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The background of the cover features a photograph of a layered rock formation in shades of brown, orange, and grey. Overlaid on this are several solid orange geometric shapes: a horizontal bar across the middle, a vertical bar on the right side, and a large L-shaped block at the bottom left.

2022

# Annual Report

For the Financial Year Ended 30 June 2022

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# Corporate Directory

## Directors

**Mr Piers Lewis**  
Non-Executive Chairman

**Mr Bradley Valiukas**  
Managing Director

**Mr Shaun Day**  
Non-Executive Director

**Dr Darren Holden**  
Non-Executive Director

## Stock Exchange Listing

**AUSTRALIAN SECURITIES EXCHANGE (ASX)**  
**ASX Code:** AUN

## Share Registry

**COMPUTERSHARE INVESTOR SERVICES PTY LIMITED**  
Level 11, 172 St Georges Terrace, Perth WA 6000  
**Phone (Within Australia):** 1300 850 505  
**Phone (Outside Australia):** +61 3 9415 4000

## Joint Company Secretaries

**Arron Canicais**  
**Victor Goh**  
(Chief Financial Officer)

## Auditor

**BDO AUDIT**  
38 Station Street  
Subiaco WA 6008

## Registered Office

**C/- SMALLCAP CORPORATE PTY LTD**  
Unit 1, 295 Rokeby Road  
Subiaco WA 6008

## Principal Office

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West Perth WA 6005

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**Website:** www.aurumin.com.au

# Chairman's Letter



**PIERS LEWIS**

Non-Executive Chairman

**Dear fellow shareholders,**

It gives me great pleasure to present the Company's 2022 Annual Report for Aurumin Limited.

In the first full year of activity, since successfully listing onto the Australian Securities Exchange in December 2020, we have been extremely busy both exploring our existing projects and growing the Company by acquiring new projects.

When Aurumin listed in late 2020, we emphasized that our core strengths were in developing and operating mining projects. As we progressed our Southern Cross portfolio, we were also busy assessing several new opportunities where we believe we could add value for shareholders, and that assessment is ongoing.

The assessment of new opportunities resulted in acquisition of the 784,000oz Au mineral resource at the Central Sandstone Gold Project and accompanying infrastructure, from Middle Island Resources Limited (MDI) in March 2022. This Project is further advanced than our Southern Cross projects and advances us down the development path.

At Sandstone we have been busy identifying new targets through geochemistry, increasing our tenement footprint and commencing drilling with the aim of better defining and improving existing resources.

Aurumin is now positioned with two gold focussed project areas in Western Australia being advanced.

At Southern Cross we continued to produce positive drill results at Mt Dimer, including confirming a new deposit at T12.

All exploration programmes were undertaken with an emphasis on environmental, social and governance best practice. There were no lost time injuries during our field campaigns.

Despite international and domestic restrictions as a result of the Covid-19 pandemic, the Company has been fortunate that the strong border controls imposed by the WA Government that have largely kept the virus under control. This has allowed the Company to undertake its activities relatively unaffected throughout the year.

On behalf of the Aurumin management team and the board of directors, I'd like to thank you for your ongoing support of the Company.

**PIERS LEWIS**

Non-Executive Chairman

“

*The assessment of new opportunities resulted in acquisition of the 784,000oz Au mineral resource at the Central Sandstone Gold Project.*

*Aurumin is now positioned with two gold focussed project areas in Western Australia.*

# Operations Overview

## Managing Director's Report

### SUMMARY

**Aurumin's strategy is to acquire or define sufficient mineral resources to progress to mining and production, where the Company has strong management experience. During the year we complemented our Southern Cross portfolio with the acquisition of the 784,000oz Au mineral resource at the Central Sandstone Gold Project, from Middle Island Resources Limited (MDI) in March 2022.**

We are pleased with the results and developments at both our Southern Cross and Sandstone Projects. Highlights include:

- Continued high-grade drill results at Mt Dimer and discovery of the T12 deposit.
- Auger Geochem programme at Central Sandstone, identifying additional targets for follow up work.
- Completion of Aurumin's maiden reverse circulation (RC) and diamond drilling campaigns at Sandstone targeting the Shillington and Two Mile Hill deposits, with results received after the end of the financial year.
- Acquisition of tenement E57/1140, commencing the expansion of our Sandstone footprint.
- Publishing a maiden resource for the Johnson Range Project.

As we plan and execute our exploration programmes, we do so with a focus on good environmental, social and governance standards. We have made a conscious effort on buying local wherever possible, rehabilitating as we go (including rehabilitating historic exploration and production sites) and ensuring all staff and contractors follow safe working practices. The Company recorded no Lost Time Injuries (LTIs) during the reporting period.

### SANDSTONE OPERATIONS

**Sandstone Operations consists of the Central and Greater Sandstone Projects as well as the Johnson Range Project and has a combined mineral resource estimate of 849koz Au (784koz at Central Sandstone and 65koz at Johnson Range).** <sup>2,3</sup>

The Central Sandstone project is located approximately 10 kilometres south of Sandstone, approximately 600km northeast of Perth in the East Murchison Mineral Field, Western Australia (WA). The Project Area can be accessed by a gravel airstrip located north of the township or via the sealed highway between Mt Magnet and Leinster. The airstrip is suitable for light aircraft during daylight hours and services the mining operation and local community. The Johnson Range Project is located midway between Southern Cross and Sandstone.

### SANDSTONE PROJECTS

In December 2021, the Company announced that it had executed a binding Share Purchase Agreement with Middle Island Resources Limited (MDI) for the 100% acquisition of Middle Island's subsidiary, Sandstone Operations Pty Ltd (SOPL), the owner of the Central Sandstone Gold Project.

During March 2022, the Company successfully completed the transaction. The consideration payable for completion of the Acquisition (Completion) was A\$12 million, comprising A\$6 million in cash (Completion Payment) and 30,000,000 fully paid Ordinary shares in Aurumin (Shares) (valued at \$6,000,000 using a deemed issue price per share of \$0.20) (Consideration Shares). MDI further supported the completion of the transaction by sub-underwriting Aurumin's entitlement offer lodged on 14th January 2022 for 5,000,000 shares (valued at \$1,000,000), taking MDI's shareholding to 25.1% in Aurumin post transaction and shareholder approval. This has subsequently reduced post completion of the reporting period.

The Central Sandstone Project was last operated by Troy Resources in 2010 and the region has seen production in excess of 1Moz Au produced. Central Sandstone has significant existing infrastructure with a permitted 500ktpa processing plant (requires refurbishment) which has a known upgrade path to 750ktpa. Additional on-site infrastructure includes offices, workshops, water bores, tailings capacity, roads and other supporting infrastructure.



Within the town of Sandstone Aurumin has a camp and exploration office with access to a FIFO-suitable airport. There is bitumen road from Perth to Sandstone.

Aurumin started on-ground work immediately with an auger drilling programme and followed with a diamond and Reverse Circulation drilling campaign.

#### **Auger Geochem Programme <sup>6, 10</sup>**

Aurumin's first auger programme at the Sandstone Project was completed during the year. A vehicle-mounted auger drill was used to further test, and infill, targets generated through previous auger work completed in 2021 by MDI. An additional 29 areas of interest identified by Aurumin geologists were also targeted with first pass wide spaced auger drilling. A total of 467 holes were drilled, aiming to geochemically sample the cover-bedrock interface (Figure 1).

Results confirmed and supported the six targets highlighted in previous auger work, increasing the resolution of anomalism at Two Mile West, Mt Klempt, Wirrimina North, Nugget Patch, Three Mile and Nungarra Town. The increased resolution provides information to better assess and advance these prospects towards drilling.

New targets were identified at Ridge North, Two Mile North & East, McClaren West, and on the Old Town Well Trend with gold grades up to 1,860ppb. These targets will be further assessed for the next stage of work. Figure 1 highlights auger geochemistry results over the existing prospects and the new anomalies identified.

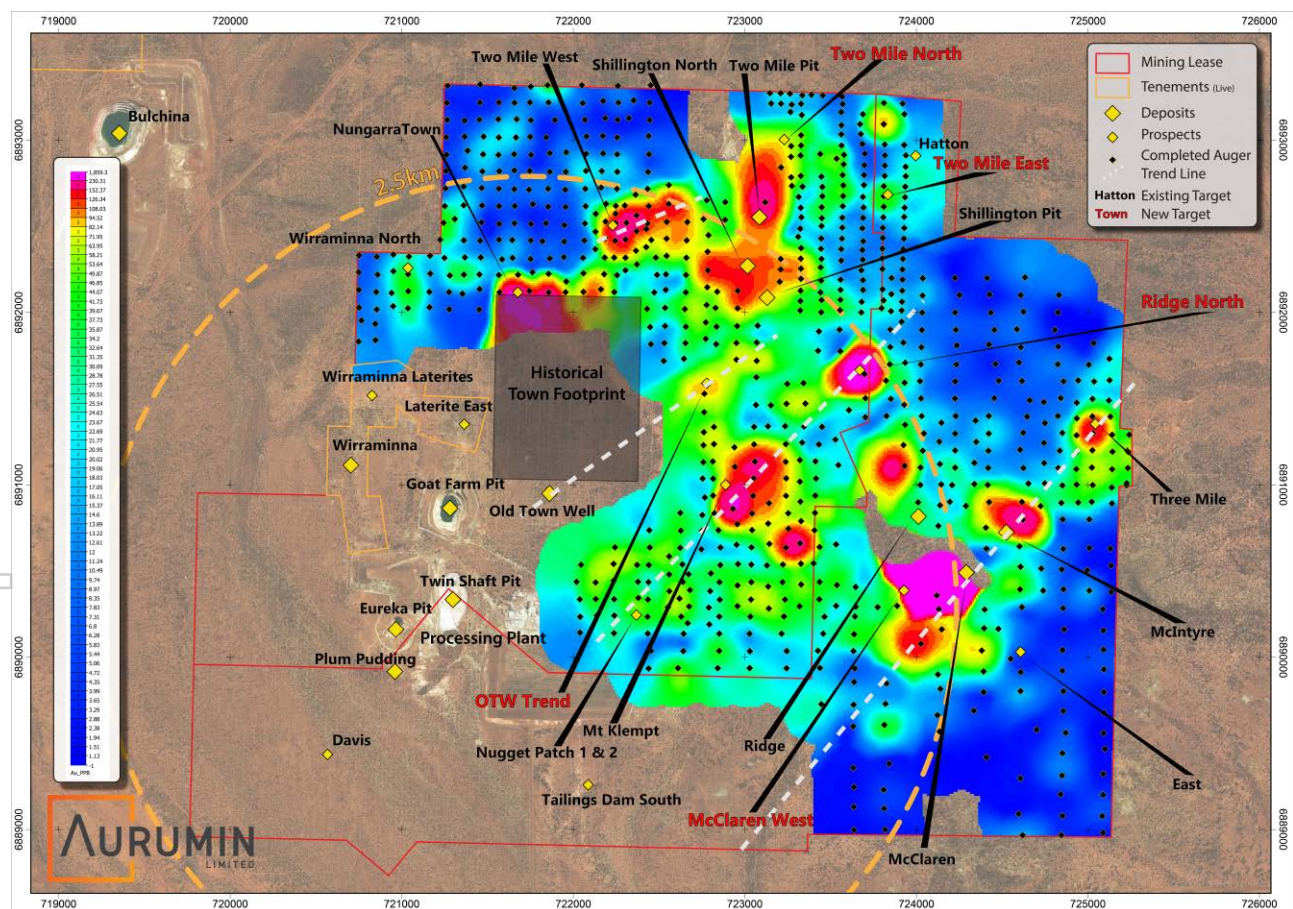


Figure 1 - Combined Aurumin 2022 and MDI 2021 auger sample Au results with sample locations

# Drilling at Shillington and Two Mile Hill <sup>7, 10, 12, 17, 18, 19, 20, 21</sup>

Aurumin started drilling at the Central Sandstone Project with diamond and Reverse Circulation (RC) drilling programmes. The diamond drilling programme was aimed to both extend and better define the Company's previously reported inferred underground mineral resource estimate (MRE) of 14.2Mt @ 1.1g/t Au for 500koz Au at the Two Mile Hill deposit, specifically targeting between 250m and 500m below the surface.<sup>1</sup> The RC drilling programme also aimed to test for geological linkages between the Shillington and Two Mile Hill deposits and to test the potential for higher-grade mineralisation along an interpreted structurally controlled corridor. This work was designed to both improve and extend the existing combined inferred and indicated Shillington Resource of 2.3Mt @ 1.2g/t Au for 86koz.<sup>1</sup>

The mineralisation at Two Mile Hill is hosted in three geological domains. The majority of the Two-Mile Hill resource occurs within a tonalite intrusion. Mineralisation also occurs within banded iron formation (BIF) beds, and within the basalts that host the tonalite intrusion. The tonalite intrusion is broadly oblate in plan, dipping ~78° towards 281°. Tonalite hosted mineralisation occurs predominantly as discreet free gold occurrences within a sheeted/stockwork array of narrow quartz veins.

The orientation of the sheeted vein array is variable but is on average orthogonal to the estimated axis of the tonalite. Veins range from 2mm to 900mm but are typically in the order of 20-80mm in width. The drilling was designed to test the Two Mile Hill Tonalite volume with drilling approximately perpendicular to the mineralised sheeted quartz vein array.

Structural logging and observations in core drilled during this round of drilling has confirmed the dominant vein orientation from previous studies. Within the tonalite and adjacent mafic, contact zones veins with visible gold are usually (though not exclusively) dipping 20-30° degrees with a dip direction towards 30-130° (striking 300-040°). Visually coherent zones of mineralisation, and higher grades are largely consistent with this orientation. This is consistent with the geometry of the BIF unit(s) and overall surrounding lithology, and broadly perpendicular to the direction of drilling.

All results have been reported subsequent to the reporting period. Highlights include:

## SN\_TM\_RD\_22\_0001 <sup>21</sup>

- 242.7m @ 1.20g/t Au from 203.1m
- including 8.3m @ 4.82g/t Au from 214.2m
- and 47.3m @ 2.06g/t Au from 362.0m

## SN\_TM\_RD\_22\_0002 <sup>17</sup>

- 344.0m @ 1.29g/t Au from 233.3m
- including 40.9m @ 2.0g/t Au from 243.5m
- and 22.2m @ 2.5g/t Au from 555.0m

## SN\_TM\_RD\_22\_0003 <sup>20</sup>

- 352.8m @ 1.50g/t Au from 267.2m
- including 47.3m @ 2.06g/t Au from 362.0m
- and 25.0m @ 5.4g/t Au from 531.2m

## SN\_TM\_RD\_22\_0004 <sup>18</sup>

- 224.0m @ 1.48g/t Au from 229.6m
- including 49.6m @ 2.0g/t Au from 269.0m
- and 20.2m @ 2.6g/t Au from 325.2m

