - continued

(d) New and Amended Accounting Standards and Interpretations

Early adoption of accounting standards

The Group has not elected to apply any pronouncements before their operative date in the annual reporting year beginning 1 July 2021.

A number of new or amended standards became applicable for the current reporting period for which the Group has adopted. None of these standards had a material effect on the Group.

New and amended standards not yet adopted by the Group

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2022. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

AASB 2020-1 makes amendments to AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or noncurrent. A liability is classified as current if the entity has no right at the end of the reporting period to defer settlement for the liability for at least 12 months after the reporting period. The AASB recently issued amendments at AASB 101 to clarify the requirements for classifying liabilities as current. Specifically: • clarifying that the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period; • stating that management's expectations around whether they will defer settlement or not does not impact the classification of the liability; • adding guidance about lending conditions and how these can impact classification; and • including requirements for liabilities that can be settled using an entity's own instruments. This new standard is not expected to impact the Group's reporting.

There are no other material new or amended standards not yet adopted by the Group.

(e) Significant Accounting Estimates and Judgements

Estimates and judgements incorporated into the financial report are continually evaluated and are 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 Group.

Commitments - Exploration

The Group has certain minimum exploration commitments to maintain its right of tenure to its' exploration permits. These commitments require estimates of the cost to perform exploration work required under this permit.

Discount rate on borrowings

As some of the Company's borrowings are on interest-free terms, present value calculations have been performed on the basis of an implied 14% discount rate as determined by the Directors.

Coronavirus (COVID-19) Pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. Currently there is no significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Share based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in Note 18.

For equity transactions with consultants and other employees, the fair value reflects the value attributable to services where applicable. Where there is no quantifiable value of services the value of options is calculated using the Black and Scholes option pricing model, or the quoted bid price where applicable.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - continued

(f) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Resource Mining Corporation Limited ("Company" or "Parent Entity") as at 30 June each year and the results of all subsidiaries for the year then ended. Resource Mining Corporation Limited and its subsidiaries together are referred to in these financial statements as the "Group".

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

All inter-group balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Financial Position respectively.

(g) Foreign Currency Transaction and Balances

Functional and presentation currency

The functional currency of each of the entities in the Group is measured using the currency of the primary economic environment in which the entity operates. The Group's financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate.

Exchange differences arising on the transaction of monetary items are recognised in the Statement of Profit or Loss and Other Comprehensive Income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange differences are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Controlled entities

The financial results and position of foreign operations whose functional currency is different from the presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the foreign currency translation reserve in the Statement of Financial Position. These differences are recognised in the Statement of Profit or Loss and Other Comprehensive Income in the period in which the operation is disposed of.

2. SALE OF SUBSIDIARY

On 12 August 2021, the Company's subsidiary, Resource Exploration Pty Ltd (REX), signed a Share Purchase Agreement (SPA) with Regency Mines Australasia Pty Ltd (Purchaser) to sell 100% of the issued share capital in REX's subsidiary, Niugini Nickel Pty Ltd (NN). NN owns 100% of the Wowo Gap Nickel Laterite Project in Papua New Guinea. Regency Mines Australasia Pty Ltd is a wholly owned subsidiary of unrelated party, Corcel plc. As consideration for the sale, Corcel released all liabilities and obligations in connection with its \$4,761,087 of loans owing by the Company. The Company obtained the approval of its Shareholders at a Shareholder meeting held on 8 October 2021. On 18 October 2021, the sale was completed.

2. SALE OF SUBSIDIARY - continued

A gain of \$4,856,783 on sale of the subsidiary has been realised in the profit or loss for the period ended 30 June 2022.

	18 October 2021
	\$
Consideration received – value of loan released	4,761,087
Carrying amount of net liabilities/(assets) of subsidiary sold held by the group	(74,235)
Currency translation differences	169,931
Total gain from disposal of subsidiary	4,856,783

3. EXPENSES

Exploration and Evaluation Expenditure

Exploration expenditure is expensed to the profit or loss statement as and when it is incurred and included as part of cash flows from operating activities. Acquisition costs are expensed to the profit or loss statement as and when it is incurred and included as part of cash flows from investing activities. Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are expensed as incurred and treated as exploration and evaluation expenditure.

The Group has two tenements in Tanzania.

Borrowing Costs

Refer to the accounting policy notes under Interest Bearing Liabilities and Non-Interest Bearing Liabilities.

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**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
for the year ended 30 June 2022**



3. EXPENSES - continued

	Consolidated	
	2022 \$	2021 \$
(a) Administration and Corporate Expenses		
Compliance and regulatory expenses	132,715	75,597
Consultants	269,770	105,398
Non-Executive Directors' fees	80,932	50,000
Legal fees	100,278	16,923
Travel and accommodation	41,876	-
Executive Directors' fees	40,809	-
Other expenses	18,039	2,083
Occupancy	14,573	23,265
Insurance	12,389	7,167
Superannuation	2,273	-
	713,654	280,433
(b) Exploration Expenditure		
Depreciation – exploration equipment	-	9,348
Other exploration and project costs	574,324	210,069
	574,324	219,417
(c) Exploration expenditure – acquisition costs		
Acquisition of Tanzanian project	-	474,025
(d) Borrowing costs		
Finance costs - implicit interest on fair value adjustments of Sinom loans – refer note 12(b)	68,777	20,156
Finance costs – implicit interest on fair value adjustments of Corcel loans – refer note 12(c)	250,397	399,728
	319,174	419,884
Loss on settlement of debt	34,375	-
Finance charges on insurance funding	771	1,186
	354,320	421,070

4. EARNINGS/(LOSS) PER SHARE

Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year. Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

	2022	2021
Basic and diluted earnings/(loss) per share (cents per share)	0.82	(0.24)
Earning/(loss) used in the calculation of weighted average basic and diluted loss per share	2,913,126	(733,705)
	Number of shares	Number of shares
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted loss per share	357,164,321	307,549,857

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**NOTES TO THE CONSOLIDATED
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5. INCOME TAX

