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ANNUAL REPORT

For the Year Ended 30 June 2023

ACN 650 503 325

ASX:**EQN**

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Developing Resources for the Future



CORPORATE INFORMATION

ABN	65 650 503 325
ACN	650 503 325
Directors	Mr Robert Martin (Non-Executive Chairman) Mr Agha Shahzad Pervez (Non-Executive Director) Mr Vincent (Ming Tsen) Chye (Non-Executive Director)
Chief Executive Officer	Mr Zekai (Zac) Komur
Chief Financial Officer	Mr Raymond (Siyuan) Chen
Company Secretary	Mr Harry Spindler
Registered and Principle office	Level 50, 108 St Georges Terrace PERTH WA 6000 Telephone +61 8 6109 6689
Website	www.eqnx.com.au
Share Registry	Advanced Share Registry 110 Stirling Highway NEDLANDS WA 6009
Solicitors	Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street PERTH WA 6000
Auditor	HLB Mann Judd (WA) Partnership Level 4, 130 Stirling Street, PERTH WA 6000
Stock Exchange	Australian Securities Exchange Limited ASX Code: EQN

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DIRECTORS' REPORT

The Directors present their report together with the financial report of Equinox Resources Limited ('Equinox', the 'Company') for the year ended 30 June 2023. All amounts are presented to Australian Dollars (AU\$), unless noted otherwise.

In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names and the particulars of the directors of the Company in office during or since the end of the year to the date of this report are:

Director	Position	Appointed	Resigned
Robert Martin	Non-Executive Chairman	10 May 2022	-
Agha Shahzad Pervez	Non-Executive Director	10 May 2022	-
Mena Habib	Non-Executive Director	26 May 2021	4 July 2023
Vincent Chye	Non-Executive Director	4 July 2023	-
Robert Martin	Non-Executive Chairman		
Experience	Mr Robert Martin is a commercial businessman with over 25 years experience across a broad range of sectors including mining, manufacturing, mining services and capital markets. Mr Martin previously operated a highly successful global mining services company which became a leading provider of products and services to the mining industry. Mr Martin now runs a family office in Western Australia with a focus on investing and supporting emerging private and public businesses. Mr Martin currently holds the positions of Non-Executive Chairman at ASX-listed Critical Resources Limited (ASX: CRR) and Non-Executive Director at Battery Age Minerals Limited (ASX:BM8) and Parkd Limited (ASX: PKD). The Board does not consider Mr Martin to be an independent Director.		
Interest in Shares and Options	Direct Interest (Shares) – 419,349 Direct Interest (Options) – nil Indirect Interest (Shares) – nil Indirect Interest (Options) – nil		
Directorship held in other listed entities	Critical Resources Limited (ASX:CRR) - Appointed 4 February 2021 Battery Age Minerals Limited (ASX:BM8) - Appointed 12 April 2022 Parkd Limited (ASX: PKD) - Appointed 28 February 2019		
Agha Shahzad Pervez	Non-Executive Director		
Experience	Mr Agha Shahzad Pervez is an experienced corporate accountant, CFO, Director and Company Secretary, with over 10 years' experience working with ASX listed companies. Mr Pervez currently holds the role of Executive Chairman for Viridis Mining and Minerals Limited (ASX: VMM), and previously held the roles of CFO and Company Secretary at Resonance Health Limited (ASX: RHT) and the role of Chief Financial Officer for Battery Age Minerals Limited (ASX: BM8). The Board consider Mr Pervez as an independent Director.		
Interest in Shares and Options	Direct Interest (Shares) – 160,000 Direct Interest (Options) – nil Indirect Interest (Shares) – 10,000 Indirect Interest (Options) – 500,000 (Ex Price \$0.30, Expiry Date 06/10/24)		

DIRECTORS' REPORT (Continued)

Mena Habib **Non-Executive Director (resigned 4 July 2023)**

Experience Mr Mena Habib has extensive experience focused in sales, marketing and management. Mr Habib has worked in global companies excelling in sales, being a recipient of the National Sales Champion award on two separate occasions. Mr Habib is also an entrepreneur, having recently sold a business which he personally founded into a national franchise. Mr Habib has completed a diploma in Financial Planning, has a strong network of investors in the mining sector and has played vital roles in raising capital on numerous occasions.

The Board considers Mr Habib to be an independent Director.