## SN\_SH\_RC\_22\_0003 <sup>19</sup>

- 7m @ 5.78g/t Au from 137m

## SN\_SH\_RC\_22\_0004 <sup>19</sup>

- 6m @ 5.40g/t Au from 96m

## SN\_SH\_RC\_22\_0006 <sup>19</sup>

- 7m @ 1.64g/t Au from 90m
- and 4m @ 4.54g/t Au from 101m

## SN\_SH\_RC\_22\_0007 <sup>19</sup>

- 8m @ 4.99g/t Au from 80m

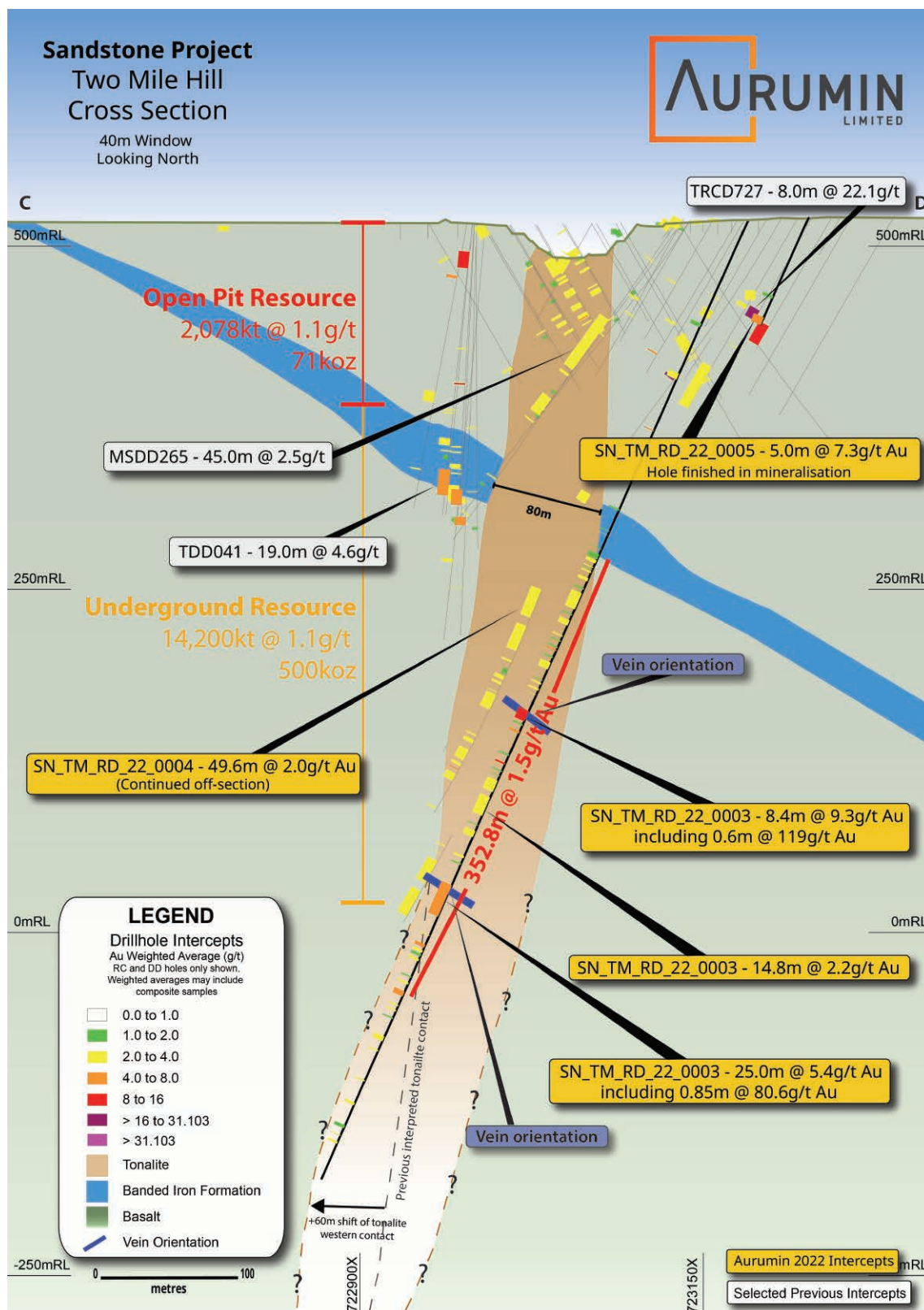


Figure 2 - Cross Section showing SN\_TM\_RD\_22\_0003, SN\_TM\_RD\_22\_0005 and a portion of SN\_TM\_RD\_22\_0004



Central Sandstone Project<sup>3</sup>

Sandstone Mineral Resources, 16 December 2021									
Deposit	Indicated			Inferred			Total		
	Tonnes	Grade	Au	Tonnes	Grade	Au	Tonnes	Grade	Au
	(kt)	(g/t Au)	(oz)	(kt)	(g/t Au)	(oz)	(kt)	(g/t Au)	(oz)
Sandstone Open Pit Deposits – Summary Mineral Resource Estimates (2012 JORC Code) at 0.5g/t cut-off									
Two Mile Hill	1,901	1.1	66,000	178	0.8	5,000	2,078	1.1	71,000
Shillington	1,440	1.2	57,200	830	1.1	29,300	2,270	1.2	86,500
Wirraminna	300	1.3	12,100	280	1.1	9,700	580	1.2	21,800
Old Town Well	282	1.0	8,800	68	0.6	1,400	351	0.9	10,100
Plum Pudding	384	1.1	13,100	35	0.9	1,000	419	1.1	14,100
Eureka	340	0.9	9,700	221	0.9	6,500	561	0.9	16,200
Twin Shafts	149	1.0	4,700	37	0.7	900	186	0.9	5,600
Goat Farm				398	1.0	13,200	398	1	13,200
McIntyre	496	1.2	19,400	67	0.9	1,900	562	1.2	21,300
Ridge	173	1.2	6,700	67	1.9	4,000	240	1.4	10,700
McClaren	236	1.4	10,600	60	1.7	3,200	296	1.5	13,800
<b>Open Pit Subtotal</b>	<b>5,701</b>	<b>1.1</b>	<b>208,300</b>	<b>2,241</b>	<b>1.0</b>	<b>76,100</b>	<b>7,941</b>	<b>1.1</b>	<b>284,300</b>
Sandstone Underground Deposits – Summary Mineral Resource Estimates (2012 JORC Code)									
Two Mile Hill Deeps – Tonalite				14,000	1.1	480,000	14,000	1.1	480,000
Two Mile Hill Deeps – BIF				200	3.1	20,000	200	3.1	20,000
<b>Underground Subtotal</b>				<b>14,200</b>	<b>1.1</b>	<b>500,000</b>	<b>14,200</b>	<b>1.1</b>	<b>500,000</b>
<b>TOTAL</b>	<b>5,701</b>	<b>1.1</b>	<b>208,300</b>	<b>16,220</b>	<b>1.2</b>	<b>569,600</b>	<b>22,141</b>	<b>1.1</b>	<b>784,300</b>

### **New Tenement – E57/1140<sup>11</sup>**

Aurumin entered into a binding Heads of Agreement (HoA) to acquire Exploration Licence 57/1140 from Mining Equities Pty Ltd. Tenement E57/1140 is within the Youanmi Terrane Greenstone Sequence which has proven exploration and production success; with greater than 1Moz Au having been produced regionally at Sandstone. The tenement has seen relatively little exploration work and remains under explored.

Previous drilling is wide spaced and considered to be predominantly first pass regional exploration work. Aurumin is in the process of compiling and validating data for the project area, including data sourced from open file reports and from the historical Troy Resources Database inherited as part of the Central Sandstone Project acquisition.

Key terms of the acquisition were:

- 500,000 AUN shares (\$75,000 at 15c)
- 1% Net Smelter Return royalty

Exploration work commenced on the tenement subsequent to the reporting period.

### **Competent Person Statements**

The information in this report that relates to exploration results, data quality, geological interpretations and mineral resources for the Central Sandstone Project and Greater Sandstone Project were first released in the Company's announcements 16 December 2021, 25 March 2022, 28 April 2022, 2 May 2022, 9 June 2022, 21 June 2022, 11 July 2022, 11 August 2022, 26 August 2022, 5 September 2022 and 12 September 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

## **JOHNSON RANGE PROJECT**

**The Johnson Range Project is located approximately 170km north of Southern Cross in Western Australia and is accessible from the Great Eastern Hwy, between Merredin and Southern Cross, then via Bullfinch and then the Bullfinch - Evanston Road. Final access is via Aurumin owned access roads.**

Johnson Range was discovered by a prospector in the 1930s and a small area was underground mined. The area was explored by Goldfields Exploration PL, St Joe Australia Pty Ltd, Bornite Pty Ltd, and Resolute Resources Ltd in the 1980s and in the 1990s. It was acquired by Vector Resources Limited in 2009 and trial mining occurred in 2014 as Gwendolyn.

During the year, Aurumin announced a 64,700oz Mineral Resource estimate for Johnson Range. The Mineral Resource estimate for the Johnson Range Project was completed following extensive data validation and on ground survey work. The Mineral Resource has been reported at a cut-off grade of 1.0g/t Au and within 100m of natural ground surface. The Mineral Resource has been classified as Inferred.<sup>2</sup>

Johnson Range Mineral Resources, 25 August 2021			
Deposit	Inferred		
	Tonnes	Grade	Au
	(kt)	(g/t Au)	(oz)
Johnson Range Open Pit Deposits – Summary Mineral Resource Estimates (2012 JORC Code) at 1g/t cut-off			
Gwendolyn	803	2.51	64,700

*Data has been rounded to the nearest 1,000 tonnes, 0.01g/t and 100 ounces. Rounding variations may occur.*

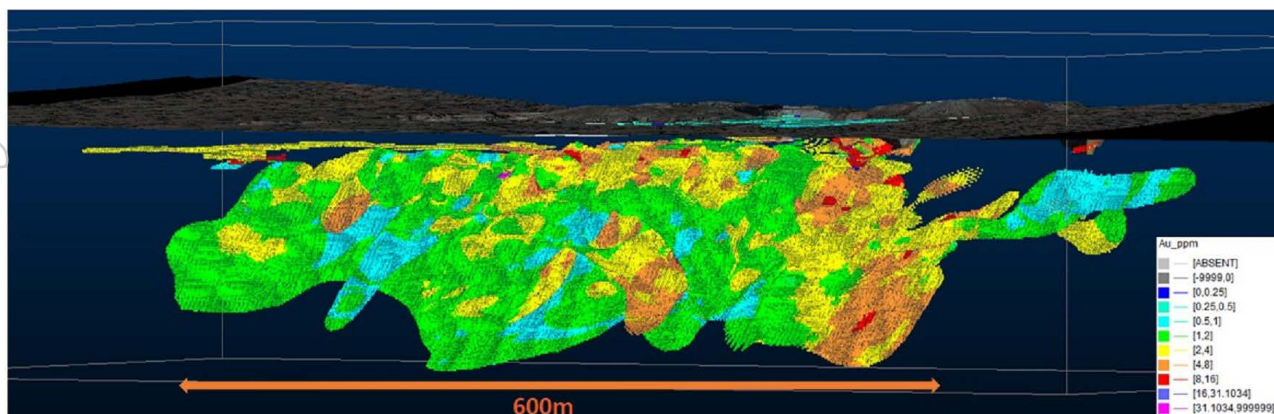


Figure 3 – Gwendolyn mineralisation interpretation, looking east



Figure 4 – Previously mined open pits at Johnson Range

#### Competent Person Statements

The information in this report that relates to exploration results, data quality, geological interpretations and mineral resources for the Johnson Range Project were first released in the Company's announcement dated 25 August 2021. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

## SOUTHERN CROSS OPERATIONS

**Aurumin's Southern Cross Operations consist of the Mt Dimer Project and the Mt Palmer Project.**

The Mt Dimer Project produced over 125,000 ounces of gold from open pit and underground production of approximately 600,000 tonnes @ 6.4g/t. The mining area sits within a substantial tenure footprint that has further exploration potential.

The Mt Palmer Project produced approximately 158,000 ounces of gold at an average grade of 15.9g/t via open pit and underground methods and is being explored for gold and lithium.

### MT DIMER

The Mt Dimer Project is located approximately 120km north north-east of Southern Cross and is accessible via the Great Eastern Highway and Mt Walton Road, or by air.

Mt Dimer was first explored by Western Mining Corporation and Placer Exploration Ltd between 1985 and 1993 and later mined by Tectonic Resources NL between 1994 and 1997. Historical production of greater than 125,000oz is recorded from Mt Dimer, including approximately 600,000t at 6.4g/t gold mined from six open pits and one underground operation.

The Lightning deposit and extensions to the Golden Slipper open pit were identified, but not mined, by previous operators and represented opportunities for resource expansion and future development.

The project area has multiple geophysical, geochemical and geological targets identified from previous studies and a significant number of high-grade unmined intersections.

### Drilling

The company completed two drilling programmes this year at Mt Dimer. In July-August the Company completed an RC drilling campaign (34 holes for 2,954 metres) and in November the Company completed 30 new RC drill holes and two re-entries of existing holes, targeting four different deposits and prospects, for a total of 3,004 metres.

Drilling assessed the existing Lightning, Golden Slipper, L03 and Frodo deposits, and followed up on encouraging results at T12, a new deposit identified by Aurumin.

Key highlights included:

#### Lightning<sup>15, 16</sup>

- MD\_LT\_RC\_21\_0009 **8m @ 15.00g/t Au** from 71m
  - including **1m @ 90.70g/t Au** from 72m
- LTRC2106 **4.0m @ 48.69g/t Au** from 104m
  - including **1.0m @ 153.5g/t Au** from 106m

#### Frodo<sup>16</sup>

- MD\_FO\_RC\_21\_0002 **2m @ 28.94g/t Au** from 106m
  - including **1m @ 50.10g/t Au** from 106m

#### L03<sup>1</sup>

- L03RC2106 **5.0m @ 19.26g/t Au** from 61m
  - including **1.0m @ 54.80g/t Au** from 62m
- L03RC2107 **8.0m @ 5.70g/t Au** from 100m
  - including **1.0m @ 21.00g/t Au** from 102m

#### T12<sup>1, 16</sup>

- MD\_XP\_RC\_21\_0066 **7.0m @ 2.50g/t Au** from 51m
  - including **1m @ 7.51g/t Au** from 55m
- TMDRC2102 **8.0m @ 2.58g/t Au** from 22m
  - including **2.0m @ 4.40g/t Au** from 26m



### High grade results at Lightning

Lightning is a high-grade unmined deposit at Mt Dimer. Mineralisation consists of multiple narrow high-grade quartz bearing ore shoots plunging steeply to the north, within a northerly trending structure primarily hosted by granite.

Ten holes were drilled at Lightning with LTRC2106 intersecting the best intercept to date by Aurumin at Mt Dimer, returning 10m @ 20.22g/t Au, including 1m @ 153.50g/t Au. This drilling also intersected mineralisation to the north within the ultramafic unit which has previously not been considered prospective. Additionally, MD\_LT\_RC\_21\_0009 returned 8m @ 15.00g/t Au including 2m @ 57.35g/t Au and 1m @ 90.70g/t Au (See Figure 5).

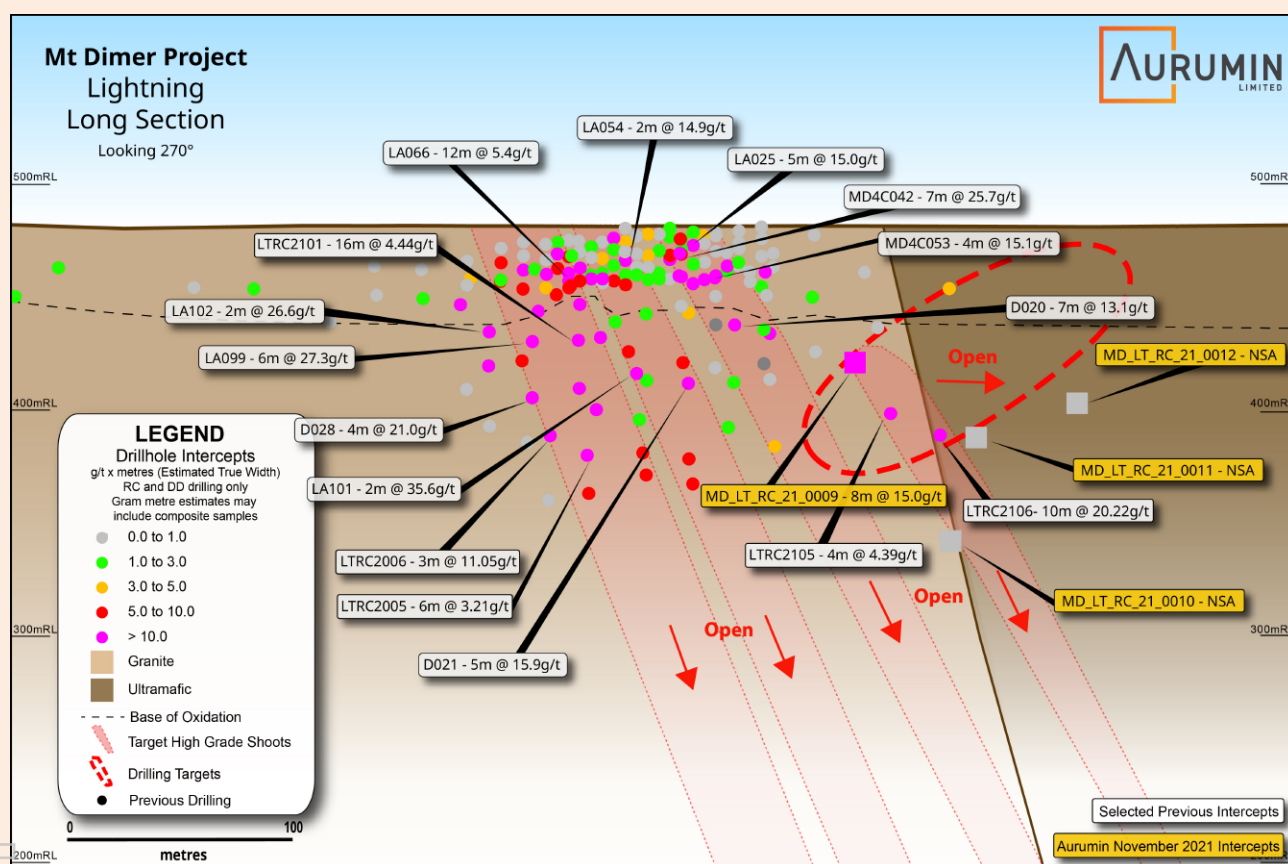


Figure 5 – Mt Dimer Project – Lightning Deposit – Long Section

### L03 potential enhanced

The L03 deposit is one of the three LO deposits mined in the mid 1990's at Mt Dimer. It has an open pit of similar scale to L01 and L02, however, unlike L01 and L02, has limited underground workings. The L03 orebody has not been closed off along strike or below the limited underground workings and remnant ore potential exists directly below the open pit.