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowable items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of Profit or Loss and Other Comprehensive Income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary difference can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

	Consolidated	
	2022	2021
	\$	\$
(a) Income Tax Expense		
A reconciliation of income tax (benefit) / expense applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Company's effective income tax rate is as follows:		
Profit/(loss) before tax	2,913,126	(744,820)
Prima facie income tax (benefit) @ 30%	873,938	(223,446)
Add:		
Non deductible expenses	309,494	22,567
Temporary differences and losses not recognised	259,773	235,388
Non-assessable income	(1,443,205)	-
Tax differential	-	(34,509)
Income tax (benefit) / expense attributable to operating loss	-	-

Tax Consolidation

The Company and its 100% owned subsidiaries have formed a tax consolidated group. Under the tax consolidation regime, all members of a tax consolidated group are jointly and severally liable for the tax consolidated group's income tax liabilities. The head entity of the tax consolidated group is Resource Mining Corporation Limited.

(b) Net Deferred Tax Assets Not Recognised Relate to the Following:

	Consolidated	
	2022	2021
	\$	\$
Unrecognised deferred tax assets / (liabilities):		
Deferred Tax Assets/(Liabilities) – Other Timing Differences, net	7,725	6,900
Deferred Tax Assets – Business related costs – P&L	9,545	-
Deferred Tax Assets - Capital losses	4,955,390	465,432
Deferred Tax Assets - Tax losses – Australia*	6,620,512	6,416,790
Deferred Tax Assets - Tax losses –Tanzania *	67,234	12,965
Deferred Tax Assets – Exploration tax losses - PNG**	-	7,048,272
	11,660,406	13,950,359

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

** Includes all carry forward Exploration Expenditure for PNG (these losses expire 20 years after being incurred).

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6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and less bank overdraft, if any.

	Note	Consolidated	
		2022	2021
		\$	\$
Cash at bank and on hand		1,728,598	43,680

7. NOTES TO THE STATEMENT OF CASH FLOWS

	Note	Consolidated	
		2022	2021
		\$	\$
<i>(a) Reconciliation from net profit/(loss) after tax to the net cash flow from operating activities</i>			
Profit/(loss) after income tax		2,913,126	(744,820)
Non-Cash Items:			
Sale of subsidiary		(4,859,481)	
Share based payment expense		574,600	
Finance income – fair value adjustment of loans	12(c)	-	(650,125)
Finance costs – implicit interest on fair value adjustment of loans	3(d)	319,174	419,884
Depreciation		-	9,348
Acquisition of Tanzanian project	3(c)	-	474,025
Loss on settlement of debt		34,375	-
Foreign exchange		2,698	-
<i>Movement in assets and liabilities</i>			
Increase in trade and other receivables		(35,775)	(3,371)
Decrease in trade and other payables		496,950	194,506
Decrease in interest bearing liabilities		(1,087)	(3,102)
Net cash used in operating activities		(555,420)	(303,655)

Non-cash financing and investing activities:

On 3 February 2022, the Company repaid \$550,000 worth of debt owing to Kabunga Holdings Pty Ltd through the issue of 34,375,500 shares to Kabunga Holdings Pty Ltd. The shares were valued at \$584,375 based on an issue price of \$0.0017 per share, the same price as placement shares issued on 31 January 2022. Refer to note 12.

On 3 February 2022 2,153,995 shares were issued to the previous Chairman Mr William Mackenzie in lieu of \$50,000 worth of Director fees owed. Refer to note 14.

On 13 June 2022 2,500,000 shares were issued as consideration for an exclusive 120 day due option secured to acquire one nickel and two lithium projects in Finland. The fair value of this consideration is based on the closing share price on 13 June 2022 of \$0.135. Refer to note 14.

On 12 August 2021, Resource Exploration Pty Ltd (REX), signed a Share Purchase Agreement (SPA) with Regency Mines Australasia Pty Ltd (Purchaser) to sell 100% of the issued share capital in REX's subsidiary, Niugini Nickel Pty Ltd (NN). As consideration for the sale, Corcel released all liabilities and obligations in connection with its \$4,761,087 of loans owing by the Company. Refer to note 2.

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**7. NOTES TO THE STATEMENT OF CASHFLOWS -
continued**

	Note	Consolidated	
		2022	2021
		\$	\$
Net borrowings and advances at 1 July	12	4,901,075	4,912,427
Cash flows:			
Sale of subsidiary	2	(4,761,087)	
Proceeds from borrowings and advances		145,747	337,056
Repayment of borrowings and advances		(129,909)	(29,234)
Loan assigned from trade and other payables	12(d)	724,186	-
Repayment via share issue	12(d)	(550,000)	-
Net (gain)/loss on measurement of loans fair value through equity	12(b)	-	(88,933)
Net (gain)/loss on measurement of loans fair value through profit or loss	12(c)	-	(650,125)
Finance costs – implicit interest on fair value adjustments of loans	3(d)	319,174	419,884
Net borrowings and advances as at 30 June	12	649,186	4,901,075

8. RECEIVABLES AND OTHER CURRENT ASSETS

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Current receivables for GST are due for settlement within 30 days (Australian GST) and 12 months for PNG GST, and other current receivables within 12 months. Cash on deposit is not due for settlement until rights of tenure are forfeited or performance obligations are met.

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office in Australia and the Internal Revenue Commission in Papua New Guinea. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expenses.

Receivables and payables are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables.

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

	Consolidated	
	2022	2021
	\$	\$
Current		
Secured cash	-	3,547
Prepayments	-	984
GST receivables	42,589	17,510
Other receivables	-	56
	42,589	22,097

Fair Value and Risk Exposures:

- (i) Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.
- (ii) The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security.
- (iii) Other receivables generally have repayments between 30 and 90 days.

Receivables do not contain past due or impaired assets as at year end (2021: none).

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9. PLANT AND EQUIPMENT

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

Plant and equipment:

Plant and equipment are measured on historical cost basis less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 consolidated benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

Depreciation:

The depreciable amount of all fixed assets is depreciated on a reducing balance commencing from the time the asset is held ready for use.