Interest in Shares and Options Direct Interest (Shares) – nil
Direct Interest (Options) – 1,000,000 (Ex Price \$0.30, Expiry Date 06/10/24) Pursuant to the terms and conditions of these Options, 128,767 automatically lapsed on the resignation of Mr Habib.
Indirect Interest (Shares) – 315,000
Indirect Interest (Options) – nil

Directorship held in other listed entities Power Minerals Limited (ASX: PNN) - Appointed on 9 July 2021

Vincent Chye **Non-Executive Director (appointed 4 July 2023)**

Experience Mr Chye is an experienced corporate development executive with over 17 years' experience working with ASX and internationally listed companies. Mr Chye is currently responsible for WA corporate development for an ASX100 listed energy company with a focus on strategic decarbonisation, renewable, firming and energy storage projects. Previously, he held senior advisory and in-house positions focussing on transactions and strategic projects, including at CITIC Ltd, Wesfarmers Ltd and Ernst & Young. In addition to extensive experience in acquisitions and equity capital markets, Mr Chye has specific expertise in the development of greenfield mining, processing, and logistics in the bulk minerals sector.

The Board considers Mr Chye to be an independent Director.

Interest in Shares and Options Direct Interest (Shares) – nil
Direct Interest (Options) – nil
Indirect Interest (Shares) – nil
Indirect Interest (Options) – nil

Directorship held in other listed entities nil

Company Secretary

Harry Spindler **Company Secretary**

Experience Mr Spindler is an experienced corporate professional with a broad range of corporate governance and capital markets experience spanning 23 years. Previously he held various company secretary positions and has been involved with several public company listings, merger and acquisitions transactions and capital raisings for ASX-listed companies. Mr Spindler is a member of Chartered Accountants Australia and New Zealand and a member of the Financial Services Institute of Australia.

DIRECTORS' REPORT (Continued)

Principal Activity

The Company focus is mineral exploration, appraising and development of Australian and Canadian mineral projects.

Financial Position

The Company made a loss for the year of \$1,224,100 (2022: loss of \$3,040,490). At balance date, capitalised exploration costs totalled \$11,322,496 (2022: \$10,544,999) and cash reserves were \$4,266,763 (2022: \$6,106,586).

Significant Changes in the State of Affairs of the Company

In the opinion of the Directors, there were no significant changes in the state of affairs of the Company which have not been disclosed elsewhere in this report.

Review of Operations

The following is a summary of the activities of Equinox Resources Limited during the period 1 July 2022 to 30 June 2023.

The major milestones during the year include:

- 1) Receipt of an updated Heritage Survey on the targeted programme of work (POW) from the Wintawari Guruma Aboriginal Corporation ("WGAC") for the Hamersley Iron Ore Project.
- 2) Finalising desk top environmental programs for the Hamersley Iron Ore Project mining lease, with field trip surveys to commence in the coming year.
- 3) Acquisition of new tenements in Canada and Australia to diversify into the battery minerals space.

The company will focus on its diversified portfolio of Australian and Canadian assets and looking forward to delivering shareholder value in the coming years.

Company Projects

The Hamersley Iron Ore Project (Pilbara, WA)

The Hamersley Iron Ore Project (Pilbara Western Australia, 100% interest) is strategically located in the infrastructure-rich Pilbara iron ore province of Western Australia. The Project comprises granted Mining Lease (M47/1450), which covers an area of approximately 10.4 km².

The primary focus of the Company's activity over the period was to advance the various environment studies, geological studies as well as finalise the Heritage Survey for the target POW area with the WGAC in anticipation a drilling program to further solidify our resource, which is an important step to advance to development of the Hamersley Iron Ore Project.

The Company also submitted an application for a new exploration license (E47/4987) during the period. This tenement connects at the southwest corner of our current Mining Lease and is a welcomed addition to aid development of the Hamersley Iron Ore Project. The company will be looking for further acquisition opportunities to complement our project.

Drill Planning and Preparation

Equinox maintains appointment of CSA Global ("CSA") as the Company's geological consultant to conduct a detailed analysis of the geological model and to assist in the design of a targeted drilling program as part of the Company's development focused strategy for the Hamersley Iron Ore Project.

DIRECTORS' REPORT (Continued)

Based on the work completed by CSA, the Company announced a planned 27 hole, 2,700 metre infill Reverse Circulation ("RC") drilling program. The program is designed to infill the current JORC Indicated Resources area (Figure 1), which is anticipated to be the location of initial potential mine development. The objective is to provide appropriate ore body definition to support mine planning and feasibility studies.