Twelve holes were drilled in the year at L03 that tested north, south and below existing mineralisation. Two holes drilled from the footwall dipped and did not intersect the target.

Drilling returned positive results south, north and below existing mineralisation, with the highlight being 6m @ 16.19g/t Au, including 1m @ 54.80g/t Au, in L03RC2106 to the north (See Figure 6).

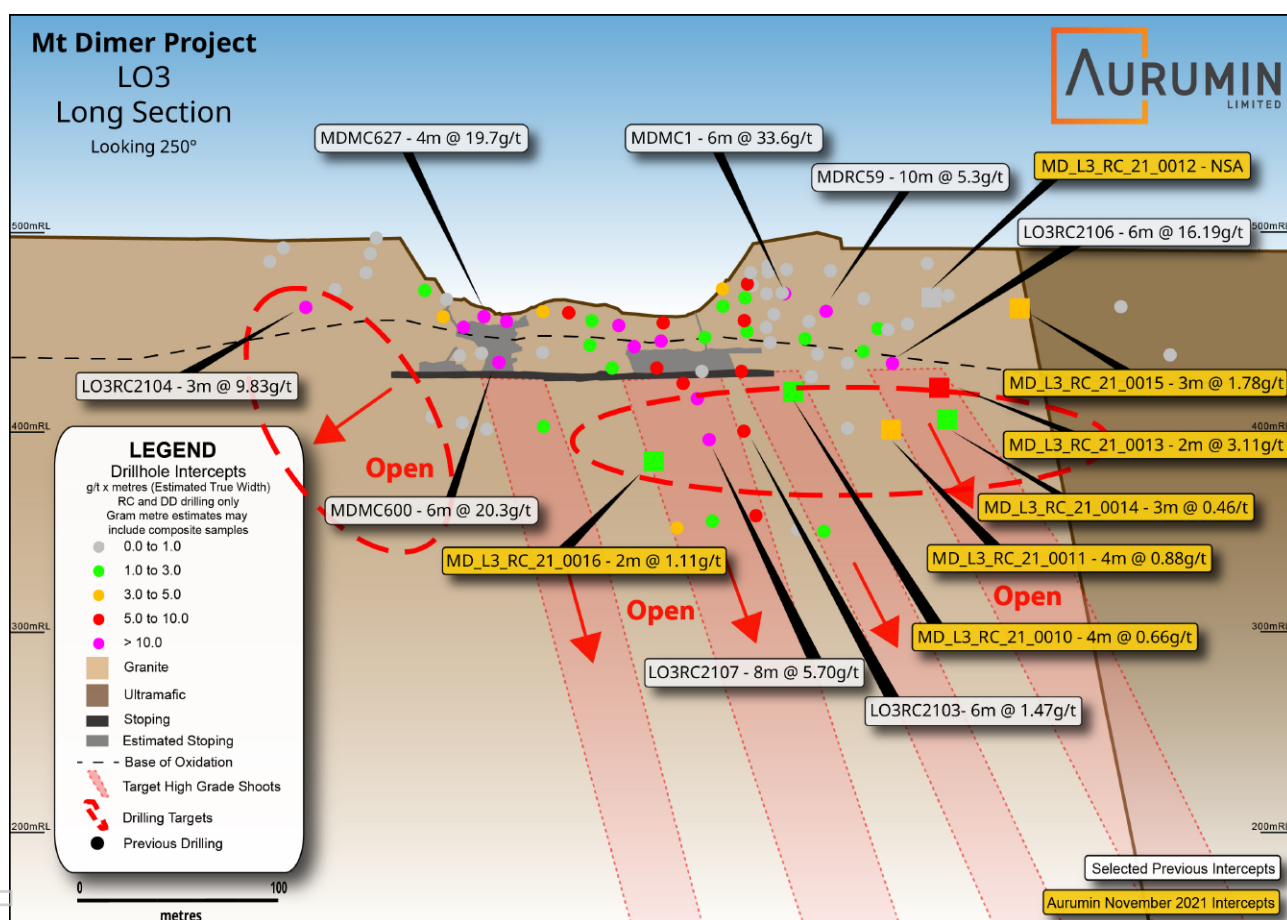


Figure 6 – Mt Dimer Project – L03 Deposit – Long Section

### T12 confirmed as a new deposit

The T12 deposit was previously identified by Aurumin using a SAM survey and first pass drilling. Eighteen holes were drilled throughout the year.

Drilling returned positive results in multiple holes, with the highlights being the broad shallow mineralisation in both TMDRC2102 (8m @ 2.58g/t Au) from 22m and MD\_XP\_RC\_21\_0066 (7.0m @ 2.50g/t Au) from 51m (See Figure 7).

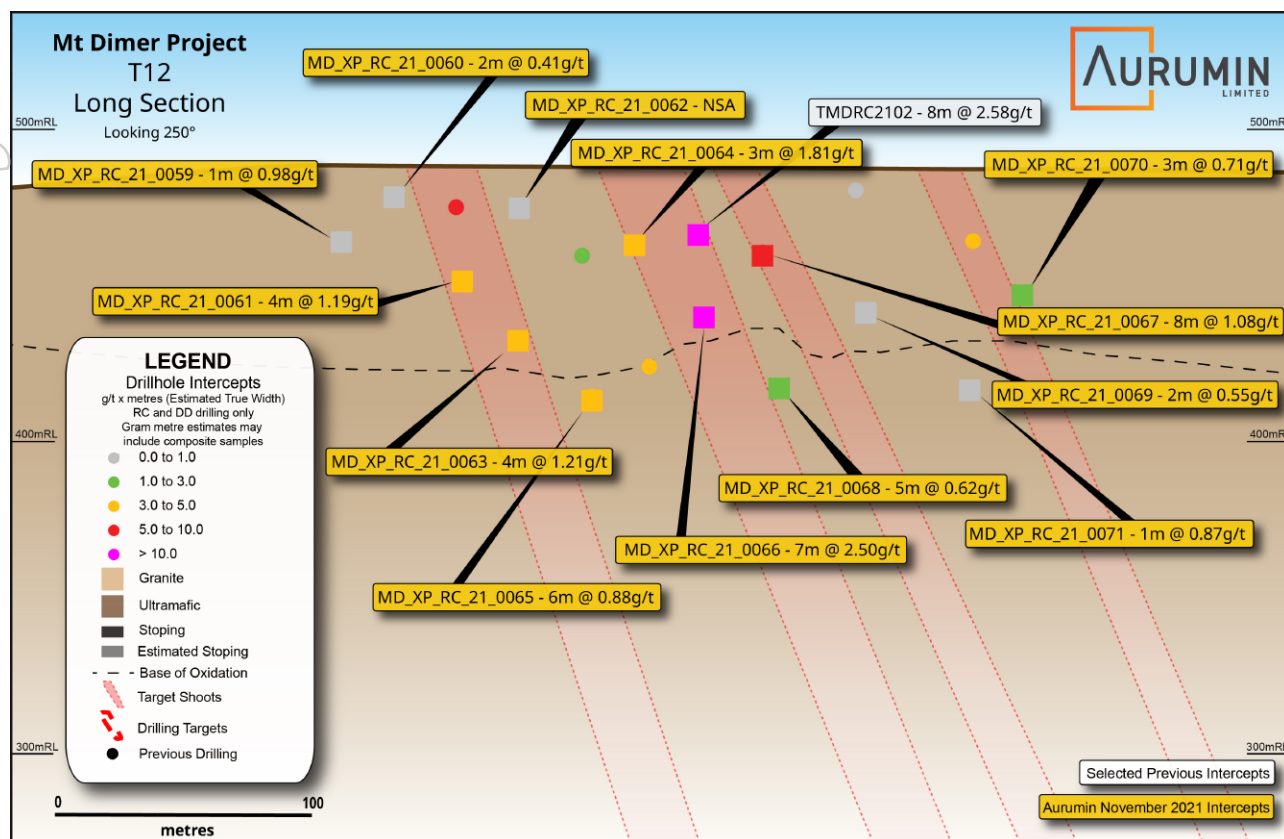


Figure 7 - Mt Dimer Project - T12 Deposit - Long Section

### Frodo and Frodo North (T6)

Frodo is a high-grade deposit at Mt Dimer previously mined as an open pit and has had limited underground work. Mineralisation consists of multiple narrow high-grade quartz bearing ore shoots plunging to the south, within a northerly trending structure primarily hosted by granite.

Three holes were drilled during the November work, testing depth extensions. Hole MD\_FO\_RC\_21\_0002 returned 2m @ 28.94g/t Au including 1m @ 50.10g/t Au. The remaining two holes did not return significant results, this has led to a review of the interpreted orientation of the mineralisation and a refining of high-grade plunge targets.

Five holes were drilled at Frodo North (T6) in the July programme, aiming to identify northerly mineralisation extension from the Frodo open pit. Drilling returned mixed results, with the highlight being FNRC2101 with 2m @ 11.67g/t Au, including 1m @ 22.00g/t Au, from 29m down hole.

### Golden Slipper

Seven holes were drilled at Golden Slipper in the July programme, aiming to further extend mineralisation north

of the existing open pit and follow up previous drilling result of 7m @ 7.55g/t reported by Aurumin in drill hole GSRC2103 (refer ASX announcement 14/05/2021).

Results were disappointing with only minor gold grades returned and several holes missing their targets. The orebody remains open down dip for its 300m strike.

### Soil Sampling for Gold<sup>22</sup>

Aurumin completed Ultrafine soil as part of a sampling test programmes across two areas with varying underlying bedrock types (felsic and mafic) allowing comparison of the effectiveness of this method to historical shallow auger soil sampling programmes.

The upper surface material around the historical mining centre consists of transported cover of varying depths and the Ultrafine method is thought to allow detection of mineralisation through transported cover. The Ultrafine sampling method identified multiple anomalous gold soil anomalies, some coincident with interpreted north trending structures in the T12/Frodo South area.

An orientation survey in an area immediately to the north of the mining centre where the bedrock is interpreted to be a mafic unit overlain by a granitic sheet (T23) was also completed. This area has returned Ultrafine samples with gold results up to 121.2 ppb Au within a broader soil anomalism. No drilling has been completed in this area and going forward Aurumin will look to test these types of targets through reconnaissance drill programmes.

Preliminary assessment between traditional soils and the Ultrafine method indicates a greater contrast in the background is noticed with Ultrafine sampling, this will assist with refining targets for follow up exploration including drilling. Infill sampling is being planned for the areas showing soil anomalism to further define the targets in addition to further extensional programmes.

### **Competent Person Statements**

The information in this report that relates to exploration results, data quality, geological interpretations and mineral resources for the Mt Dimer Project were first released in the Company's announcements dated 1 September 2021, 3 November 2021, 17 December 2021, 11 February 2022 and 27 April 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

### **MT PALMER**

The Mt Palmer Project is located 39km east south-east of Southern Cross and can be accessed via the Great Eastern Highway.

The major historical workings at Mt Palmer were mined from 1934 to 1944 and in that time produced a total of 310,715t at an average gold grade of 15.9g/t for a return of 158,428oz. The deposit was mined over 360m with individual lodes mined over a strike length of 200m and to depths of 155m from the surface with most of the production coming from the Main Lode and East Lode.

Mt Palmer has also been recognised as a potentially favourable setting for lithium mineralisation.

### ***Mt Palmer Lithium Targeting*** <sup>4, 5, 8, 9</sup>

During the year Aurumin completed an Ultrafine soil sampling programme at Vickers Find South, with a grid spacing of 100m x 200m. Preliminary analysis was completed using a desktop XRF Bruker CTX instrument and Portable Spectral Services' proprietary Lithium Index Calibration. Samples were also submitted to Labwest for multielement analysis. The Ultrafine soil sampling programme defined two main areas of lithium in soil anomalism that coincided with old drill logs that indicated potential pegmatites (Figure 8).

Aurumin completed an orientation first pass reverse circulation (RC) drilling programme targeting potential lithium bearing pegmatites at the Vickers Find South B (VFSB) target. Twelve holes were drilled for a total of 1,212m along three north-south lines. Drilling was immediately west of the strongest lithium anomalism from the Ultrafine soil sampling programme (Figure 8).



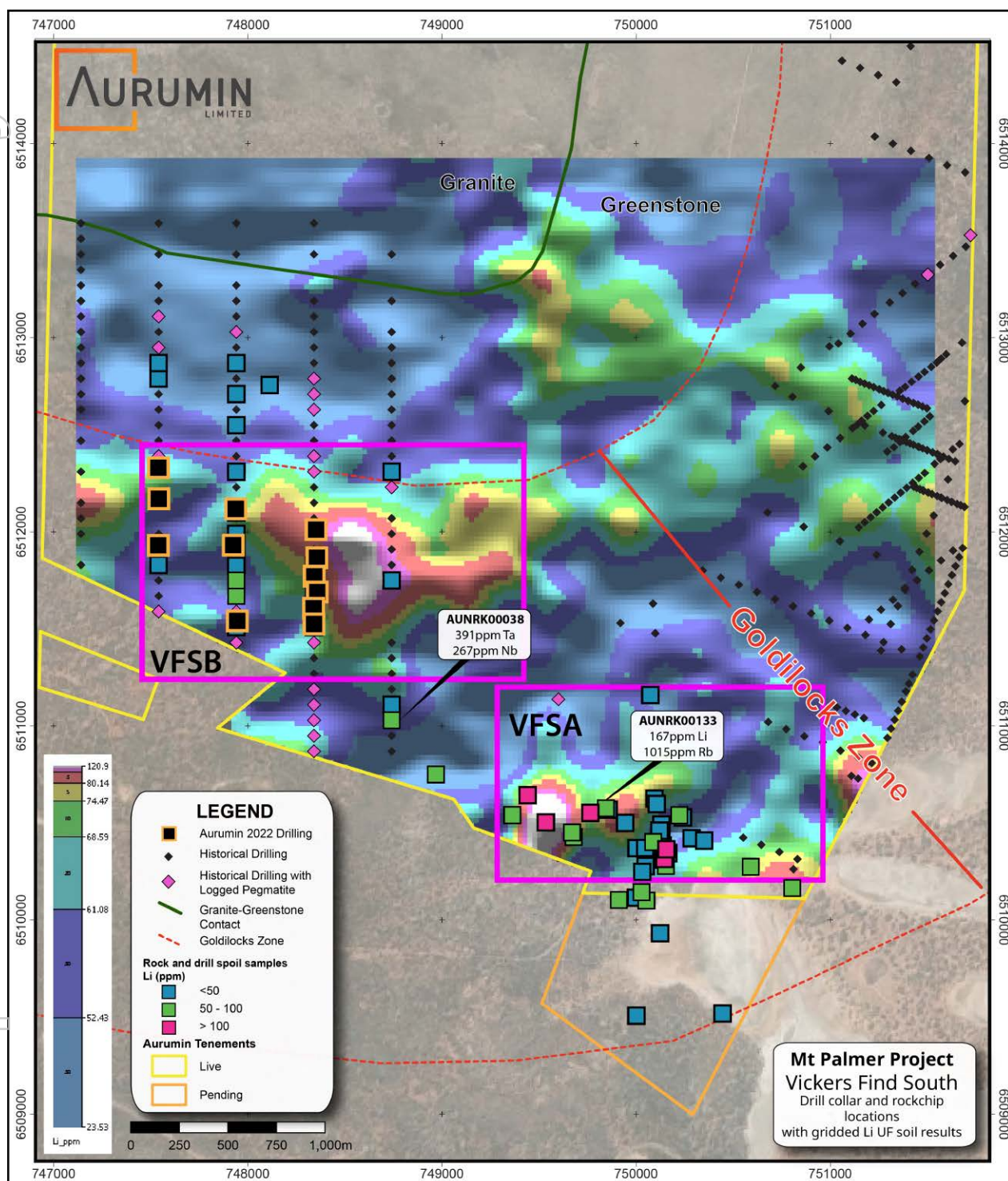


Figure 8 - Vickers Find South collar plan with targets, rock chip and drill spoil samples over Ultrafine soil sample lithium results.

Drilling intercepted pegmatites on all three lines in areas indicated from historical logs. Downhole intervals ranged from 1m to 40m, with a general thickness of ≈20m. Pegmatites are interpreted to be flat lying to gently dipping to the north.

Low level (>100ppm Li) lithium anomalism (up to 370ppm Li) was returned across multiple holes. A review of the drilling indicates a complex geological setting consisting of a combination of pegmatites, pegmatitic leucogranite and leucogranite within a mafic-ultramafic sequence crosscut by late-stage dolerite dykes.

Geological logging showed varying percentages of feldspar (both albite and microcline) and mica (both muscovite and biotite) with minor garnet observed. This variation in the mineralogy of the pegmatites demonstrates a high degree of fractionation of the original granitic source material interpreted to be located directly to the north. Highly fractionated pegmatites are a key component in the deposition of lithium mineralisation within Lithium-Caesium-Tantalum (LCT) pegmatite systems.