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

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Plant and Equipment	10 – 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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 Consolidated Statement of Profit or Loss and Other Comprehensive Income.

	Consolidated	
	2022	2021
	\$	\$
Cost	3,052	221,825
Accumulated depreciation	(3,052)	(146,811)
	-	75,014
Movement in carrying amounts:		
Opening balance	75,014	95,531
Disposals	(75,014)	-
Depreciation expense	-	(9,348)
Currency translation differences	-	(11,169)
Closing balance	-	75,014

The property, plant and equipment at cost opening balances of \$75,014 related to the 100% owned subsidiary Niugini Nickel Ltd. This subsidiary was sold on 15 October 2021 as part of the divestment of the Wowo Gap Project.

10. TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

**NOTES TO THE CONSOLIDATED
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10. TRADE AND OTHER PAYABLES - continued

	Consolidated	
	2022	2021
	\$	\$
Trade payables	559,935	679,478
Other payables and accruals	649,186	418,734
	1,209,120	1,098,212
<i>Included in the above are related party payables:</i>		
Trade payables and accruals – related parties – refer note 17(b)	147,616	994,810

Fair Value and Risk Exposures

- (i) Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.
- (ii) Trade and other payables are unsecured, non-interest bearing and usually paid within 60 days of recognition, except for payables to Directors and their related entities for remuneration.

11. INTEREST BEARING LIABILITIES

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised costs. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan, capitalised as a prepayment and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

	Consolidated	
	2022	2021
	\$	\$
Current		
Insurance premium funding	1,767	2,854

12. NON-INTEREST BEARING LIABILITIES

		Consolidated	
	Note	2022	2021
		\$	\$
Current			
Advances from previous Managing Director	12(a)	-	66,059
Unsecured loans and advances – Sinom (discounted)	12(b)	-	296,223
Unsecured loans and advances – Corcel (discounted)	12(c)	-	4,510,690
Unsecured loans and advances – Kabunga Holdings (undiscounted)	12(d)	649,186	-
Other loan	12(e)	-	28,103
		649,186	4,901,075

(a) Advances from previous Managing Director

These advances were repaid in December 2021 and were interest free and unsecured.

During the 2021/2022 year, the previous Managing Director advanced a total of \$11,000 (interest free) and \$77,059 was repaid by the Company during the year (2021: advances made to the Company \$18,953, and \$29,234 repaid).

(b) Unsecured loans and advances due to Sinom

Sinom has also provided additional interest free unsecured advances to the Company. During the year these advances totalled \$110,000 (2021: \$290,000). These advances were unsecured with no set repayment date. Sinom agreed not to call for repayment of these advances unless the Company is in a position to repay the amounts.

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12. NON-INTEREST BEARING LIABILITIES - continued

In the prior year, for accounting purposes the value of loans due to Sinom were discounted by applying a market interest rate of 14% with an assumed repayment date of 31 December 2022. The measurement of the loans at fair value resulted in a gain of \$88,933 recorded in equity to the Capital Contribution Reserve for the year ended 30 June 2021. As a result of the effective interest calculation, \$68,777 of finance costs were recorded during the year ended 30 June 2022 (2021: \$20,156).

In November 2021, the unsecured loans due to Sinom were assigned to Kabunga Holdings Pty Ltd. As at 30 June 2022 the undiscounted unsecured loans and advances due to Sinom are nil. (2021: \$365,000).

	Consolidated	
	2022	2021
	\$	\$
Movement - Unsecured loans and advances due to Sinom		
Opening balance	296,223	1,126,087
New loan to repay convertible notes	-	2,000,000
Assignment of loans to Corcel plc	-	(3,051,087)
Other advances	(73,211)	290,000
Net (gain)/loss on measurement of loans at fair value through equity as an increase in Capital Contribution Reserve	-	(88,933)
Finance costs – implicit interest on fair value adjustments of loans	68,778	20,156
Assignment of loans to Kabunga Holdings Pty Ltd	(291,790)	-
Closing balance – discounted Sinom loans and advances	-	296,223
Movement - Unsecured loans and advances due to Sinom		
Opening balance	365,000	1,126,087
New loan to repay convertible notes	-	2,000,000
Assignment of loans to Corcel plc	-	(3,051,087)
Other advances	110,000	290,000
Assignment of loans to Kabunga Holdings Pty Ltd	(475,000)	-
Closing balance - undiscounted Sinom loans and advances	-	365,000

(c) Unsecured loans due to Corcel plc

For accounting purposes, the value of loans due to Corcel have been discounted by applying a market interest rate of 14%. The measurement of the loans at fair value resulted in a nil (loss)/gain (2021: \$650,125) through profit or loss. As a result of the effective interest calculation, finance costs of \$250,397 were recorded during the year ended 30 June 2022 (2021: \$399,728).

The unsecured loans due to Corcel plc were repaid in October 2021.

	Consolidated	
	2022	2021
	\$	\$
Movement - Unsecured loans due to Corcel		
Opening balance	4,510,690	1,710,000
Assignment of loans by Sinom	-	3,051,087
Loan repayment	(4,761,087)	-
Net (gain)/loss on measurement of loans at fair value on assignment through profit or loss	-	(650,125)
Finance costs – implicit interest on fair value adjustments of loans	250,397	399,728
Closing balance – discounted Corcel loans	-	4,510,690
The undiscounted underlying loan balances are as follows:		
Loans A & B – repayable no earlier than 30/9/2021*	-	1,710,000
Loan C – repayable no earlier than 30/9/2021*	-	1,051,087
Loan D – repayable no earlier than 14/01/2022	-	2,000,000
Closing balance – undiscounted Corcel loans	-	4,761,087

12. NON-INTEREST BEARING LIABILITIES (continued)

The key terms agreed are as follows:

- The loans are unsecured.
- The loans are interest free.
- The loans are repayable at any time on or following the dates in the table above forthwith on demand by Corcel. Corcel must give RMC at least thirty days' notice prior to any requested repayment date for loans C and D. RMC may repay the loans, in whole or in part, at any time prior to Corcel providing notice of the requested repayment date.