In addition to the RC drilling, the proposed program includes an additional 700 metres of targeted PQ Diamond Drilling ("DD"), which will provide samples to conduct metallurgical test work, product lump and fine ore sintering assessment at respected iron and steel research institutes as well as providing samples to potential customers for assessment.

Given the completion of the updated Heritage Survey, the drilling program on the limited targeted area is contingent on negotiating a Heritage Management Plan with WGAC. With the newly introduced Aboriginal Cultural Heritage Act 2021 being repelled on the 8th of August 2023, the company is working with experienced external consultants to understand the impact and access the best way forward to progress development of the project which sits on a granted Mining lease.

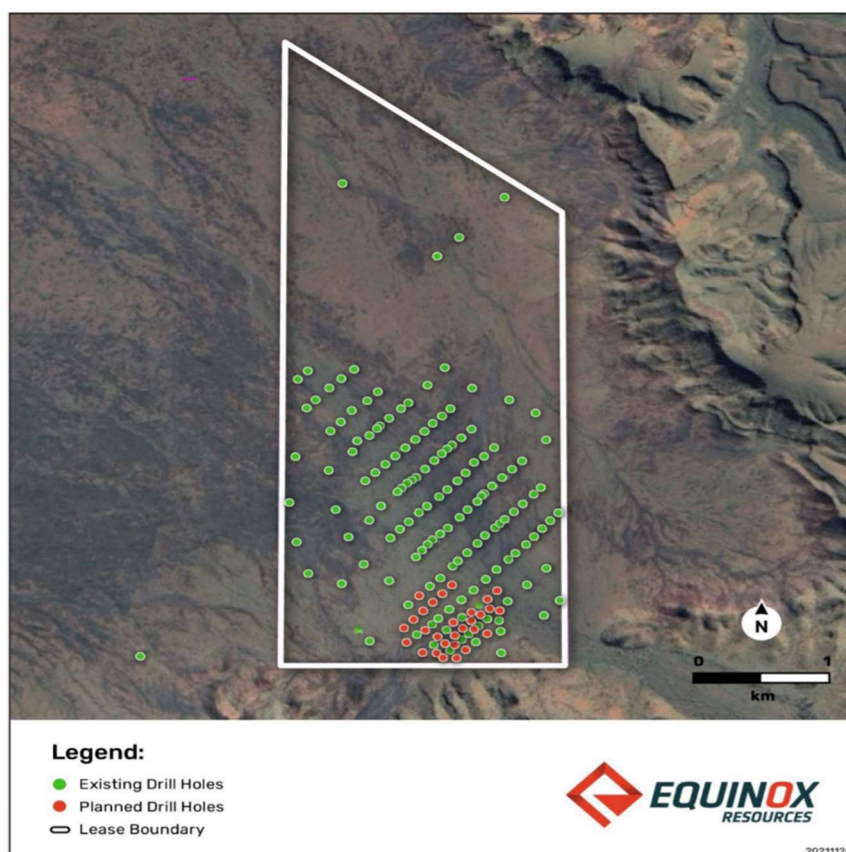


Figure 1: Hamersley Iron Ore Project – Proposed Drilling Map

Environmental Approvals

During the year, the Company appointed environmental consultants, Umwelt, who finalised the desktop studies on the environmental gap analysis for the Hamersley Project. Umwelt also manage the finalisation of the desktop studies for Flora and Vegetation, Subterranean Fauna and Terrestrial Fauna.

In the coming year, the company will advance on field studies for all of the above studies as we progress towards full environmental approval for project development.

DIRECTORS' REPORT (Continued)

Native Title

The Company was assigned a 'Native Title Deed' with WGAC in December 2021. The Deed provides the framework for how both parties will work together during the potential development and operation of the Hamersley Iron Ore Project, which includes Access, Site Clearance and Heritage, Environmental, Cultural Awareness, Employment and Contracting Opportunities and Production Payments.¹

In December 2021, the new Aboriginal Cultural Heritage legislation was passed (enacted on 1 July 2023) by the WA Parliament. The Company actively engaged with the WGAC to provide an updated Heritage Survey on the projected areas targeted for further drilling.

The findings of the survey identified two new sites of cultural heritage and one new site of archaeological area of cultural concern over the areas covered by the Company's proposed POW. Due to the changing nature of the current Heritage legislation the company is actively working with industry professional to assess the best way forward and look to work with WGAC for a mutually agreed outcome.