A preliminary assessment of the fertility of the pegmatites was completed using a desktop XRF to determine multielement analysis on selected samples. The results returned anomalous pathfinder elements, including tantalum (up to 105ppm Ta), rubidium (up to 3,612ppm Rb) and niobium (up to 79ppm Nb), highlighting the prospectivity of the pegmatite complex. Using additional elemental ratios including K/Rb, Mg/Li and Nb/Ta as targeting vectors indicates future exploration needs to target areas to the south by potentially drilling deeper (below current drilling) and down-dip of the current drilling.

Prior to the commencement of the drill programme, drill spoils were sampled from historical holes (>20 years old) and available rock outcrops were sampled. Some of these samples returned elevated pathfinder element results. The most promising of which included drill spoil from an old hole with historically logged pegmatite approximately 600m to the south of the completed drilling, with strongly anomalous tantalum (391ppm Ta), niobium (267ppm Nb), elevated tin (16ppm Sn) and subdued lithium (52ppm Li), which may indicate proximity to lithium mineralisation based on accepted elemental zonation patterns in LCT lithium deposits (Figure 9).

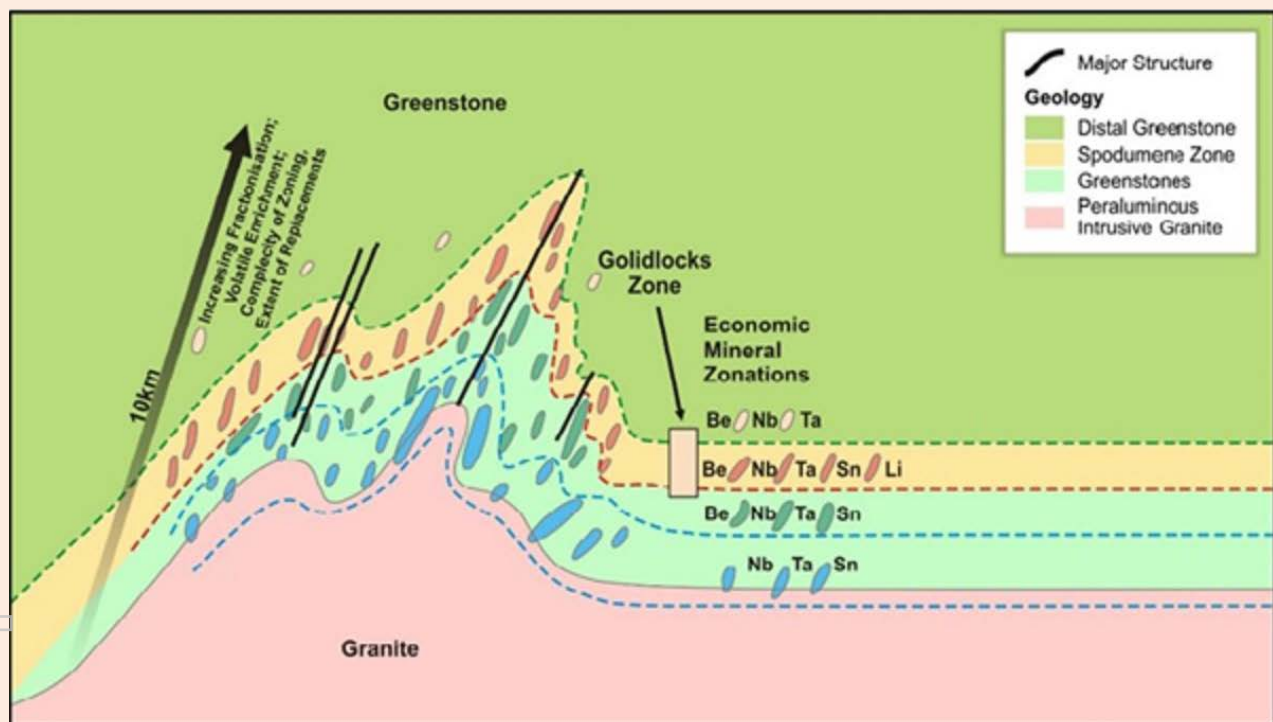


Figure 9 - Schematic LCT Pegmatite model technical illustration. Source; Forrestania Resources ASX Announcement 12th October, Modified after Cerný (1991) and Breaks et al. (2021)

Pegmatites sampled from the limited rock outcrop found in the Vickers Find South area consisted of varying mineralogy ranging from blocky K-Feldspar dominant to highly weathered pegmatite with varying levels of lithium and pathfinder element anomalism. This variation in mineralogy along with the anomalous assay results further demonstrate the degree of fraction occurring within the pegmatite complex through the Vickers Find South prospect and validates Aurumin's belief in the potential of the area to host lithium mineralisation<sup>8</sup>.

As the depth the RC holes in the orientation programme were constrained due to above ground containment of intersected water and ground conditions, some of these current holes may be extended by diamond drilling in a future programme.

## **Mt Palmer Gold Exploration** <sup>14</sup>

### *Near Mine Soil Sampling and Rock Chips*

Gold exploration at Mt Palmer consisted of a field-based programme following on from high-level target generation work previously completed, where multiple targets were identified based on geological settings.

This work consisted of a rock chip sampling programme of available rock outcrop and a preliminary Ultrafine sampling programme to the south of the Mt Palmer mine site to assess the effectiveness of historical soil sampling.

The Ultrafine sampling programme completed to the south of the Mt Palmer Mining Centre was conducted on 40m by 200m grid space to mirror the historical sampling points. The Ultrafine sampling method was trialled due to the cover in the area being transported. This programme identified multiple gold and arsenic soil anomalies which require follow up infill sampling to refine the targets for future drill programmes.

The rock chip sampling programme was completed to the north and south of the Mining Centre where anomalous results were returned from quartz veins hosted within amphibolite and quartz veins in altered banded iron formation, with results up to 7.55g/t Au.

### **Competent Person Statements**

The information in this report that relates to exploration results, data quality, geological interpretations and mineral resources for the Mt Palmer Project were first released in the Company's announcements dated 20 October 2021, 24 March 2022, 21 April 2022, 27 April 2022, 10 May 2022 and 3 June 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

## **OTHER AURUMIN PROJECTS**

### **KARRAMINDIE**

Aurumin's Karramindie tenement E15/1769 was granted during the year.

The Karramindie Project is located within the Kalgoorlie Terrane, the western most terrane within the larger Eastern Goldfields Super terrane consisting of the Kalgoorlie, Kurnalpi, and Burtville.

Karramindie occurs between two shear zones: Karramindie in the east and Kunanalling in the west. The Karramindie Shear is north-northwest trending, wrapping around the Depot Granodiorite, and is an important structure in the deposition of gold mineralisation such as the Freddo Gold Mine on the northeast boundary of Karramindie and Ghost Crab Gold Mine 6km to the south of Karramindie.

Aurumin have identified a total of 15 exploration targets. The targets have been defined by prospective geology and structural controls along with historical geochemistry and drilling results. Aurumin intends to complete site-based mapping that includes interpretation of historical work.





## SUSTAINABILITY

**Aurumin's commitment to Environment, Social and Governance (ESG) principals aligns to our Core Values of Integrity, Respect, Responsibility and Achievement.**

Aurumin believes that environmental stewardship and social responsibility is integral to the success of its businesses. We strive to adhere to the best industry standards and governance in order to create additional value for our stakeholders and shareholders.

At the current stage of the company activities, our ESG priorities include:

- **Environmental Stewardship** - Aurumin is committed to ensuring all exploration activities are conducted responsibly, that risks and impacts from historical activities are minimised
- **Support Local** - Wherever practicable, Aurumin utilises local contractors and, purchases good and services in the local community
- **Mutual Benefit** - Aurumin is committed to developing enduring and mutually beneficial outcomes for all stakeholders
- **Low Carbon** - Aurumin is committed to minimising the carbon footprint and environmental impact of future development

Some of our initiatives undertaken to date include:

### Local Procurement

Wherever possible, Aurumin utilises local contractors and, purchases good and services in the local community. This includes using local earthmoving contractors, drilling companies and employing local residents to undertake care and maintenance activities at our Mt Palmer and Sandstone Projects. Supporting local communities also included the sponsorship of local events such as the Southern Cross Motocross Club Event.

### Environmental Surveys and Monitoring

A total area of 3588 hectares of vegetation mapping has been completed across the projects to understand the ecosystem that we operate within, thus aiding in the implementation of environment management measures to minimise operational footprints and conserve ecological values.

Monitoring of Malleefowl mounds at the Mt Dimer Project was completed to track our potential impacts on biodiversity in the area.

### Rehabilitation

Aurumin is committed to progressive rehabilitation to ensure disturbance footprints are minimised and ecosystem functioning are restored within project areas.



### Energy Efficiency

Wherever possible, Aurumin contracts with parties that are committed to reducing greenhouse gas emissions. Additionally, where practicable the use of existing transport services to move personnel including the train to Southern Cross and other mining company charter flights have been used.

### Health and Safety

Continuing to improve health and safety within our workforce and contractor is always a priority. During this period systems of work were refined including hazard identification and risk assessments, these refinements incorporated the acknowledgment, awareness and management of psychosocial aspects across the business. The Company is pleased to report that it had no Lost Time Injuries (LTIs) during the reporting period relating to exploration activities. The health and safety of our staff and contractors is paramount in all of our endeavours.

### Covid 19

During the reporting period uncertainty around the Covid-19 pandemic continued, for employees, where practical alternative working arrangements were put in place and the team altered how professional interaction occurred using available technologies. Due to the strong border arrangements and evidenced based public policy from the Western Australian Government, the rates of infection in the state were extremely low and allowed the Company with it's more flexible work approaches to undertake exploration activities with minimal disruption.

## REFERENCES – PREVIOUS ASX ANNOUNCEMENTS

1	1-Sep-21	Results up to 153g/t Au from Mt Dimer drilling
2	25-Aug-21	64,700oz Johnson Range Mineral Resource Estimate
3	16-Dec-21	Aurumin To Acquire 784,000oz Au Sandstone Gold Project
4	21-Apr-22	Drill programme targeting lithium to commence at Mt Palmer
5	27-Apr-22	Drilling Underway Targeting Lithium at Mt Palmer
6	28-Apr-22	Central Sandstone Auger Programme Complete
7	2-May-22	Drilling To Commence at Sandstone
8	10-May-22	Mt Palmer Lithium Exploration Update
9	3-Jun-22	Re-Release Mt Palmer Lithium Exploration Update and Results
10	9-Jun-22	Central Sandstone Exploration Update
11	21-Jun-22	Re-Release - Aurumin Expands Footprint at Sandstone
12	11-Jul-22	344m @ 1.29g/t Au in First Aurumin Diamond Hole At Two Mile
13	20-Jul-22	Capital raising to fund continued exploration at Sandstone
14	20-Oct-21	Mt Palmer Exploration Update
15	3-Nov-21	Additional Assay Results up to 23.4g/t Au from Mt Dimer
16	17-Dec-21	Assay Results up to 90.70g/t Au from Mt Dimer Drilling
17	11-Jul-22	344m @ 1.29g/t Au in first Aurumin Diamond Hole at Two Mile Hill
18	11-Aug-22	224.0m @ 1.5g/t Au at Two Mile Hill from Second Hole Assayed
19	26-Aug-22	Shillington RC Drill Results Returned
20	5-Sep-22	352.8m @ 1.5g/t Au at Two Mile Hill, from Third Hole
21	12-Sep-22	242.7m @ 1.20g/t Au at Two Mile Hill, from Final Assays
22	27-Apr-22	Quarterly Activities Report

# Directors' Report

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

## BOARD OF DIRECTORS

The names of the Company's directors in office during and since the financial year until the date of the report are as follows:

Directors	Position
Piers Lewis	Non-Executive Chairman
Bradley Valiukas	Managing Director
Darren Holden	Non-Executive Director
Shaun Day	Non-Executive Director

## INFORMATION ON DIRECTORS

### Piers Lewis (19 May 2020 – current)

Mr Lewis is a Chartered Accountant and Chartered Company Secretary with over 20 years' global corporate experience. Mr Lewis currently sits on the Board of Noronex Limited and serves as company secretary on several ASX listed companies, including Grange Resources Limited. Mr Lewis holds a Bachelor of Commerce (Accounting and Finance), and is a Chartered Accountant and member of the Governance Institute of Australia.

### Interest in shares and options at the date of this report:

- 1,104,647 Ordinary Shares
- 500,000 Options with an exercise price of \$0.30 expiring 31 July 2024.
- 100,000 Options with an exercise price of \$0.40 expiring 31 July 2025.
- 121,428 Options with an exercise price of \$0.25 expiring 18 August 2024.

### Directorships held in other listed entities (last 3 years):

- Noronex Limited (current)
- OD6 Metals Limited (current)
- Manalto Limited (resigned 16 April 2020)
- eSense-Lab Ltd (resigned 2 July 2020)
- Cycliq Group Limited (resigned 31 August 2020)
- Ultima United Limited (resigned 14 June 2022)

#### **Bradley Valiukas (28 February 2020 - current)**

Mr Valiukas is a mining engineer with over 25 years operational, management and executive experience in underground and open pit operations across multiple commodities around Australia and internationally. He has extensive experience in the rectification and expansion of existing operations and the direct responsibility for multiple new mines.

Mr Valiukas holds a Bachelor of Engineering (Mining) from the University of NSW, with a Graduate Certificate in Economics from Murdoch University and is a member of the AusIMM.

He has held multiple senior management roles including as COO at companies including Mincor Resources, Focus Minerals and Manager - Technical Services at Northern Star Resources.

#### **Interest in shares and options at the date of this report:**

- 6,784,642 Ordinary Shares
- 4,000,000 Options with an exercise price of \$0.30 expiring 31 July 2024.
- 1,333,333 Options with an exercise price of \$0.40 expiring 31 July 2025.
- 499,999 Options with an exercise price of \$0.25 expiring 18 August 2024.

#### **Directorships held in other listed entities (last 3 years):**

- None

#### **Darren Holden (19 May 2020 – current)**

Dr Holden is a geologist and experienced ASX company director with over 25 years of industry experience in Australia and internationally including projects in Canada, USA and Mexico. He is a graduate of the University of Otago (NZ), with The University of Western Australia and the University of Notre Dame Australia, and is a Fellow of the Australasian Institute of Mining and Metallurgy. Dr Holden was previously the Managing Director at ABM Resources Limited and Executive VP Exploration at Geoinformatics Exploration Inc. Dr Holden currently operates the exploration advisory business GeoSpy Pty Ltd and project generation businesses Marlee Minerals Pty Ltd & Odette Geoscience Pty Ltd.

#### **Interest in shares and options at the date of this report:**

- 447,857 Ordinary Shares
- 400,000 Options with an exercise price of \$0.30 expiring 31 July 2024.
- 100,000 Options with an exercise price of \$0.40 expiring 31 July 2025.
- 22,857 Options with an exercise price of \$0.25 expiring 18 August 2024.

#### **Directorships held in other listed entities (last 3 years):**

- OD6 Metals Limited (current)
- Todd River Resources Limited (resigned 3 June 2022)
- Odessa Minerals Limited (resigned 22 April 2022)

### Shaun Day (19 May 2020 – current)

Mr Day is a Chartered Accountant and experienced finance professional with over 20 years of experience in executive, financial and commercial roles across mining and infrastructure, investment banking and international accounting firms. Mr Day was previously the CFO of Northern Star Resources, Sakari Resources and Straits Resources, and was previously non-executive director of ASX listed Attila Resources, TSX listed Superior Gold and TSX listed Goldminco Corporation.

**Mr Day is currently** the Managing Director of London listed Greatland Gold PLC.

#### **Interest in shares and options at the date of this report:**

- 425,000 Ordinary Shares
- 400,000 Options with an exercise price of \$0.30 expiring 31 July 2024.
- 100,000 Options with an exercise price of \$0.40 expiring 31 July 2025.

#### **Directorships held in other listed entities (last 3 years):**

- Greatland Gold PLC (current)

## **COMPANY SECRETARY**

The names of the Company's Company Secretaries in office during and since the financial year end until the date of the report are as follows:

<b>Arron Canicaïs (joint)</b>	Appointed 16 June 2020
<b>Yew Thai (Victor) Goh (joint)</b>	Appointed 16 June 2020

### Arron Canicaïs

Mr Canicaïs is a Chartered Accountant with 13 years' experience in audit and assurance and financial officer roles. Mr Canicaïs currently works as a Corporate Advisory Executive at SmallCap Corporate and previously worked at Bentleys Audit and Corporate, a West Perth audit firm, which specialises in the audits of junior exploration entities in WA. He has had significant exposure to the reporting and financial requirements of exploration entities. He is currently the Company Secretary and CFO for a range of ASX listed entities.

Mr Canicaïs holds a Bachelor of Commerce degree from the University of Notre Dame Australia and is an associate member of the Chartered Accountants Australia and New Zealand and Governance Institute of Australia.