* On 6 September 2021, the Company announced that Corel agreed to extend the repayment dates of debt tranches A to C to 31 October 2021 to allow the Company time to obtain Shareholder approval for the divestment of the Wowo Gap Project. Corcel plc is an unrelated UK company listed on AIM.

(d) *Unsecured loans due to Kabunga Holdings Pty Ltd*

In November 2021, the following parties assigned their debt to Kabunga Holdings Pty Ltd:

- \$475,000 which was owing by the Company to Sinom (Hong Kong) Limited (Sinom). Sinom is an entity controlled by previous Director Zhang Chi. During the year Sinom advanced \$110,000 to the Company, and
- \$724,186 which was owing by the Company to Fairstone Holdings Pty Ltd (Fairstone). Fairstone is an entity controlled by previous Director Mr Warwick Davies. This amount was previously included in trade creditors.

Kabunga is unrelated to the Company and is owned and controlled by Executive Chairman Asimwe Kabunga. In addition, Kabunga holds 25% of the issued capital in Resource Mining Corporation Limited's subsidiary, Eastern Nickel Pty Ltd, and Asimwe Kabunga is a director of that subsidiary.

On 3 February 2022, the Company issued 34,375,000 shares to Kabunga to repay \$550,000 of debt. The balance owing as at the date of this report amounts to \$649,186. The Company proposed to issue 10,470,742 Shares and 2,094,118 Options with an expiry date of 20 May 2025 and an exercise price of \$0.08 to Kabunga Holdings Pty Ltd by way of repayment of the \$649,186 debt. This was approved by shareholders at the General Meeting held on 29 September 2022.

(e) *Other loan*

In the prior year, the other loan is a facility of USD 30,000 provided by Leticia Kabunga (the 1% shareholder of Eastern Nickel Tanzania Limited). As at 30 June 2021 A\$28,103 had been drawn down. The loan was unsecured, interest free interest free with the principal to be repaid at 110% of the loan amount. The maturity date was 23 October 2021.

13. PROVISIONS

Compensation Provision

Obligations associated with compensation are recognised when the Group has an obligation which is probable, and the provision can be measured reliably. The provision is measured at the estimated value of the future expenditure. The determination of the provision requires judgement in terms of the best estimate of the costs of the compensation required.

	Consolidated	
	2022	2021
Current	\$	\$
Provision for compensation	-	33,655

The movement during the year was due to the sale of Niugini Nickel Pty Ltd. Refer to note 2.

14. CONTRIBUTED EQUITY

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

	2022	2021	2022	2021
	Number	Number	\$	\$
Issued and fully paid	418,173,077	325,894,082	66,921,753	63,768,599

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14. CONTRIBUTED EQUITY - continued

Movement in ordinary share capital of the Company:

	Note	Year ended 30 June 2022		Year ended 30 June 2021	
		Number of Shares	\$	Number of Shares	\$
Opening balance		325,894,082	63,768,599	296,267,347	63,294,571
Issued – acquisition of Eastern Nickel Pty Ltd		-	-	29,626,735	474,028
Issued - placements	(a)	51,250,000	2,320,000	-	-
Issued – settlement of debt	(b)	34,375,000	584,375	-	-
Issued – Director fees	(c)	2,153,995	50,000	-	-
Issued - option conversion	(d)	2,000,000	40,000	-	-
Issued – Finnish due diligence	(e)	2,500,000	337,500	-	-
Cost of issues		-	(178,721)	-	-
Closing balance		418,173,077	66,921,753	325,894,082	63,768,599

- (a) On 9 December 2021 14,375,000 shares were issued at 1.6c per share. On 31 January 2022 16,875,000 shares were issued at 1.6c per share. On 20 May 2022 10,000,000 shares were issued at 6.2c per share. On 24 June 2022 10,000,000 shares were issued at 12c per share.
- (b) On 3 February 2022 34,375,000 shares were issued as consideration for repayment of \$550,000 of debt owing to Kabunga Holdings Pty Ltd.
- (c) On 3 February 2022 2,153,995 shares were issued to the previous Chairman Mr William Mackenzie in lieu of \$50,000 worth of Director fees owed.
- (d) On 20 May 2022 2,000,000 options were exercised at an exercise price of 2c.
- (e) On 13 June 2022 2,500,000 shares were issued as consideration for an exclusive 120 day due option secured to acquire one nickel and two lithium projects in Finland. The fair value of this consideration is based on the closing share price on 13 June 2022 of \$0.135.

Options

As at 30 June 2022, the following unlisted options were on issue (2021: nil):

Number of Options	Option Exercise Price A\$	Option Expiry
2,000,000	\$0.08	20/05/2025
8,000,000	\$0.10	25/05/2025
5,000,000	\$0.15	22/06/2025

Voting and dividend rights

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Capital management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as maintains optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management may in the future adjust the capital structure to take advantage of favourable costs of capital and issue further shares in the market. There are no plans to distribute dividends in the next year.

Dividends

The Group did not pay nor declare dividends in the last financial year (2021: nil).

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15. RESERVES

	Note	Consolidated	
		2022 \$	2021 \$
Foreign currency reserve	(a)	(12,118)	173,459
Capital contributions reserve	(b)	88,933	88,933
Convertible notes reserve	(c)	-	-
Share based payment reserve	(d)	574,600	-
		651,415	262,392
(a) Foreign currency reserve			
Balance at the beginning of the year		173,459	190,060
Currency translation differences arising during the period		(185,577)	(16,601)
Balance at the end of the year		(12,118)	173,459

The foreign currency translation reserve is used to record exchange differences arising on translation of the Group entities that do not have a functional currency of Australian dollars and have been translated into Australian dollars for presentation purposes.

(b) Capital contributions reserve

Balance at the beginning of the year		88,933	-
Net (gain)/loss on measurement of loans at fair value through equity as an increase in Capital Contribution Reserve	12(b)	-	88,933
Balance at the end of the year		88,933	88,933

The capital contributions reserve is used to record the fair value adjustments of loans from shareholders who have provided the Company interest free loans and advances.

(c) Convertible notes reserve

	Consolidated	
	2022 \$	2021 \$
Balance at the beginning of the year	-	395,495
Transfer to accumulated losses upon redemption of the notes	-	(395,495)
Balance at the end of the year	-	-

(d) Share based payments reserve

	Consolidated	
	2022 \$	2021 \$
Balance at the beginning of the year	-	-
Options issued to corporate advisors	574,600	-
Balance at the end of the year	574,600	-

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16. NON-CONTROLLING INTERESTS

	Consolidated	
	2022 \$	2021 \$
Non-controlling interests	(58,657)	(11,113)
Movement during the year:		
Balance at the beginning of the year	(11,113)	-
Capital invested by non-controlling interests in subsidiaries	-	2
Share of profit/(loss) for the period	(47,543)	(11,115)
Share of other comprehensive loss	-	-
Balance at the end of the year	58,657	(11,113)

Non-controlling interests represent:

- a 1% interest in Eastern Nickel Limited held by Leticia Herman Kabunga.
- A 25% interest in Eastern Nickel Pty Ltd held by Kabunga Holdings Pty Ltd <Kabunga Family A/C>.

17. RELATED PARTY TRANSACTIONS

Subsidiaries

The consolidated financial statements included the financial statements of Resource Mining Corporation Limited and the subsidiaries listed in the following table:

Name	Class of shares	Country of incorporation	% Interest	
			2022	2021
Resource Exploration Pty Ltd	Ordinary	Australia	100%	100%
Niugini Nickel Pty Ltd	** Ordinary	Australia	-	100%, held by Resource Exploration Pty Ltd
Eastern Nickel Pty Ltd	* Ordinary	Australia	75%	75%
Eastern Nickel Tanzania Limited	* Ordinary	Tanzania	99%, held by Eastern Nickel Pty Ltd	99%, held by Eastern Nickel Pty Ltd

* The 75% interest in Eastern Nickel Pty Ltd was acquired in 2021. Refer to note 15 for details on the Eastern Nickel Group.

** On 12 August 2021, the Company's subsidiary, Resource Exploration Pty Ltd (REX), signed a Share Purchase Agreement (SPA) with Regency Mines Australasia Pty Ltd (Purchaser) to sell 100% of the issued share capital in REX's subsidiary, Niugini Nickel Pty Ltd (NN). NN owns 100% of the Wowo Gap Nickel Laterite Project in Papua New Guinea. Refer to note 2 for details.

Ultimate Parent

Resource Mining Corporation Limited is the ultimate Australian parent entity and the ultimate parent of the Group.

Compensation of Key Management Personnel

	Consolidated	
	2022 \$	2021 \$
Short term benefits	267,924	156,957
Post-employment benefits	3,409	-
	271,333	156,957

\$147,616 of this remuneration remains unpaid (2021: \$156,957). Refer to note 17(b) below.

Transactions with Related Parties

**NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
for the year ended 30 June 2022**



17. RELATED PARTY TRANSACTIONS - continued

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

- a) Warwick Davies, previous Director, is also shareholder and Director of Fairstone Holdings Pty Ltd (Fairstone). During the year, Fairstone provided office usage to the Company amounting to \$1,439 (2021: \$4,080). For the period July 2015 to June 2021, \$300,000 of remuneration for previous RMI Director, Mr William Mackenzie has accrued, but not been paid. Mr Mackenzie agreed to receive \$50,000 worth of RMI fully paid ordinary shares plus \$5,000 of statutory superannuation in lieu of \$300,000 in unpaid remuneration for the period July 2015 to June 2021. The actual number of shares issue was determined by dividing \$50,000 by the volume weighted average sale price of share sold on ASX during the 20 consecutive trading days prior to the date of the Annual General Meeting held on 21 January 2022. The fair value of the shares on issue date was \$37,076.

b) Outstanding balances arising from services

	Consolidated	
	2022	2021
	\$	\$
Current payables (included in trade creditors and accruals)		
Key management personnel	147,616	994,810

Outstanding balances relate to remuneration services during 2015 to 2022 (inclusive of GST where applicable).

c) Loans and Advances from related parties

Advances (unsecured and interest free) from related parties

	Consolidated	
	2022	2021
	\$	\$
Warwick Davies		
Balance at the beginning of the year	66,059	76,340
Loans/Advances advanced	11,001	18,953
Repaid	(77,059)	(29,234)
Balance at the end of the year	-	66,059

	Note	Consolidated	
		2022	2021
		\$	\$
<i>Loans (unsecured and interest free) from related parties</i>			
Sinom (Hong Kong) Limited ⁽ⁱ⁾			
Balance at the beginning of the year - undiscounted		365,000	1,126,087
Advances during the year		110,000	290,000
New loan to repay convertible notes		(475,000)	2,000,000
Assignment of loans to Corcel		-	(3,051,087)
Assignment of loans to Kabunga Holdings Pty Ltd		-	
Balance at the end of the year – undiscounted	12(b)	-	365,000

- (i) Non-Executive Director Mr Zhang Chi is the Managing Director and Shareholder of Sinom (Hong Kong) Limited. Mr Zhang Chi resigned as a Director on 22 November 2021.

	Consolidated	
	2022	2021
	\$	\$
Kabunga Holdings Pty Ltd		
Balance at the beginning of the year	-	-
Assignment of loans from Sinom	475,000	-
Assignment of loans from William Mackenzie	724,186	-
Repayment via share issue	(550,000)	-
Balance at the end of the year	649,186	-

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18. SHARE BASED PAYMENTS

Total costs and share issue costs arising from share-based payment transactions recognised during the year were as follows:

	Consolidated	
	2022	2021
Recognised share-based payments costs	\$	\$
Lead manager options	28,200	-
Consultant options	546,400	-
Total expense and issue costs arising from share-based payment transactions	574,600	-

Options

On 31 January 2022 the Company issued 2,000,000 options with an expiry of 31 January 2025 and an exercise price of \$0.02 for lead consultant services in respect to capital raising. The estimated fair value of each share option granted is \$0.0141. This was calculated by applying a Black Scholes option pricing model. The model inputs were the share price at grant date of \$0.017, exercise price of \$0.02, expected volatility of 162.86 percent, no expected dividends, contractual life of 3 years, and a risk-free interest rate of 1.19 percent. To allow for the effects of early exercise, it was assumed that the lead consultant would exercise the options after vesting date when the share price was twice the exercise price. Historical volatility was 817.55 percent, which includes the early years of the Company's life; the Company expects the volatility of its share price to reduce as it matures.