### Victor Goh

Mr Goh is a Chartered Accountant with 8 years of experience as an auditor, with a client base primarily consisting of ASX-listed companies. Mr Goh currently works as a financial accountant at SmallCap Corporate and provides accounting and financial management services for a number of listed and unlisted companies.

Mr Goh holds a Bachelor of Commerce from the University of Western Australia and is a member of Chartered Accountants Australia and New Zealand.

## **PRINCIPAL ACTIVITIES**

Aurumin Limited is an Australian based advanced gold exploration company with two project areas in Western Australia. The Sandstone Gold Operations were cornerstoned by the acquisition of the Central Sandstone Project by the Company in early 2022. In addition to the Sandstone Gold Operations, the Company has a significant landholding at its Southern Cross Operations, including two historical high-grade production centres, Mt Dimer and Mt Palmer.



## FINANCIAL RESULTS

The financial results of the Company for the year ended 30 June 2022 are:

	30/06/2022	30/06/2021	30/06/2020	% Change
Cash and cash equivalents (\$)	2,151,535	3,761,737	214,554	(43%)
Net assets (\$)	10,775,484	5,416,123	1,206,341	99%
Revenue (\$)	31,819	-	-	-
Net loss after tax (\$)	(6,683,252)	(5,057,593)	(1,150,716)	32%

### DIVIDENDS PAID OR RECOMMENDED

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

### SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than as described in the review of operations, there have been no significant changes in the state of affairs.

### EVENTS SINCE THE END OF THE FINANCIAL YEAR

On 18 August 2022 and 24 August 2022, the Company completed a capital raising via the issue of 15,750,552 fully paid ordinary shares and 15,750,552 listed options with an exercise price of \$0.25 expiring 18 August 2024 which raised approximately \$2.3 million (before costs).

The directors are not aware of any other matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

### MEETINGS OF DIRECTORS

The number of Director's meetings held during the financial year and the number of meetings attended by each Director during the time the Director held office are:

	Directors Meetings	
Directors	Number Eligible to Attend	Meetings Attended
Piers Lewis	12	12
Bradley Valiukas	12	12
Darren Holden	12	12
Shaun Day	12	8

The Company does not have a formally constituted audit committee nor a remuneration committee as the board considers that the company's size and type of operation do not warrant such committees.

### **LIKELY DEVELOPMENTS AND RESULTS**

The Directors continue to actively explore and evaluate its mineral exploration tenements in Western Australia.

The directors have excluded from this report any further information on the likely developments in the operations of the Group and the expected results of those operations in future financial years, as the Directors believe that it would be speculative and prejudicial to the interests of the Group.

### **ISSUES, REGULATIONS AND PERFORMANCE**

The Company is not subject to any significant environmental regulation under the Commonwealth or State legislation. The Board is not aware of any breach of environmental requirements as they apply to the Company.

### **OPTIONS**

At the date of this report, the number of Options of the Company on issue are:

Expiry Date	Exercise Price	Number of Options
18 August 2024	\$0.25	17,750,552
17 March 2022	\$0.30	12,500,000
15 February 2025	\$0.30	2,000,000
31 July 2025	\$0.40	1,633,333
31 July 2026	\$0.25	4,990,000
31 July 2025	\$0.40	2,202,778
31 July 2024	\$0.30	8,800,000
1 December 2023	\$0.30	2,000,000
31 July 2024	\$0.40	353,392
<b>Total</b>		<b>51,876,663</b>

No ordinary shares have been issued as a result of the exercise of options during or since the end of the financial year. No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

### **INDEMNIFICATION OF DIRECTORS AND OFFICERS**

During the financial year, the Company paid a premium in respect of a contract insuring all its Directors and current and former executive officers against a liability incurred as such a Director or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

During the year the amount paid for Directors and Officers insurance was \$17,328.

### **INDEMNIFICATION OF THE AUDITOR**

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

## **PROCEEDINGS ON BEHALF OF COMPANY**

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

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

## **ROUNDING OF AMOUNTS**

The company is of a kind referred to in Corporations Instruments 2016/191, issues by the Australian Securities and Investment Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

## **CORPORATE GOVERNANCE**

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Aurumin Limited support and adhere to the principles of sound corporate governance. The Board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council, and considers that Aurumin complies to the extent possible with those guidelines, which are of importance and add value to the commercial operation of an ASX listed resources company.

The Company has established a set of corporate governance policies and procedures and these can be found on the Company's website: [www.aurumin.com.au](http://www.aurumin.com.au)

## **REMUNERATION REPORT (AUDITED)**

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

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

### **B. Details of remuneration**

### **C. Share-based payments**

### **D. Director's Equity Holdings**

### **E. Loans to / from key management personnel**

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

The key management personnel of the Company comprise the Directors (who held their roles for the entire year), being:

<b>Directors</b>	<b>Position</b>
Piers Lewis	Non-Executive Chairman
Bradley Valiukas	Managing Director
Darren Holden	Non-Executive Director
Shaun Day	Non-Executive Director

## A. Principles used to determine the nature and amount of remuneration

The whole Board form the Remuneration Committee. The remuneration policy has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component with the flexibility to offer specific long term incentives based on key performance areas affecting the Company's financial results. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors and executives to manage the Company.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The Board reviews executive packages annually and determines policy recommendations by reference to executive performance and comparable information from industry sectors and other listed companies in similar industries.
- The Board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract and retain the highest calibre of executives and reward them for performance that results in long term growth in shareholder wealth.
- All remuneration paid to directors and executives is valued at the cost to the Company and expensed.
- The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews the remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the Company.

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and directors and executive

performance. Currently, this is facilitated through the issue of options to the directors and executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth.

The overall level of key management personnel's compensation is assessed on the basis of market conditions and the status of the Company's projects.

Over the past two financial years since the Company completed its Initial Public Offering, the Company has continued to explore its own exploration assets and pursued further opportunities.

The Company's projects are not at a stage where production or positive cash flows have been established, which may affect the Consolidated Entity's current performance and shareholder wealth.

The Company's earnings in the past 2 years have remained negative which is due to the nature of the Company's activities as an early stage exploration Company. Shareholder wealth reflects this speculative and volatile market sector. No dividends have ever been declared by the Consolidated Entity.

The earnings of the consolidated entity for the two years (each financial year since the initial public offering) to 30 June 2022:

Loss financial year ended 2022	(\$6,683,252)
Loss financial year ended 2021	(\$5,057,593)

Factors that are considered to affect total shareholder return are summarised below (on a post consolidation basis):

	2022	2021
Share price at financial year end (\$A)	\$0.115	\$0.185
Basic earnings per share (cents per share)	(6.44)	(7.23)

The Company did not utilise any remuneration consultants during the year.



## Non-Executive directors

The remuneration of Non-Executive directors consists of directors' fees, payable in arrears. The total aggregate fee pool to be paid to directors (excluding Executive directors) is set at \$200,000 per year. Remuneration of Non-Executive directors is based on fees approved by the Board of directors and is set at levels to reflect market conditions and encourage the continued services of the directors. Non-Executive directors do not receive retirement benefits but are able to participate in share-based incentive programmes in accordance with Company policy.

The Company's Non-Executive directors are eligible to receive fees for their services and the reimbursement of reasonable expenses.

## Executive directors

On 1 July 2020, the Company entered into an executive services agreement with Mr Bradley Valiukas, pursuant to which the Company will pay a fee of \$240,000 per annum excluding statutory superannuation from 1 August 2020 for services provided by Mr Valiukas as Managing Director of the Company. Mr Valiukas is also entitled to be issued an annual long term incentive in the form of equity securities valued at 100% of his base salary. The executive services agreement requires a 6 month notice period by written notice for the termination of the agreement.

### B. Details of remuneration

Details of remuneration of the directors and key management personnel (as defined in *AASB 124 Related Party Disclosures*) of Aurumin Limited are set out in the following table.

The key management personnel of Aurumin Limited are the directors as previously described earlier in the Directors' Report, and other personnel as determined by the Board.

The Company does not have any other employees who are required to have their remuneration disclosed in accordance with the Corporations Act 2001.

The table below shows the 2022 and 2021 figures for remuneration received by the Company's key management personnel:

	Short Term			Post-employment		Equity settled share-based payments	Total \$	Performance based % of remuneration
	Salary & Fees \$	Bonus \$	Allowances \$	Super-annuation \$	Prescribed benefits \$	Options \$		
<b>2022</b>								
Piers Lewis	48,000	-	-	-	-	8,553	56,553	15.1%
Bradley Valiukas	240,000	-	5,750	24,000	-	114,044	383,794	29.7%
Darren Holden	32,827	-	-	3,283	-	8,553	44,663	19.2%
Shaun Day	36,000	-	-	-	-	8,553	44,553	19.2%
	<b>356,827</b>	<b>-</b>	<b>5,750</b>	<b>27,283</b>	<b>-</b>	<b>139,703</b>	<b>529,563</b>	
<b>2021</b>								
Piers Lewis <sup>(1)</sup>	26,968	-	-	-	-	59,000	85,968	68.6%
Bradley Valiukas <sup>(2)</sup>	220,000	-	-	20,900	-	472,000	712,900	66.2%
Darren Holden <sup>(3)</sup>	18,471	-	-	1,755	-	47,200	67,426	70.0%
Shaun Day <sup>(4)</sup>	20,008	-	-	-	-	47,200	67,208	70.2%
	<b>285,447</b>	<b>-</b>	<b>-</b>	<b>22,655</b>	<b>-</b>	<b>625,400</b>	<b>933,502</b>	

1. Mr Piers Lewis was appointed as a Non-Executive Director on 19 May 2020.
2. Mr Bradley Valiukas was appointed as a Director on 28 February 2020.
3. Dr Darren Holden was appointed as a Non-Executive Director on 19 May 2020.
4. Mr Shaun Day was appointed as a Non-Executive Director on 19 May 2020.

For the 30 June 2022 financial year, Smallcap Corporate Pty Ltd (an entity in which Mr Lewis has a beneficial interest) provided company secretary, and financial accounting services to the Company. Total fees incurred to Smallcap Corporate Pty Ltd for the year was \$110,782 (2021: \$94,766). As at 30 June 2022, the amount owing to Smallcap Corporate Pty Ltd was \$7,055 (2021: \$29,589).

### **C. Share-based payments**

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest with a corresponding increase in equity.

As approved by shareholders on 8 February 2022, Directors were issued 1,633,333 options with an exercise price of \$0.40 and an expiry date of 31 July 2025. The valuation of the options was based on an appropriate option valuation method with the following key inputs:

Number of options	1,633,333
Underlying share price (\$)	0.17
Exercise price (\$)	0.40
Expected volatility	100%
Life of the options (years)	4
Expected dividends	Nil

The value per option was \$0.1180. There were no performance conditions attached to the options; the value of the options when exercised is directly linked to the share price, and consequently is linked to performance. The options issued per director are as follows:

Holder	Options	Value per option	\$
Recognised as expenses			
Bradley Valiukas	1,333,333	\$0.0855	114,044
Piers Lewis	100,000	\$0.0855	8,553
Shaun Day	100,000	\$0.0855	8,553
Darren Holden	100,000	\$0.0855	8,553
<b>Total – recognised as expenses</b>	<b>1,633,333</b>		<b>139,704</b>

#### D. Directors' equity holdings

##### (i) Fully paid ordinary shares of Aurumin Limited:

The number of shares in the Company held during the financial year by Directors and Executive Officers of the Group, including their personally related parties, is set out below. There were no shares granted during the reporting year as compensation.

	Balance at 1 July or Appointment Date No.	Granted as remuneration No.	Net other change No.	At date of resignation No.	Balance at 30 June No.
<b>2022</b>					
<b>Directors</b>					
Piers Lewis	776,219	-	73,781	-	850,000
Bradley Valiukas	5,619,643	-	665,000	-	6,284,643
Darren Holden	355,000	-	70,000	-	425,000
Shaun Day	425,000	-	-	-	425,000
	<b>7,175,862</b>	<b>-</b>	<b>808,781</b>	<b>-</b>	<b>7,984,643</b>

All equity transactions with Directors other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Company would have adopted if dealing at arm's length.

**(ii) Options of Aurumin Limited:**

The number of options in the Company held during the financial year by Directors and Executive Officers of the Group, including their personally related parties, is set out below.

	Balance at 1 July or Appointment Date No.	Granted as remuneration No.	Net other change No.	At date of resignation No.	Balance at 30 June No.
<b>2022</b>					
<b>Directors</b>					
Piers Lewis	500,000	-	100,000	-	600,000
Bradley Valiukas	4,000,000	-	1,333,333	-	5,333,333
Darren Holden	400,000	-	100,000	-	500,000
Shaun Day	400,000	-	100,000	-	500,000
	<b>5,300,000</b>	<b>-</b>	<b>1,633,333</b>	<b>-</b>	<b>6,933,333</b>

No options were exercised during or since the end of the financial year.

No option holder has any right under the options to participate in any other share issue of the Company or any other entity. Options granted as part of remuneration have been valued using the Black Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share and the risk-free interest rate for the term of the option. Options granted under the plan carry no dividend or voting rights.

**E. Loans to / from key management personnel**

There were no loan transactions to key management personnel.

**END OF REMUNERATION REPORT (AUDITED).**



## AUDITORS INDEPENDENCE DECLARATION

In accordance with Section 307C of the Corporations Act 2001, the lead auditor's independence declaration for the year ended 30 June 2022 has been received and can be found on page 34 of the annual report.

## NON-AUDIT SERVICES

During the financial year BDO (WA) Pty Ltd provided the Company with other non-audit services totalling to \$29,931. Details of their remuneration can be found within the financial statements at Note 21.

Where non-audit services are provided by BDO Audit (WA) Pty Ltd, the Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the Corporations Act 2001. These procedures include:

- non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- ensuring non-audit services do not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the integrity and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board.



**Piers Lewis**

Non-Executive Chairman

Dated this 30<sup>th</sup> of September 2022



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**DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF AURUMIN LIMITED**

As lead auditor of Aurumin 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 Aurumin Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'J Prue', is written over a light grey horizontal line.

**Jarrad Prue**  
**Director**

**BDO Audit (WA) Pty Ltd**

Perth

30 September 2022

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	30-Jun-22	30-Jun-21
		\$	\$
Other income		31,819	10,332
Administration expenses		(1,163,215)	(540,033)
Director fees		(188,702)	(131,447)
Depreciation expense		(77,258)	(38,385)
Exploration and evaluation expenditure		(4,255,794)	(2,836,888)
Interest expense		(177,609)	(3,576)
Legal and compliance expenses		(438,157)	(181,408)
Travel expenses		(11,681)	(12,074)
IPO expenses		-	(229,915)
Share based payments	15	(402,655)	(1,094,199)
<b>Loss before income tax expense</b>		<b>(6,683,252)</b>	<b>(5,057,593)</b>
Income tax expense	2	-	-
<b>Net loss for the year</b>		<b>(6,683,252)</b>	<b>(5,057,593)</b>
Other comprehensive Income		-	-
<b>Total comprehensive loss for the year</b>		<b>(6,683,252)</b>	<b>(5,057,593)</b>
		<u>Cents</u>	<u>Cents</u>
<b>Loss per share attributable to the ordinary equity holders of the Company:</b>			
Basic and diluted loss per share from continuing operations	18	(6.44)	(7.23)

The accompanying notes form part of these consolidated financial statements.

## Consolidated Statement of Financial Position

	Notes	30-Jun-22 \$	30-Jun-21 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	2,151,535	3,761,737
Trade and other receivables	4	218,269	288,662
<b>TOTAL CURRENT ASSETS</b>		<b>2,369,804</b>	<b>4,050,399</b>
<b>NON-CURRENT ASSETS</b>			
Other assets	5	228,410	187,543
Property, plant and equipment	6	1,950,114	63,720
Right of use asset	7	24,212	81,589
Capitalised Exploration Expenditure	8	13,497,130	1,492,933
<b>TOTAL NON-CURRENT ASSETS</b>		<b>15,699,866</b>	<b>1,825,785</b>
<b>TOTAL ASSETS</b>		<b>18,069,670</b>	<b>5,876,184</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	2,108,429	315,818
Provisions	10	123,873	59,081
Lease liability	11	30,088	55,074
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,262,390</b>	<b>429,973</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	10	1,384,900	-
Convertible notes	12	3,646,896	-
Lease liability	11	-	30,088
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>5,031,796</b>	<b>30,088</b>
<b>TOTAL LIABILITIES</b>		<b>7,294,186</b>	<b>460,061</b>
<b>NET ASSETS</b>		<b>10,775,484</b>	<b>5,416,123</b>
<b>EQUITY</b>			
Issued capital	13	24,414,756	14,650,009
Reserves	14	3,557,699	1,308,199
Accumulated losses		(17,196,971)	(10,542,085)
<b>TOTAL EQUITY</b>		<b>10,775,484</b>	<b>5,416,123</b>

The accompanying notes form part of these consolidated financial statements.