On 24 May 2022 the Company issued 8,000,000 options with an expiry of 4 May 2025 and an exercise price of \$0.10, to a consultant for corporate advisory and investor relations support. The estimated fair value of each share option granted is \$0.0683. This was calculated by applying a Black Scholes option pricing model. The model inputs were the share price at grant date of \$0.09, exercise price of \$0.10, expected volatility of 135.83 percent, no expected dividends, contractual life of 3 years, and a risk-free interest rate of 2.80 percent. To allow for the effects of early exercise, it was assumed that the lead consultant would exercise the options after vesting date when the share price was twice the exercise price. Historical volatility was 817.55 percent, which includes the early years of the Company's life; the Company expects the volatility of its share price to reduce as it matures.

The fair value at grant date of the options has been estimated using the Black-Scholes option pricing formula, taking into account the terms and conditions upon which the options were granted. The options vested immediately upon issue and the contractual life of each option is 3 years. The inputs used to calculate the fair value of these options are set out above. The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility due to publicly available information. The following table outlines the number and movements in share options during the year:

	2022	2021
	Number of Options	Number of Options
Outstanding as at 1 July	-	-
Granted during the year	17,000,000	-
Exercised during the year	(2,000,000)	-
Outstanding at end of the year	15,000,000	-
Exercisable as at 30 June	15,000,000	-

The Weighted Average Exercise Price ("WAEP") for the year ended 30 June 2022 is \$0.11. All options refer to options over ordinary shares of Resource Mining Corporation Limited which are exercisable on a one for one basis.

19. PARENT ENTITY DISCLOSURES

	Parent Entity	
	2022	2021
	\$	\$
Current assets	1,742,823	13,646
Non-current assets	228,960	-
Total assets	1,971,783	13,646
Current liabilities	1,173,274	5,930,022
Total liabilities	1,173,274	5,930,022
Net liabilities	798,508	(5,916,376)
Issued capital	66,921,753	63,768,599
Reserves	663,533	88,933
Accumulated losses	(66,786,777)	(69,773,908)
Total equity	798,508	(5,916,376)
Profit/(loss) for the year	2,987,131	(703,088)
Total comprehensive profit/(loss) for the year	2,987,131	(703,088)

- i) Guarantees: No guarantees have been entered into by the parent entity on behalf of the subsidiaries.
ii) Contingent liabilities: No contingent liabilities exist.

20. CONTINGENCIES

Resource Mining Corporation Limited and its controlled entities do not have any known material contingent assets or liabilities as at 30 June 2022. (30 June 2021: 1.5% net smelter royalty is payable to Kabunga Holdings Pty Ltd on future production from the Kabulwanyele Nickel Project in Tanzania).

21. REMUNERATION OF AUDITORS

	Consolidated	
	2022	2021
	\$	\$
Amount received, or due and receivable, by the auditors for:		
Auditing and reviewing of financial reports	54,550	37,718
Other services – corporate finance	41,550	-
	96,100	37,718

22. COMMITMENTS

Mineral Tenement Commitments

In order to maintain current rights of tenure to mining tenements, the Group has exploration and evaluation expenditure obligations up until the expiry of those licences. The following stated obligations are not provided for in the financial statements and represent a commitment of the Group for Tanzania.

	Consolidated	
	2022	2021
	\$	\$
Within 1 Year	12,756	27,784
Later than 1 year but not later than five years	38,268	35,216
Total	51,024	63,000

23. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including market risk (including currency risk), credit risk and liquidity risks. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the business. To date, the Group has not used derivative financial instruments. The Group uses different methods to measure different types of risk to which it is exposed.

Risk Management

Risk management is carried out by the Managing Director under policies approved by the Board of Group's Directors and includes evaluation of financial risks. The Board provides principles for overall risk management and the finance function provides policies with regard to financial risk management that are defined and consistently applied.

(a) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date, is the carrying amount net of any provisions for impairment of debts, as disclosed in the Statement of Financial Position and notes to the financial statement. In the case of material cash deposited, credit risk is minimised by depositing with recognised financial intermediaries such as banks, subject to Australian Prudential Regulation Authority Supervision. For banks and financial institutions, only independently rated parties with a minimum rating of AA are accepted.

The Group does not have any material risk exposure to any single debtor or Group of debtors under financial instruments entered into by it.

(b) Liquidity and Capital Risk

The Group has appropriate procedures in place to manage cash flows including continuous monitoring of forecast and actual cash flows to ensure funds are available to meet commitments. The objectives when managing the Group's capital is to safeguard the business as a going concern, to maximise returns to shareholders and to maintain an optimal capital structure in order to reduce the cost of capital. The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date.

Financial liabilities	Less than 6 months	6 to 12 months	1 to 5 years	Over 5 years	Total Cash Flows	Carrying Value
2022						
Trade and other payables	559,935	-	-	-	559,935	559,935
Interest bearing liabilities	1,767	-	-	-	1,767	1,767
Non-interest bearing liabilities*	649,186	-	-	-	649,186	649,186
	1,210,887	-	-	-	1,210,887	1,210,887
2021						
Trade and other payables	1,098,212	-	-	-	1,098,212	1,098,212
Interest bearing liabilities	2,854	-	-	-	2,854	2,854
Non-interest bearing liabilities	3,220,249	2,000,000	-	-	5,220,249	4,901,075
	4,321,315	2,000,000	-	-	6,321,315	6,002,141

* The fair value of non-interest bearing liabilities is considered the same as the carrying value as the time value of money from the date the debt was assigned to the date it will be repaid via issue of shares will not be material.

(c) Interest Rate Risk

The Group's exposure to market risk for changes in interest rates relates primarily to interest on deposits with banking institutions. The sensitivities of a movement in interest rates have no material impact on the Group due to the small balances that are interest bearing.

(d) Foreign Exchange Risk

As a result of operations in Tanzania in both United States dollars and Tanzanian shillings, the Group's Statement of Financial Position can be affected by movements in exchange rates. The Group does not hedge this exposure.

23. FINANCIAL RISK MANAGEMENT - continued

The Group manages its foreign exchange risk by constantly reviewing its exposure to commitments payable in foreign currency and ensuring appropriate cash balances are maintained in Tanzanian shillings, to meet current operational commitments.

The Group's exposure to foreign exchange risk for changes in exchange rates relates has no material impact on the Group due to the small balances of cash, receivables and payables.

Management believes the balance date risk exposures are representative of the risk exposure inherent in financial instruments.

(e) Net Fair Values

Disclosure of fair value measurements by level are as follows:

- Level 1 – the fair value is calculated using quoted prices in active markets
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data

Fair values of other financial instruments

The carrying value of assets and liabilities, due to their short term nature, are assumed to approximate their fair value other than the following non-interest bearing liabilities. These borrowings are on interest-free terms, and accordingly present value calculations have been performed on the basis of an implied 14% discount rate as determined by the Directors.

		Consolidated	
		2022	2021
Non-interest bearing liabilities measured at fair value – Level 2		\$	\$
Loan funds provided		-	5,126,087
Net (gain)/loss on measurement of loans fair value through equity	12(b)	-	(88,933)
Net (gain)/loss on measurement of loans fair value through profit or loss	12(c)	-	(650,125)
Initial recognition of financial liabilities at fair value		-	4,387,029
Finance costs – implicit interest on fair value adjustments of loans	3(d)	-	419,884
		-	4,806,913
Consists of:			-
Non-interest bearing liabilities – Sinom loans	12(b)	-	296,223
Non-interest bearing liabilities – Corcel loans	12(c)	-	4,510,690
		-	4,806,913

24. SEGMENT INFORMATION

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

Management has determined the operating segments based on the reports reviewed by the board of directors that are used to make strategic decisions. The Group does not have any material operating segments with discrete financial information. The Group does not have any customers and all its' assets and liabilities are primarily related to the mining industry and its operations are located within Papua New Guinea and Tanzania. The Tanzanian operations are not material for the year. The Board of Directors review internal management reports on a regular basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

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25. MATTERS SUBSEQUENT TO THE REPORTING PERIOD

Subsequent to year end, the following occurred:

- On 14 July 2022, the Chairman, Asimwe Kabunga made an off-market share acquisition of 13,746,883 fully paid ordinary shares for a non-cash consideration with a deemed value of \$0.10 per share.
- On 29 September 2022 the Company held a General Meeting and all resolutions were passed on a poll. Amongst other resolutions passed, shareholders approved of the Massive Nickel Pty Ltd acquisition, and the issue of 10,470,742 Shares and 2,094,118 Options with an expiry date of 20 May 2025 and an exercise price of \$0.08 to Kabunga Holdings Pty Ltd by way of repayment of the Company's \$649,186 debt to Kabunga Holdings Pty Ltd.

There are no other matters or circumstances that have arisen since 30 June 2022 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial years.

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**DIRECTOR'S DECLARATION
for the year ended 30 June 2022**



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 Group's financial position as at 30 June 2022 and of its performance for the year then ended; and
 - ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - iii) complying with International Financial Reporting Standards (IFRS) as stated in note 1 of the financial statements; and
 - 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 for the financial year ended 30 June 2022.

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

A handwritten signature in blue ink, appearing to read 'Asimwe Kabunga', is written over a horizontal line.

Asimwe Kabunga
Executive Chairman and Director
Dated this 30th day of September 2022

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INDEPENDENT AUDITOR'S REPORT

To the members of Resource Mining Corporation Limited

Report on the Audit of the Financial Report

Opinion

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

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

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

Basis for opinion

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

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

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

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Material uncertainty related to going concern

We draw attention to Note 1(c) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

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

Accounting for disposal of subsidiary

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>As disclosed in Note 2 to the Financial Report, the Group disposed of its interests in Niugini Nickel Pty Ltd (NNPL), a controlled entity of wholly owned subsidiary Resource Exploration Pty Ltd (REX) on 18 October 2021.</p> <p>The accounting treatment applied to this disposal is a key audit matter due to the complexity and significance associated with the determination of the fair value of the sale consideration which comprised re-assignment of debt at date of disposal.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Reviewing the share purchase agreement to understand the key terms and conditions of the transaction; • Assessing the carrying value of the disposed assets and liabilities of the subsidiary at the date of disposal; • Assessing the fair value of consideration received and verifying to supporting documentation; • Re-performing the calculation of the gain on disposal of subsidiary by comparing the consideration received to the carrying value of the identified assets and liabilities as at 18 October 2021; and • Assessing the adequacy of the related disclosures in Note 2 to the Financial Report.

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Other information

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

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

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

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

Responsibilities of the directors for the Financial Report

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

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

Auditor's responsibilities for the audit of the Financial Report

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

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

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

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 17 of the directors' report for the year ended 30 June 2022.

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

Responsibilities

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

BDO Audit (WA) Pty Ltd

BDO



Melissa Reid

Director

Perth

30 September 2022

DECLARATION OF INDEPENDENCE BY MELISSA REID TO THE DIRECTORS OF RESOURCE MINING CORPORATION LIMITED

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

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

This declaration is in respect of Resource Mining Corporation Limited and the entities it controlled during the period.



Melissa Reid
Director

BDO Audit (WA) Pty Ltd
Perth
30 September 2022

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ADDITIONAL SHAREHOLDER INFORMATION



Additional information required by the Australian Securities Exchange Listing Rules and not disclosed elsewhere in this report is set out below. The information is current as at 23 September 2022.