## Consolidated Statement of Changes in Equity

	Issued Capital \$	Share based payment reserve \$	Convertible note reserve \$	Accumulated Losses \$	Total \$
<b>Balance at 1 July 2020</b>	<b>6,690,833</b>	-	-	<b>(5,484,492)</b>	<b>1,206,341</b>
Loss for the year	-	-	-	(5,057,593)	(5,057,593)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive loss for the year</b>	-	-	-	(5,057,593)	(5,057,593)
<b>Transaction with owners in their capacity as owners:</b>					
Issue of share capital (net of transaction costs)	7,959,176	-	-	-	7,959,176
Options issued	-	1,308,199	-	-	1,308,199
<b>Balance at 30 June 2021</b>	<b>14,650,009</b>	<b>1,308,199</b>	-	<b>(10,542,085)</b>	<b>5,416,123</b>
<b>Balance at 1 July 2021</b>	<b>14,650,009</b>	<b>1,308,199</b>	-	<b>(10,542,085)</b>	<b>5,416,123</b>
Loss for the year	-	-	-	(6,683,252)	(6,683,252)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive loss for the year</b>	-	-	-	(6,683,252)	(6,683,252)
<b>Transaction with owners in their capacity as owners:</b>					
Issue of share capital (net of transaction costs)	9,764,747	348,589	-	-	<b>10,113,336</b>
Options issued	-	402,655	-	-	<b>402,655</b>
Convertible note issued	-	723,152	803,470	-	<b>1,526,622</b>
Expiry/forfeiture of options	-	(28,366)	-	28,366	-
<b>Balance at 30 June 2022</b>	<b>24,414,756</b>	<b>2,754,229</b>	<b>803,470</b>	<b>(17,196,971)</b>	<b>10,775,484</b>

The accompanying notes form part of these consolidated financial statements.

## Consolidated Statement of Cash Flows

	Notes	30-Jun-22 \$	30-Jun-21 \$
<b>Cash flows from operating activities</b>			
Interest received		271	10,332
Other proceeds		12,000	-
Payments to suppliers and employees		(1,393,832)	(1,269,922)
Deposits paid		-	(63,400)
Payment for exploration expenditure		(3,326,676)	(2,836,888)
<b>Net cash used in operating activities</b>	3(b)	<b>(4,708,237)</b>	<b>(4,159,878)</b>
<b>Cash flows from investing activities</b>			
Payment for plant & equipment		-	(71,395)
Payment for acquisition of exploration expenditure assets		(45,064)	(87,372)
Payments for acquisition of subsidiary (net of cash acquired)	16	(5,800,000)	-
<b>Net cash used in investing activities</b>		<b>(5,845,064)</b>	<b>(158,767)</b>
<b>Cash flows from financing activities</b>			
Proceeds from share issues	13	4,500,000	8,360,000
Payments of capital raising costs		(504,904)	(442,526)
Proceeds from convertible note	12	5,000,000	-
Repayment of borrowings		-	(30,000)
Lease payments		(51,997)	(21,646)
<b>Net cash from investing activities</b>		<b>8,943,099</b>	<b>7,865,828</b>
<b>Net increase / in cash and cash equivalents held</b>		<b>(1,610,202)</b>	<b>3,547,183</b>
Cash and cash equivalents at beginning of financial year		3,761,737	214,554
<b>Cash and cash equivalents at end of financial year</b>	3(a)	<b>2,151,535</b>	<b>3,761,737</b>

The accompanying notes form part of these consolidated financial statements.

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial report covers the Company of Aurumin Limited and its controlled entities ("the Group" or "the Consolidated Entity") and has been prepared in Australian dollars. The Company is a listed public company, incorporated and domiciled in Australia.

The company is of a kind referred to in Corporations Instruments 2016/191, issued by the Australian Securities and Investment Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The following is a summary of the material accounting policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs.

#### Going concern:

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

The Group incurred a loss for the year of \$6,683,252 (2021: \$5,057,593) and net cash outflows from operating activities of \$4,708,237 (2021: \$4,159,878).

The Group is currently in a working capital surplus position of \$107,414 (2021: \$3,620,426). Subsequent to year end, the Group completed a capital raising of \$2,000,000 (before costs).

The directors have prepared an estimated cash flow forecast for the 12 month period from the date of this report to determine if the Group will require additional funding during the period. Based on the cash flow forecast, the Directors are satisfied that there are reasonable grounds to believe that the Group will be able to operate as a going concern on the basis that the Group will be able to raise further funds through capital raisings and/or reduce operating expenditure as required.

Should the Company be unable to raise the required funding, there is a material uncertainty as to whether the consolidated entity will be able to continue as a going concern and therefore, whether they will be able to realise their assets and discharge their liabilities in the normal course of business.

The financial statements do not include any adjustments relating to the recoverability and classification of assets and liabilities that might be necessary should the Group not be able to continue as a going concern.

#### (a) Critical Accounting Judgements, Estimates and Assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual report period are:

##### *Exploration expenditure*

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective area of interest. The Group capitalises only the initial acquisition costs to obtain right of tenure exploration and evaluation assets.

The Group reviews the carrying value of exploration and evaluation expenditure on a regular basis to determine whether economic quantities of reserves have been found or whether further exploration and evaluation work is underway or planned to support continued carry forward of capitalised costs. This assessment requires judgement as to the status of the individual projects and their estimated recoverable amount.

##### *Asset acquisition*

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an

asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

In determining when an acquisition is determined to be an asset acquisition and not a business, significant judgement is required to assess whether the assets acquired constitute a business in accordance with AASB 3. Under AASB 3 a business is an integrated set of activities and assets that is capable of being conducted or managed for the purpose of providing a return, and consists of inputs and processes, which when applied to those inputs has the ability to create outputs.

Management determined that the acquisition of Sandstone Operations Pty Ltd was an asset acquisition.

#### *Fair value of asset acquisition*

The Company has issued 30,000,000 fully paid ordinary shares and paid \$6,000,000 in cash in consideration for Sandstone Operations Pty Ltd. As part of the acquisition, the assets and liabilities were recognised at fair value and the equity valued in respect to these values. Refer to further information in Note 16.

#### *Share based payments*

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of ordinary shares is determined with reference to the Company's share price on the ASX. The Group measures the fair value of options at the grant date using a Black Scholes formula taking into account the terms and conditions upon which the instruments were granted.

#### *Convertible note*

Convertible notes consist of a debt component which are repayable in future periods and require calculation of the present value of future debt repayments. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital of the group. Refer to note 12 for further information.

#### *Provision for rehabilitation*

The Group assesses its mine rehabilitation provision half-yearly in accordance with accounting policy note 1(o). Significant judgement is required in determining the provision primarily relating to the estimation of costs in the Mine Closure Plan that is lodged with the Department of Mines, Industry Regulation and Safety.

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

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

#### *Impairment*

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

#### *Environmental Issues*

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the Group's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

### **(b) Principles of Consolidation**

#### **Subsidiaries**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Aurumin Limited as at 30 June 2022 and the results of all subsidiaries for the year then ended. Aurumin and its subsidiaries together are referred to in this financial report as the group or the consolidated entity.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the

asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

### (c) Current and Non-Current Classification

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

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

### (d) Financial Instruments

#### *Recognition, initial measurement and derecognition*

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial instruments (except for trade receivables) are measured initially at fair value adjusted by transactions costs, except for those carried "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

#### *Financial assets*

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- amortised cost;
  - fair value through other comprehensive income (FVOCI); and
  - fair value through profit or loss (FVPL).
- Classifications are determined by both:
- the contractual cash flow characteristics of the financial assets; and
  - the entities business model for managing the financial asset.

#### *Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

#### **Financial liabilities**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss. All interest-related charges and, if applicable, gains and losses arising on changes in fair value that are recognised in profit or loss.



## (e) Revenue

### Interest

Revenue is recognised as the interest accrues.

## (f) Impairment of Assets

At each reporting date the Group assesses whether there is any indication that an asset may be impaired. Where an indication of impairment exists, the Group makes a formal estimate of recoverable amount. Where carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or Group assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

## (g) Income Tax

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

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

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither that accounting profit or loss nor taxable profit or loss; and
- associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences will not reverse in the foreseeable future.

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

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

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

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

## (h) Goods and Services Tax (GST)

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 ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

## (i) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

## (j) Trade and Other Receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less

an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

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

#### (k) Property, Plant and Equipment

Plant and equipment are measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

#### Depreciation

The depreciable amount of plant and equipment is depreciated on a straight line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Plant and equipment	33.00%
Motor vehicles	20.00%
Furniture and Fittings	11.25%
IT equipment	33.00%

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

#### (l) Exploration Expenditure

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource.

Exploration and evaluation expenditure is expensed to the profit or loss as incurred except in the following circumstances in which case the expenditure may be capitalised:

- The existence of a commercially viable mineral deposit has been established and it is anticipated that future economic benefits are more likely than not to be generated as a result of the expenditure; and
- The exploration and evaluation activity is within an area of interest which was acquired as an asset acquisition or in a business combination and measured at fair value on acquisition.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. An impairment exists when the carrying value of expenditure exceeds its estimated recoverable amount. The area of interest is then written down to its recoverable amount (either value in use or fair value less costs of disposal) and the impairment losses are recognised in profit or loss.

#### (m) Trade and Other Payables

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

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

#### (n) Borrowings

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

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs.

The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

#### **(o) Provisions**

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

When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting year. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

#### **(p) Issued Capital**

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

#### **(q) Earnings per share**

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

Diluted earnings per share is calculated as net profit/loss attributable to members, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares
- that have been recognised as expenses; and

- other non-discretionary changes in revenues or expenses during the year that would result from the dilution of potential ordinary shares;

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

#### **(r) Share based payments**

##### *Equity settled transactions:*

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

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using the Black Scholes formula. The cost of the equity settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance date.

No adjustment is made for the likelihood of the market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a year represents the movement in cumulative expense recognised at the beginning and end of the year. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition. Where the terms of an equity settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of the modification.

Where an equity settled award is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognised for the award is recognised immediately. However if a new award is substituted for the cancelled award, and designated as a replacement award

on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

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

### **(s) Impairment of Assets**

#### *Impairment of non-financial assets other than goodwill*

The Company assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

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

amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

### **(t) Segment Reporting**

For management purposes, the Company is organised into one main operating segment, which involves gold exploration. All of the Company's activities are interrelated, and discrete financial information is reported to the management (Chief Operating Decision Makers) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

### **(u) Comparatives**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### **(v) Application of new and revised accounting standards**

#### New or revised standards and interpretations that are first effective in the current reporting period

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

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

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

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

## 2. INCOME TAX EXPENSE

	30-Jun-22	30-Jun-21
	\$	\$
<b>(a) The components of tax expense comprise:</b>		
Current tax	-	-
Deferred tax	-	-
	-	-
<b>(b) The prima facie tax benefit on loss from ordinary activities before income tax is reconciled to the income tax as follows:</b>		
Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2021: 30%)	(2,004,976)	(1,517,278)
Add tax effect of:		
- Non-deductible expenditure/(Non-assessable income)		-
- Share based payments	120,797	328,260
- Other deferred tax balances not recognised	1,884,179	1,189,018
Income tax expense	-	-
<b>(c) Deferred tax liability</b>		
Exploration	(1,598,500)	(164,436)
Prepayments	(725)	(6,285)
Right of use asset	(7,264)	(24,477)
	(1,606,488)	(195,198)
Off-set of deferred tax assets	1,606,488	195,198
Net deferred tax liability not brought to account	-	-
<b>(d) Unrecognised Deferred tax asset</b>		
Tax losses	6,354,089	1,252,813
Expenses recognised in equity	332,706	-
Lease liability	9,026	25,549
Other temporary differences	691,586	83,937
	7,387,407	1,362,298
Off-set of deferred tax liabilities	(1,606,488)	(195,198)
Net unrecognised deferred tax assets	5,780,920	1,167,100



### 3. CASH AND CASH EQUIVALENTS

	30-Jun-22	30-Jun-21
	\$	\$
<b>(a) Reconciliation to cash at the end of the year</b>		
Cash at Bank and in hand	2,151,535	3,761,737
<b>(b) Reconciliation of cash flows from operating activities with loss after income tax</b>		
Loss for the financial year	(6,683,252)	(5,057,593)
Adjustments for:		
Depreciation expense	77,258	38,385
Interest expense	177,609	3,576
Share based payments	402,655	1,094,199
Exploration and evaluation expenditure classified as investing activities	-	87,372
<b>Changes in assets and liabilities:</b>		
(Increase)/ Decrease in trade and other receivables	70,392	(288,412)
Decrease in trade and other payables	1,182,309	(96,486)
Increase in provisions	64,792	59,081
<b>Net cash used in operating activities</b>	<b>(4,708,237)</b>	<b>(4,159,878)</b>

#### Non-cash investing and financing activities:

During the year, the Company acquired Sandstone Operations Pty Ltd (refer Note 16), which included the issue of 30,000,000 fully paid ordinary shares.

There were no other non-cash investing and financing activities.

#### 4. TRADE AND OTHER RECEIVABLES

	30-Jun-22	30-Jun-21
	\$	\$
<b>Current</b>		
GST Receivable	215,898	288,095
Prepayments	2,371	567
	<b>218,269</b>	<b>288,662</b>

Debtors, other debtors and GST receivable are non-interest bearing and generally receivable on 30-day terms. They are neither past due nor impaired. The amount is fully collectible. Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value.

#### 5. OTHER ASSETS

	30-Jun-22	30-Jun-21
	\$	\$
<b>Non-current</b>		
Deposit paid	83,198	63,650
Tenement application costs	145,212	123,894
	<b>228,410</b>	<b>187,544</b>

#### 6. PROPERTY, PLANT AND EQUIPMENT

	30-Jun-22	30-Jun-21
	\$	\$
<b>Plant and equipment at cost</b>	71,396	71,396
Accumulated depreciation	(26,282)	(7,676)
<b>Total Plant and Equipment</b>	<b>45,114</b>	<b>63,720</b>
<b>Total Mining Equipment at Cost</b>	<b>1,905,000</b>	<b>-</b>
<b>Total Property, Plant and Equipment</b>	<b>1,950,114</b>	<b>63,720</b>

	Plant and equipment	Mining equipment	Total
Balance at 1 July 2020	2,414	-	2,414
Additions	71,395	-	71,395
Depreciation expense	(10,089)	-	(10,089)
	63,720	-	63,720
Balance at 30 June 2021	63,720	-	63,720
Additions through asset acquisition (refer note 16)	-	1,905,000	1,905,000
Depreciation expense	(18,606)	-	(18,606)
Balance at 30 June 2022	45,114	1,905,000	1,950,114

## 7. RIGHT OF USE ASSET

	30-Jun-22	30-Jun-21
	\$	\$
Right of use asset at cost	109,885	109,885
Accumulated depreciation	(85,673)	(28,296)
	<b>24,212</b>	<b>81,589</b>
<b>(a) Movements in carrying amounts</b>		
Balance at beginning of the year	81,589	109,885
Depreciation expense	(57,377)	(28,296)
	<b>24,212</b>	<b>81,589</b>

The right of use asset relates to an office lease which is for a term of 24 months. The corresponding lease liability is as described in Note 11.

## 8. CAPITALISED EXPLORATION EXPENDITURE

	30-Jun-22	30-Jun-21
	\$	\$
Balance at beginning of the year	1,492,933	1,446,954
Additions	4,197	45,979
Acquisition of Sandstone Operations Pty Ltd (refer Note 16)	12,000,000	-
	<b>13,497,130</b>	<b>1,492,933</b>

The ultimate recoupment of costs carried forward for exploration expenditure is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

## 9. TRADE AND OTHER PAYABLES

	30-Jun-22	30-Jun-21
	\$	\$
Trade creditors	2,065,380	254,004
Payroll liabilities	43,049	61,814
	<b>2,108,429</b>	<b>315,818</b>

Trade creditors are non-interest bearing and are normally settled on 30-day terms. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

## 10. PROVISIONS

	30-Jun-22	30-Jun-21
	\$	\$
<b>CURRENT</b>		
Employee benefits provision	123,873	59,081
<b>Total current provisions</b>	<b>123,873</b>	<b>59,081</b>
<b>NON-CURRENT</b>		
Asset retirement obligation provision	1,384,900	-
<b>Total non-current provisions</b>	<b>1,384,900</b>	<b>-</b>
<b>Total provisions</b>	<b>1,508,773</b>	<b>59,081</b>

1. The asset retirement obligation provision was acquired as part of the acquisition of Sandstone Operations Pty Ltd as detailed in Note 16. The provision relates to the Group's obligations under the Mine Closure Plan applicable to the Sandstone Gold Project.

## 11. LEASES

	30-Jun-22	30-Jun-21
	\$	\$
<b>CURRENT</b>		
Lease liabilities	30,088	55,074
<b>Total current lease liability</b>	<b>30,088</b>	<b>55,074</b>
<b>NON-CURRENT</b>		
Lease liabilities	-	30,088
<b>Total non-current lease liability</b>	<b>-</b>	<b>30,088</b>
<b>Total lease liabilities</b>	<b>30,088</b>	<b>85,162</b>

The incremental rate of borrowing utilised in accounting for these leases was 6.18%. The corresponding right of use asset is described in Note 7.

## 12. CONVERTIBLE NOTES

	30-Jun-22	30-Jun-21
	\$	\$
<b>NON-CURRENT</b>		
Convertible notes	3,646,896	-
	<b>3,646,896</b>	<b>-</b>
	<b>Number</b>	<b>\$</b>
Movements in the carrying amount of convertible notes		
Balance at beginning of the year	-	-
Initial recognition of convertible notes (net of transaction costs) <sup>1</sup>	21,378,263	3,473,378
Financial expense accretion	-	173,518
<b>Balance at the end of the year</b>	<b>21,378,263</b>	<b>3,646,896</b>

The right of use asset relates to an office lease which is for a term of 24 months. The corresponding lease liability is as described in Note 11.



On 21 March 2022, for consideration of \$5,000,000, the Company issued 21,378,263 convertible notes with an aggregate face value of \$6,413,479 were issued to Collins St Asset Management Pty Ltd. Each note was issued with the following terms:

- Face value of AUD \$0.30 per note
- Maturity date: 18 September 2024
- Security: first ranking security over all of the Groups assets
- Conversion: at the Noteholder's election
- Conversion price of \$0.30 per share
- Interest: nil interest per annum
- Options: the Noteholders are to be issued 10,000,000 options with an exercise price of \$0.30 expiring 3 years from the date of issue.

The options were valued using the Black-Scholes methodology with the following assumptions:

Underlying share price (\$)	0.15
Exercise price (\$)	0.30
Expected volatility	100%
Life of the options (years)	3
Expected dividends	Nil
Risk free rate	1.34%
IT equipment	33.00%

The convertible notes are classified as compound financial instruments for accounting purposes. On initial recognition, the debt component was \$4,060,675 using a discount rate of 20%. Finance costs totalling \$587,297 were capitalised against the debt, with a net carrying value of \$3,646,896 recognised on issue date. \$939,325 was attributed to the residual equity component of the convertible notes and transaction costs of \$135,855 recognised upon the issue of the convertible notes.

### 13. ISSUED CAPITAL

		30-Jun-22	30-Jun-21
		\$	\$
139,240,423 (2021: 86,740,423) fully paid ordinary shares of no par value		24,414,756	14,650,009
<b>(a) Movements in fully paid ordinary shares on issue:</b>			
<b>Ordinary Shares</b>	<b>Date</b>	<b>Quantity</b>	<b>\$</b>
<b>Balance at 30 June 2020</b>		<b>37,605,489</b>	<b>6,690,833</b>
Share issue – capital raising	6/07/2020	1,500,000	150,000
Share issue – issued to settle debt	22/07/2020	232,020	23,202
Share issue – capital raising	3/08/2020	100,000	10,000
Share issue – capital raising	12/08/2020	9,028,000	902,800
Share issue – capital raising	29/09/2020	2,941,176	500,000
Share issue – Initial public offering	1/12/2020	35,000,000	7,000,000
Share issue – tenement acquisition	10/06/2021	333,738	82,500
Capital raising costs			<b>(709,326)</b>
<b>Balance at 30 June 2021</b>		<b>86,740,423</b>	<b>14,650,009</b>
Share issue – capital raising	23/12/2021	12,500,000	2,500,000
Share issue – entitlement offer	3/03/2022	2,140,694	428,139
Share issue – entitlement offer (underwritten)	17/03/2022	7,859,306	1,571,861
Share issue – Sandstone consideration shares	17/03/2022	21,000,000	4,283,083
Share issue – Sandstone consideration shares	29/04/2022	9,000,000	1,835,607
Capital raising costs			<b>(853,943)</b>
<b>Balance at 30 June 2022</b>		<b>139,240,423</b>	<b>24,414,756</b>

#### (b) Terms of Ordinary Shares

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

At shareholders meetings each ordinary share is entitled to one vote in proportion to the paid-up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

### (c) Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders.

Given the nature of the Company's activities in mineral exploration, it does not have ready access to credit facilities, with the primary source of funding being equity raisings and borrowings from related parties. Accordingly, the objective of the Company's capital risk management was to balance its working capital position against the requirements of the Company to meet exploration programmes and overheads. This was achieved by maintaining appropriate liquidity to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The working capital position of the Company at 30 June 2022 and 30 June 2021 are as follows:

	30-Jun-22	30-Jun-21
	\$	\$
Cash and cash equivalents	2,151,535	3,761,737
Trade and other receivables	218,269	288,662
Trade and other payables	(2,108,429)	(315,818)
Provisions	(123,873)	(59,081)
Borrowings	(30,088)	(55,074)
<b>Working capital position</b>	<b>107,414</b>	<b>3,620,426</b>

### (d) Share options

The below table outlines the total number of options as at 30 June 2022:

Expiry Date	Exercise Price	Number of Options
17 March 2025	\$0.30	12,500,000
15 February 2025	\$0.30	2,000,000
31 July 2025	\$0.40	1,633,333
31 July 2025	\$0.40	2,229,167
31 July 2024	\$0.30	8,800,000
1 December 2023	\$0.30	2,000,000
31 July 2024	\$0.40	362,536
<b>Total</b>		<b>29,525,036</b>

#### 14. RESERVES

	30-Jun-22	30-Jun-21
	\$	\$
Share based payment reserve	2,754,229	1,308,199
Convertible note reserve	803,470	-
<b>At reporting date</b>	<b>3,557,699</b>	<b>1,308,199</b>

The share-based payments reserve is used to recognise the fair value of options issued to directors, employees and consultants but not exercised.

	30-Jun-22	30-Jun-21
	\$	\$
<b>Share based payment reserve movement:</b>		
Opening balance	1,308,199	-
Share based payments expense	402,655	1,094,199
Share based payments recognised as capital or debt raising costs	1,071,741	214,000
Expiry/forfeiture of share based payments	(28,366)	-
<b>At reporting date</b>	<b>2,754,229</b>	<b>1,308,199</b>

The convertible note reserve is used to record the differences between the fair value of debt and the face value of convertible notes classified as compound financial instruments (refer Note 12 for further details).

#### 15. SHARE-BASED PAYMENTS

During the year ended 30 June 2022, the Company issued the following options:

- On 8 July 2021, under the Company's employee incentive scheme, the Company issued 2,325,000 options exercisable at \$0.40 expiring 31 July 2025;
- On 9 February 2022, the Company issued 1,633,333 options exercisable at \$0.40 expiring 31 July 2025 to its Directors;
- On 21 February 2022, the Company issued 2,000,000 options exercisable at \$0.30 expiring 15 February 2025 to the lead manager of a capital raising;
- On 17 March 2022, the Company issued 2,500,000 options exercisable at \$0.30 expiring 17 March 2025 to the underwriter of its entitlement offer; and
- On 17 March 2022, the Company issued 10,000,000 options exercisable at \$0.30 expiring 17 March 2025 as part of the convertible notes issued (refer Note 12)

During the year ended 30 June 2022, options have been valued using a Black & Scholes methodology given the value of the services provided could not be reliably measured. The key inputs for the valuation of the options are as follows:

	Employee Securities Incentive Plan – 6 July 2022	Employee Securities Incentive Plan – 7 July 2022	Director Options	Lead Manager Options	Underwriter options
Number of options	1,005,556	1,319,444	1,633,333	2,000,000	2,500,000
Underlying share price (\$)	0.195	0.20	0.17	0.17	0.15
Exercise price (\$)	0.40	0.40	0.40	0.30	0.30
Expected volatility	100%	100%	100%	100%	100%
Life of the options (years)	4.1	4.1	4	3	2
Expected dividends	Nil	Nil	Nil	nil	Nil
Risk free rate	0.42%	0.42%	1.80%	0.99%	1.27%

Holder	Options	Value per option	\$
<b>Recognised as expenses</b>			
Bradley Valiukas	1,333,333	\$0.0855	114,044
Piers Lewis	100,000	\$0.0855	8,553
Shaun Day	100,000	\$0.0855	8,553
Darren Holden	100,000	\$0.0855	8,553
ESIP – July 2022	2,325,000	\$0.1131	262,951
<b>Total – recognised as expenses</b>	<b>3,958,333</b>		<b>402,654</b>
<b>Recognised as capital raising costs</b>			
Lead Manager Options	2,000,000	\$0.086	171,935
Underwriter Options	2,500,000	\$0.0707	176,654
<b>Total – recognised as capital raising costs</b>	<b>4,500,000</b>		<b>348,589</b>
<b>Recognised as capitalised borrowing costs</b>			
Convertible note options	10,000,000	\$0.0723	\$723,152



## 16. ASSET ACQUISITION

On 21 March 2022, the Company acquired all of the issued capital of Sandstone Operations Pt Ltd ("Sandstone"). Sandstone is the holder of the 784koz Sandstone Gold Project, including mining leases M57/128 and M57/129, exploration licence 57/1102 and prospecting licences P57/1384, P57/1395 and P57/1442 (and related mining information), processing infrastructure and freehold tenure in the town of Sandstone, WA.

The assets and liabilities acquired as part of the acquisition have been recognised at fair value via external valuations, and hence the equity issued has been valued based on the net fair value of assets and liabilities acquired.

The consideration for 100% equity in Sandstone Operations Pty Ltd was:

- \$6,000,000 in cash; and
- 30,000,000 fully paid ordinary shares at \$0.204.

Consideration	\$
Cash	6,000,000
Fully paid ordinary shares	6,118,690
Transaction costs	612,000
<b>Total Consideration</b>	<b>12,730,690</b>

	<b>Sandstone Operations Pty Ltd 21 March 2022</b>
<b>Current assets</b>	<b>\$</b>
Cash	10,008
Trade and other receivables	400,000
<b>Non-current assets</b>	
Property, plant & equipment (refer to Note 6)	1,905,000
Capitalised exploration expenditure (refer to Note 8)	12,000,000
<b>Current liabilities</b>	
Trade and other payables	(199,418)
<b>Non-current liabilities</b>	
Provision for rehabilitation (refer to Note 20)	(1,384,900)
	<b>12,730,690</b>

## 17. FINANCIAL INSTRUMENTS

### (i) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and short-term deposits. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the Group. The Group also has other financial instruments such as trade debtors and creditors which arise directly from its operations. For the year under review, it has been the Group's policy not to trade in financial instruments.

The directors' overall risk management strategy seeks to assist the Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements.

#### Financial Risk Exposures and Management

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

##### (a) Foreign Currency Risk

The Group is not exposed to fluctuations in foreign currencies.

##### (b) Interest Rate Risk

The Group is exposed to movements in market interest rates on short term deposits. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The Group does not currently have short or long-term debt with variable interest rates, and therefore this risk is minimal.

	30-Jun-22		30-Jun-21	
Change in basis points	Effect on post tax loss \$	Effect on equity \$	Effect on post tax loss \$	Effect on equity \$
Increase 100 basis points	21,515	21,515	37,617	37,617
Decrease 100 basis points	(21,515)	(21,515)	(37,617)	(37,617)

##### (c) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk.

	30-Jun-22	30-Jun-21
	\$	\$
Cash and cash equivalents AA-	2,151,535	3,761,737

#### (d) Liquidity Risk

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group's capital includes ordinary share capital, partly paid shares and financial liabilities, supported by financial assets.

The Group's capital includes mainly ordinary share capital and financial liabilities supported by financial assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

#### (e) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### (iii) FINANCIAL INSTRUMENT COMPOSITION AND MATURITY ANALYSIS

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts might not reconcile to the Statement of Financial Position.

30 June 2022	Weighted average interest rate %	Floating interest rate \$	Fixed interest maturing in			Non-Interest bearing \$	Total \$
			1 year or less \$	over 1 year less than 5 \$	more than 5 years \$		
<b>Financial Assets</b>							
Cash and cash equivalents		2,151,535	-	-	-	-	2,151,535
Trade and other receivables	-	-	-	-	-	-	-
	-	2,151,535	-	-	-	-	2,151,535
<b>Financial Liabilities</b>							
Trade and other creditors	-	-	-	-	-	2,108,429	2,108,429
Leases	6.18%	-	30,630	-	-		30,630
Convertible notes	-%	-	-	6,413,479	-		6,413,479
		2,151,535	30,630	6,413,479	-	2,108,429	8,552,538

30 June 2021	Weighted average interest rate %	Floating interest rate \$	Fixed interest maturing in			Non-Interest bearing \$	Total \$
			1 year or less \$	over 1 year less than 5 \$	more than 5 years \$		
<b>Financial Assets</b>							
Cash and cash equivalents	-	3,761,737	-	-	-	-	<b>3,761,737</b>
Trade and other receivables	-	-	-	-	-	-	-
	-	<b>3,761,737</b>	-	-	-	-	<b>3,761,737</b>
<b>Financial Liabilities</b>							
Trade and other creditors	-	-	-	-	-	315,818	<b>315,818</b>
Leases	6.18%	-	58,630	30,630	-	-	<b>89,260</b>
	-	-	<b>58,630</b>	<b>30,630</b>	-	<b>315,818</b>	<b>405,078</b>

Trade and sundry payables are expected to be paid as follows:	30-Jun-22	30-Jun-21
	\$	\$
Less than 6 months	2,108,429	315,818
	<b>2,108,429</b>	<b>315,818</b>

## 18. EARNINGS PER SHARE

	30-Jun-22	30-Jun-21
	\$	\$
(a) Loss used in the calculation of basic loss per share	(6,683,252)	(5,057,593)
	Number of shares	Number of shares
(b) Weighted average number of ordinary shares outstanding during the financial year used in calculation of basic earnings per share	120,742,997	69,947,656

## 19. SEGMENT INFORMATION

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Group operates in one geographical and business segment being gold exploration in Australia. All segment assets, segment liabilities and segment results relate to the one segment and therefore no segment analysis has been prepared.

## 20. RELATED PARTY TRANSACTIONS

### a) Key Management Personnel compensation

The totals of remuneration paid to key management personnel during the year are as follows:

	30-Jun-22	30-Jun-21
	\$	\$
Short-term salary, fees and commissions	362,577	285,447
Post-employment superannuation	27,283	22,655
Share based-payments	139,703	625,400
<b>Total key management personnel compensation</b>	<b>529,563</b>	<b>933,502</b>

As described in Note 15, the Company issued 1,633,333 options exercisable at \$0.40 expiring 31 July 2025 to its Directors summarised as per the below:

Holder	Options	Value per option	\$
Bradley Valiukas	1,333,333	\$0.0855	114,044
Piers Lewis	100,000	\$0.0855	8,553
Shaun Day	100,000	\$0.0855	8,553
Darren Holden	100,000	\$0.0855	8,553
<b>Total</b>	<b>1,633,333</b>		<b>139,703</b>

The options vested immediately on issue.

### b) Other related party transactions

For the 30 June 2022 financial year, Smallcap Corporate Pty Ltd (an entity in which Mr Lewis has a beneficial interest) provided company secretary, and financial accounting services to the Company. Total fees incurred to Smallcap Corporate Pty Ltd for the year was \$110,782 (2021: \$94,766). As at 30 June 2022, the amount owing to Smallcap Corporate Pty Ltd was \$7,055 (2021: \$29,589).

## 21. CONTROLLED ENTITIES

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

Name	Country of Incorporation	Class of Shares	Equity Holding	
			2022 %	2021 %
Aurumin Australia Pty Ltd	Australia	Ordinary	100	100
Aurumin Mt Dimer Pty Ltd	Australia	Ordinary	100	100
Aurumin Johnston Range Pty Ltd	Australia	Ordinary	100	100
Aurumin Karramindie Pty Ltd	Australia	Ordinary	100	100
Aurumin Mt Palmer Pty Ltd	Australia	Ordinary	100	100
Sandstone Operations Pty Ltd*	Australia	Ordinary	100	-

\* Refer Note 16 for further details.

## 22. PARENT ENTITY NOTE

	30-Jun-22	30-Jun-21
	Parent \$	Parent \$
<b>Statement of financial position</b>		
Current assets	2,460,946	4,058,301
Non-current assets	69,326	332,853
Total assets	2,530,272	4,391,154
Current liabilities	2,262,390	315,818
Non-current liabilities	3,646,896	30,088
Total liabilities	5,909,286	345,906
Net Assets	(3,379,014)	4,045,248
Issued capital	19,453,959	9,689,212
Reserves	3,557,699	1,308,199
Accumulated Losses	(26,390,673)	(6,952,164)
Total Equity / (Deficiency)	<b>(3,379,014)</b>	<b>4,045,247</b>
Loss for the year	(19,438,509)	(5,074,335)
Other comprehensive income	-	-
Total comprehensive loss	<b>(19,438,509)</b>	<b>(5,074,335)</b>



Included in the Parent loss for the year is the impairment of intercompany investments and loans when there is uncertainty regarding the recoverability of the asset.