ANALYSIS OF SHAREHOLDING - Ordinary Shares

Size of Holding	Number of Holders	Number of Shares	% of Shares
1 – 1,000	489	174,038	0.04
1,001 – 5,000	543	1,519,032	0.36
5,001 – 10,000	237	1,864,844	0.44
10,001 – 100,000	530	19,176,158	4.68
100,001 – or more	180	395,439,005	94.48
TOTAL	1,979	418,173,077	100%

913 shareholders holding less than a marketable parcel.

SUBSTANTIAL SHAREHOLDERS

The following substantial shareholders have notified the Company in accordance with the *Corporations Act 2001*:

Shareholder Name	Number of Shares	% of Shares
Kabunga Holdings Pty Ltd <Kabunga Family A/C>	70,711,936	16.91%
Topwei Two Pty Ltd <Topwei Two Family A/C>	33,567,818	8.03%

TOP 20 SHAREHOLDERS

The top 20 largest shareholders are listed below:

	Name	Number of Shares	% of Shares
1	KABUNGA HOLDINGS PTY LTD <KABUNGA FAMILY A/C>	70,711,936	16.91
2	TOPWEI TWO PTY LTD <TOPWEI TWO FAMILY A/C>	33,567,818	8.03
3	MR ROHAN PATNAIK	16,353,754	3.91
4	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	15,896,690	3.80
5	AFRIKA KAZI LIMITED	15,200,000	3.63
6	MS JOVITHA CHARLES JOSEPH	15,200,000	3.63
7	MS LETICIA HERMAN KABUNGA	15,200,000	3.63
8	MR WALEED KH S A A ESBATAH	14,664,773	3.51
9	ASENA HOLDINGS PTE LTD	14,089,377	3.37
10	ROPA INVESTMENTS (GIBRALTAR) LIMITED	13,000,000	3.11
11	MR YULONG GU	12,220,295	2.92
12	THUNDER LUCK INTERNATIONAL LTD	8,503,171	2.03
13	BEST VENTURE DEVELOPMENT LIMITED	8,469,895	2.03
14	MR JIUMIN YAN	8,279,640	1.98
15	MR MARC DOMINIQUE SENGES	7,962,095	1.90
16	VEN CAPITAL PTY LTD	7,000,000	1.67
17	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,844,489	1.40
18	CLASSIC ROOFING PTY LIMITED <SUPERANNUATION FUND ACCOUNT>	5,510,000	1.32
19	BRISPOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE A/C>	5,019,910	1.20
20	MR HASHIMU MUSEDEM MILLANGA	4,569,801	1.09
TOTAL TOP 20 HOLDERS		297,263,644	71.09%
TOTAL REMAINING HOLDERS BALANCE		120,909,433	28.91%
TOTAL		418,178,077	100%

VOTING RIGHTS - Ordinary Shares

Article 13.13 of the Constitution specifies that on a show of hands every member present in person, by attorney or by proxy shall have:

- a) for every fully paid share held by him one vote
- b) for every share which is not fully paid a fraction of the vote equal to the amount paid on the share over the nominal value of the shares.

REQUIREMENT LISTING RULE 4.10.18

In accordance with the listing rule 4.10.18 the Company confirms that it is not currently subject to an on-market buyback.

REQUIREMENT LISTING RULE 4.10.21

On 29 September 2022, the Company held a General Meeting, and all resolutions were passed on a poll. Amongst the resolutions passed was that for the purposes of Listing Rule 10.1, item 7 of section 611 of the Corporations Act and for all other purposes, approval was given for the Company to acquire all of the issued share capital in Massive Nickel Pty Ltd from Kabunga Holdings Pty Ltd (a company controlled by Mr Asimwe Kabunga), including the issue of 75,000,000 shares to Kabunga Holdings Pty Ltd (or its nominee(s)) in connection with that transaction, and for Kabunga Holdings Pty Ltd and its associates, as a result of that transaction, to acquire voting power in the Company of up to 24.61%.

ANALYSIS OF OPTIONHOLDINGS – Unlisted Options

Unlisted options exercisable at \$0.08 per option, expiring 20 May 2025:

Size of Holding	Number of Holders	Number of Options	% of Options
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 – or more	1	2,000,000	100%
TOTAL	1	2,000,000	100%

The following option holders holds more than 20% of these unlisted options:

Optionholder Name	Number of Options	% of Options
TOPWEI TWO PTY LTD <TOPWEI TWO FAMILY A/C>	2,000,000	100%

Unlisted options exercisable at \$0.10 per option, expiring 25 May 2025:

Size of Holding	Number of Holders	Number of Options	% of Options
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 – or more	3	8,000,000	100%
TOTAL	3	8,000,000	100%

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ADDITIONAL SHAREHOLDER INFORMATION



The following option holders holds more than 20% of these unlisted options:

Optionholder Name	Number of Options	% of Options
CONG MING LIMITED	4,000,000	50%
NEW STREET CAPITAL PTY LTD	3,000,000	37.5%

Unlisted options exercisable at \$0.15 per option, expiring 22 June 2025:

Size of Holding	Number of Holders	Number of Options	% of Options
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 – or more	7	5,000,000	100%
TOTAL	7	5,000,000	100%

The following option holders holds more than 20% of these unlisted options:

Optionholder Name	Number of Options	% of Options
MR ZULIANG PARK WEI + MS BAO HONG ZHANG < WEI &ZHANG SUPER FUND A/C>	1,500,000	30%
MR YING WANG	1,000,000	20%
MR BIN ZHOU	1,000,000	20%

VOTING RIGHTS - Options

Options have no voting rights.

INTEREST IN MINING TENEMENTS

Tenement	Location	Tenement No.	RMC Interest
Kabulwanyele	Tanzania	PL/11534/2021	74.25%
Kabulwanyele	Tanzania	PL/11535/2021	74.25%
Kabulwanyele	Tanzania	PL/17691/2021*	74.25%*

* Tenement applied for but not yet granted.