There are no guarantees entered into by the Company as at 30 June 2022 (30 June 2021: none). The parent entity does not provide financial guarantees over leases and other commitments held by its subsidiaries.

There were no known contingent liabilities of the Company as at 30 June 2022 (30 June 2021: none).

### **23. REMUNERATIONS OF AUDITORS**

	30-Jun-22	30-Jun-21
	\$	\$
Remuneration of the auditor of the Group for:		
Audit and review of financial reports under the Corporations Act 2001	68,000	27,636
Non-audit services - tax	29,931	53,492
<b>Total remuneration of auditors</b>	<b>97,931</b>	<b>81,128</b>

### **24. CONTINGENT LIABILITIES**

There were no contingent liabilities as at 30 June 2022 (2021: none).

### **25. COMMITMENTS**

The Company is required to meet minimum committed expenditure requirements to maintain current rights of tenure to exploration licences. These obligations may be subject to re-negotiation, may be farmed-out or may be relinquished and have not been provided for in the statement of financial position. A summary of aggregate commitments is as follows

	6 months	12 months	18 months	Total
	\$	\$	\$	\$
Exploration Commitments				
30 June 2022	425,440	850,880	1,276,320	<b>2,552,640</b>
30 June 2021	334,275	284,392	334,275	<b>952,942</b>

### **26. EVENTS SUBSEQUENT TO REPORTING DATE**

On 18 August 2022 and 24 August 2022, the Company completed a capital raising via the issue of 15,750,552 fully paid ordinary shares and 15,750,552 listed options with an exercise price of \$0.25 expiring 18 August 2024 which raised approximately \$2.3 million (before costs).

The directors are not aware of any other matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

## DIRECTOR'S DECLARATION

1. The directors of the company declare that:

a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:

- i. giving a true and fair view of the entity's financial position as at 30 June 2022 and of its performance for the year then ended; and
- ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

b. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

c. As described in Note 1, the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2022.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



**Piers Lewis**

Non-Executive Chairman

Dated this 30<sup>th</sup> of September 2022



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Perth, WA 6000  
PO Box 700 West Perth WA 6872  
Australia

### INDEPENDENT AUDITOR'S REPORT

To the members of Aurumin Limited

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

##### Opinion

We have audited the financial report of Aurumin 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.

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

### Material uncertainty related to going concern

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

### Key audit matters

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

### Carrying Value and Acquisition of Capitalised Exploration and Evaluation Assets

Key audit matter	How the matter was addressed in our audit
<p>The carrying value of the capitalised exploration and evaluation asset as at 30 June 2022 is disclosed in note 8 of the financial report.</p> <p>As the carrying value of the Exploration and Evaluation Asset represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, the asset was required to be assessed for impairment indicators in accordance with AASB 6 Exploration for and Evaluation of Mineral Resources.</p> <p>On 20 March 2022 the Group acquired 100 percent of the share capital of Sandstone Operations Pty Ltd. The Group treated the transaction as an asset acquisition, rather than a business combination.</p> <p>Accounting for this transaction is complex and requires management to exercise judgement to determine the appropriate accounting treatment including whether the acquisition should be classed as an asset or business acquisition, estimating the fair value of net assets acquired and estimating the fair value of the purchase consideration.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date;</li> <li>• Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes;</li> <li>• Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed;</li> <li>• Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6;</li> <li>• Considering whether there are any other facts or circumstances existing to suggest impairment testing was required;</li> </ul>



<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
As a result, this is considered a key audit matter.	<ul style="list-style-type: none"><li>• Verifying consideration having been issued including assessing management's determination of the fair value of consideration paid;</li><li>• Verifying the fair value of net assets acquired including reviewing valuations performed by management's experts;</li><li>• Obtaining an understanding of the transaction including an assessment of the accounting acquirer and whether the transaction constituted a business or an asset acquisition; and</li><li>• Assessing the adequacy of the related disclosures in Note 8, Note 16 and Note 1(l) of the financial report.</li></ul>

#### **Other information**

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

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

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

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

#### **Responsibilities of the directors for the Financial Report**

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

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



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

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

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

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

This description forms part of our auditor's report.

### **Report on the Remuneration Report**

#### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in pages 26 to 31 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Aurumin 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  
A handwritten signature in dark ink, appearing to read 'J Prue', is written over the BDO logo.

**Jarrad Prue**

**Director**

Perth

30 September 2022



## ADDITIONAL SHAREHOLDER INFORMATION

In accordance with ASX Listing Rule 4.10, the Company provides the following information to shareholders not elsewhere disclosed in the Annual Report. The information provided is current as at 26 September 2022.

### REGISTERED OFFICE OF THE COMPANY

Suite 1, 295 Rokeby Road  
Perth WA 6008  
Australia  
Ph: +61 (08) 6555 2950

### STOCK EXCHANGE LISTING

Quotation has been granted for 155,324,309 ordinary shares and on the Australian Stock Exchange Ltd. The State Office of the Australian Stock Exchange Ltd in Perth, Western Australia has been designated the Home Branch of Aurumin Limited.

There are no current on-market buy-back arrangements for the Company.

### VOTING RIGHTS

For all ordinary shares, voting rights are one vote per member on a show of hands and one vote per share in a poll. There are no voting rights attached to options currently on issue.

### SHARE REGISTRY

The registers of shares and options of the Company are maintained by: -  
Computer Share Registry Services  
Level 11, 172 St Georges Terrace  
Perth WA 6000

### COMPANY SECRETARY

The name of the Company Secretary's are Arron Canicaïs and Yew Thai (Victor) Goh.

### CONSISTENCY WITH BUSINESS OBJECTIVES – ASX Listing Rule 4.10.19

In accordance with Listing Rule 4.10.19, the Company states that it has used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives and as set out in the Prospectus dated 2 October 2020.

### RESTRICTED SECURITIES

The Company has the following restricted securities at the current date.

Class of restricted securities	Number	Date that the escrow period ends
Fully paid ordinary shares	30,017,171	9/12/2022
Fully paid ordinary shares	30,000,000	18/03/2023
Options exercisable at \$0.30 on or before 1 December 2023	2,000,000	1/12/2023
Options exercisable at \$0.30 on or before 31 July 2024	5,300,000	31/07/2024

## SUBSTANTIAL HOLDERS

Substantial holders in the Company are set out below:

### Ordinary shares

Holder Name	Holding	% IC
MIDDLE ISLAND RESOURCES LIMITED	35,000,000	22.53
HEELMO HOLDINGS PTY LTD	14,552,970	9.37
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	9,337,947	6.01
CITICORP NOMINEES PTY LIMITED	8,154,306	5.25

### Listed Options (AUN0)

Holder Name	Holding	% IC
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,000,000	28.17

### Holding Analysis

Holding Ranges	Ordinary Shares	Options								
		AUN0	AUNAH	AUNAI	AUNAJ	AUNAK	AUNAL / AUNAN	AUNAO	AUNAP	AUNAQ
1 - 1,000	18	16	-	-	-	-	-	-	-	-
1,001 - 5,000	265	35	-	-	-	-	-	-	-	-
5,001 - 10,000	261	22	-	-	-	-	-	-	-	-
10,001 - 100,000	654	37	-	-	-	2	6	-	-	-
100,001 - 9,999,999,999	165	28	4	2	4	1	5	2	2	8
<b>Totals</b>	<b>1,363</b>	<b>138</b>	<b>4</b>	<b>2</b>	<b>4</b>	<b>3</b>	<b>11</b>	<b>2</b>	<b>2</b>	<b>8</b>
Holders with an unmarketable parcel	251	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

## EQUITY SECURITY HOLDERS

The names of the 20 largest holders of ordinary shares, and the number of ordinary shares and percentage of capital held by each holder is as follows:

Position	Holder Name	Holding	% IC
1	MIDDLE ISLAND RESOURCES LIMITED	21,000,000	13.52
2	MIDDLE ISLAND RESOURCES LIMITED	14,000,000	9.01
3	HEELMO HOLDINGS PTY LTD <DEEP BLUE A/C>	9,544,158	6.14
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	9,337,947	6.01
5	CITICORP NOMINEES PTY LIMITED	8,154,306	5.25
6	HEELMO HOLDINGS PTY LTD <ROWBOTTAM SUPER A/C>	4,983,812	3.21
7	MR GRANT WILLIAM EVANS + MS MARY-LOUISE DAVIDSON	4,912,399	3.16
8	MR BRADLEY TRISTAN JURGANAS VALIUKAS <B&K VALIUKAS FAMILY A/C>	4,214,999	2.71
9	BAYVIEW RESOURCES PTY LTD <BVR A/C>	2,245,000	1.45
10	BV MINING PTY LTD	2,019,643	1.30
11	MR STEVEN EDWARD CONWAY <STEVECON FAMILY A/C>	1,625,000	1.05
12	NEWTON SERVICES WA PTY LTD <NEWTON FAMILY A/C>	1,108,570	0.71
13	BUPRESTID PTY LIMITED <HANLON FAMILY SUPER A/C>	1,100,000	0.71
14	GW & EA THOMAS SUPER PTY LTD <GW & EA THOMAS A/C>	1,062,582	0.68
15	HUON PINE PTY LTD <HUON PINE INVESTMENT A/C>	1,061,048	0.68
15	SUNSET SHIRAZ CORPORATION PTY LTD <THE TWENTY FIFTEEN SUPER A/C>	1,057,142	0.68
17	MR MATTHEW ARTHUR HOLMES	1,049,546	0.68
18	KHE SANH PTY LTD <TRADING NO 1 A/C>	1,000,000	0.64
18	OCEAN REEF HOLDINGS PTY LTD	1,000,000	0.64
20	CHEBMONT PTY LTD <GUNNERSEN INVESTMENT A/C>	750,000	0.48
20	MS DANIELLE SHARON TUDEHOPE	750,000	0.48
	<b>Total</b>	<b>91,976,152</b>	<b>59.22%</b>
	<b>Total Issued Capital - Selected Security Class(es)</b>	<b>155,324,309</b>	<b>100.00%</b>

The names of the 20 largest holders of listed options (AUNO), and the number of ordinary shares and percentage of capital held by each holder is as follows:

Position	Holder Name	Holding	% IC
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,000,000	28.17
2	MATTHEW BURFORD SUPER FUND PTY LTD <BURFORD SUPERFUND A/C>	2,000,000	11.27
2	RHUROIN PTY LTD	2,000,000	11.27
4	BUPRESTID PTY LIMITED <HANLON FAMILY SUPER A/C>	700,000	3.94
5	AUTUMN ORIGIN CAPITAL PTY LTD	666,667	3.76
6	HUON PINE PTY LTD <HUON PINE INVESTMENT A/C>	550,000	3.10
7	MR BRADLEY TRISTAN JURGANAS VALIUKAS <B&K VALIUKAS FAMILY A/C>	499,999	2.82
8	RIVERVIEW CORPORATION PTY LTD	333,333	1.88
8	ZERO NOMINEES PTY LTD	333,333	1.88
10	RIYA INVESTMENTS PTY LTD	326,667	1.84
11	AUKERA CAPITAL PTY LTD <AUKERA DISCRETIONARY A/C>	308,442	1.74
12	MRS VANESSA RUBEN	300,000	1.69
13	KLAUS CONTRACTING PTY LTD	270,000	1.52
14	MR GEOFFREY LEIGH SAFFER + MRS RACHEL SAFFER <SAFFER SUPERFUND A/C>	266,666	1.50
15	BT GLOBAL HOLDINGS PTY LTD <BT UNIT A/C>	233,333	1.31
15	SABRE POWER SYSTEMS PTY LTD	233,333	1.31
17	NORTH OF THE RIVER INVESTMENTS PTY LTD	226,666	1.28
18	SUPERHERO SECURITIES LIMITED <CLIENT A/C>	212,188	1.20
19	RIYA INVESTMENTS PTY LTD	200,000	1.13
20	HOP VALLEY HOLDINGS PTY LTD <THE IZZARD FAMILY A/C>	166,666	0.94
	<b>Total</b>	<b>14,827,293</b>	<b>83.53%</b>
	<b>Total Issued Capital - Selected Security Class(es)</b>	<b>17,750,552</b>	<b>100.00%</b>

## TENEMENT INFORMATION

Tenement	Project Name	Status	Area (km2)	Interest at Start of Quarter	Interest at End of Quarter
E77/2595	JOHNSON RANGE	LIVE	2.98	100%	100%
G77/119	JOHNSON RANGE	LIVE	2.98	100%	100%
L77/245	JOHNSON RANGE	LIVE	0.06	100%	100%
L77/247	JOHNSON RANGE	LIVE	0.07	100%	100%
L77/248	JOHNSON RANGE	LIVE	0.94	100%	100%
M77/1263-I	JOHNSON RANGE	LIVE	1.85	100%	100%
E15/1769	KARRAMINDIE	LIVE	32.36	0%	100%
E77/1992	MT DIMER	LIVE	4.13	100%	100%
E77/2518	MT DIMER	LIVE	20.71	100%	100%
E77/2560	MT DIMER	LIVE	2.96	100%	100%
E77/2662	MT DIMER	LIVE	43.39	100%	100%
E77/2729	MT DIMER	LIVE	88.72	100%	100%
L77/135	MT DIMER	LIVE	0.61	100%	100%
L77/147	MT DIMER	LIVE	0.09	100%	100%
L77/83	MT DIMER	LIVE	0.03	100%	100%
M77/427	MT DIMER	LIVE	6.65	100%	100%
M77/428	MT DIMER	LIVE	6.25	100%	100%
M77/957	MT DIMER	LIVE	0.54	100%	100%
M77/958	MT DIMER	LIVE	0.52	100%	100%
M77/965	MT DIMER	LIVE	6.13	100%	100%
P77/4568	MT DIMER	LIVE	0.69	0%	100%
P77/4576	MT DIMER	LIVE	0.50	100%	100%

Tenement	Project Name	Status	Area (km2)	Interest at Start of Quarter	Interest at End of Quarter
E16/571	MT DIMER	PENDING	197.72	0%	0%
E77/2726	MT DIMER	PENDING	17.77	0%	0%
E77/2786	MT DIMER	PENDING	88.83	0%	0%
E77/2787	MT DIMER	PENDING	124.33	0%	0%
E77/2788	MT DIMER	PENDING	59.18	0%	0%
E77/2815	MT DIMER	PENDING	115.36	0%	0%
E77/2816	MT DIMER	PENDING	103.63	0%	0%
L16/135	MT DIMER	PENDING	1.60	0%	0%
L77/328	MT DIMER	PENDING	1.21	0%	0%
L77/329	MT DIMER	PENDING	0.18	0%	0%
L77/330	MT DIMER	PENDING	0.25	0%	0%
E77/2210	MT PALMER	LIVE	29.04	100%	100%
E77/2333	MT PALMER	LIVE	23.49	100%	100%
E77/2423	MT PALMER	LIVE	29.08	100%	100%
E77/2702	MT PALMER	LIVE	14.63	100%*	100%*
M77/406	MT PALMER	LIVE	0.21	100%	100%
P77/4527	MT PALMER	LIVE	1.71	100%	100%
E77/2668	MT PALMER	PENDING	40.97	0%	0%
E77/2680	MT PALMER	PENDING	5.85	0%	0%
E77/2763	MT PALMER	PENDING	187.61	0%	0%
E77/2894	MT PALMER	PENDING	196.34	0%	0%



Tenement	Project Name	Status	Area (km2)	Interest at Start of Quarter	Interest at End of Quarter
E77/2895	MT PALMER	PENDING	204.91	0%	0%
E77/2903	MT PALMER	PENDING	11.73	0%	0%
E77/2927	MT PALMER	PENDING	6.25	0%	0%
E77/2928	MT PALMER	PENDING	6.28	0%	0%
L77/344	MT PALMER	PENDING	0.01	0%	0%
L77/345	MT PALMER	PENDING	0.10	0%	0%
L77/346	MT PALMER	PENDING	0.23	0%	0%
P77/4604	MT PALMER	PENDING	0.04	0%	0%
E57/1102	SANDSTONE	LIVE	90.68	0%	100%
E57/1140	SANDSTONE	LIVE	13.84	0%	100%*
M57/128	SANDSTONE	LIVE	9.74	0%	100%
M57/129	SANDSTONE	LIVE	9.97	0%	100%
P57/1384	SANDSTONE	LIVE	1.00	0%	100%
P57/1395	SANDSTONE	LIVE	0.41	0%	100%
P57/1442	SANDSTONE	LIVE	0.52	0%	100%
E57/1224	SANDSTONE	PENDING	151.54	0%	0%
E57/1225	SANDSTONE	PENDING	188.04	0%	0%
L57/60	SANDSTONE	PENDING	0.18	0%	0%
M57/654	SANDSTONE	PENDING	0.41	0%	0%

\* AUN tenement acquisitions awaiting settlement and transfer (completed subsequent to 30 June 2022)

As per Quarterly Report - Activities Report for the Quarter Ending 30 June 2022



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