The Auxesia Project (Kambalda, WA)

As announced late December 2022, the Company acquired two new tenements (E15/1902 & E15/1903) in Western Australia for a cash payment of \$16,324.

The Auxesia Project comprises of exploration tenements E15/1902 and E15/1903. Together they represent ~220km² in size located 20km west of Kambalda, Western Australia. E15/1902 is located immediately south of the Mineral Resources' (ASX:MIN) Mt Marion Lithium Mine. The region has a rich history of gold, nickel and lithium discoveries. No significant work was progressed on this project this year.

The Dome Lake Project (Ontario, Canada)

In December 2022, the Company acquired the claims making up the Dome Lake project in Ontario, Canada.

Dome Lake consists of 783 single cell mining claims 3.5 hours' drive from the Thunderbay community, well serviced with associated infrastructure required for project development.

The preliminary target area is located in the eastern margin of the Onaman–Tashota greenstone belt within the Willet assemblage and the Esnagami batholith to the north and the Onaman pluton to the south. The project area is highly under explored with no legacy work within the boundaries of the tenements that have focused on rare-metal pegmatite in the past but are considered highly prospective for LCT pegmatites.

The company has approved and engaged experienced local contractors for exploration programs for airborne Lidar and Geophysical surveys as well as ground prospecting in early August.

The Larder Lake Project (Ontario, Canada)

In January 2023, the secured the Larder Lake Project to expand our footprint in Ontario, Canada.

The Larder Lake project consists of 585 mining claims approximately 300km south of James Bay. The project is located in the Larder Lake mining division of Ontario and are situated on and near the "Case Batholith" complex. The Case Pegmatite system associated with the batholith is well documented and hosted in the south-eastern part of the Case batholith. Similar to Dome Lake, this project area is highly under explored with no legacy work within the boundaries of the tenements that have focused on rare-metal pegmatite in the past but are considered highly prospective for Lithium-cesium-tantalum ("LCT") pegmatites. The company has approved and engaged experienced local contractors for exploration programs for airborne Lidar and Geophysical surveys as well as ground prospecting in early Aug.

¹ ASX Announcement 13 Dec 2021 – Native Title Agreement

DIRECTORS' REPORT (Continued)

The company has applied for funding from the Ontario Junior Exploration Program (OJEP) grant, which will be fully utilized of the early exploration programs of the Dome Lake and Larder Lake Projects.

Annual Mineral Resources Statement

The Company's Mineral Resources Statement has been compiled and is reported in accordance with the Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC 2012 edition) and Chapter 5 of the ASX Listing Rules.

As at 30 June, the Hamersley Iron Ore project has a Mineral Resources Estimate as defined in Table 1 below. The Company's other projects do not have a Resources estimate.

The Company's governance arrangements and internal controls for reporting its Mineral Resources Estimate includes reporting on an annual basis and in compliance with the 2012 Edition of JORC and the ASX Listing Rules. The Competent Person is suitably qualified and experienced as defined in the 2012 Edition of JORC.

Competent Person Statement

The information in the Director's report section of the Annual Report, included at mineral resource estimate, which relate to exploration results or mineral resources is based on information compiled by Mr Mark Gifford. Mr Gifford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). Mark Gifford is an independent consulting geologist. Mr Gifford consents to the inclusion of the information in this section of the annual report in the form and context in which they appear.

Table 1: JORC Code 2012 Mineral Resource Estimate for the Hamersley Iron Ore Project⁹

INDICATED MINERAL RESOURCE (JORC 2012)							
Mineralisation Type	Tonnes Mt	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %	CaFe ⁶ %
Channel (CID) ⁷	42.6	55.2	10.9	5.5	0.04	3.6	57.3
Total	42.6	55.2	10.9	5.5	0.04	3.6	57.3

INFERRED MINERAL RESOURCE (JORC 2012)							
Mineralisation Type	Tonnes Mt	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %	CaFe ⁶ %
Detrital (DID) ⁸	24.3	46.4	24.8	5.2	0.03	2.5	47.6
Channel (CID) ⁷	276.3	55.2	9.7	4.4	0.04	6.3	58.9
Total	300.6	54.5	10.9	4.4	0.04	6.0	58.0

TOTAL MINERAL RESOURCE (JORC 2012)							
Mineralisation Type	Tonnes Mt	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %	CaFe ⁶ %
Detrital (DID)	24.3	46.4	24.8	5.2	0.04	2.5	47.6
Channel (CID)	318.9	55.2	9.8	4.5	0.04	5.9	58.7
Total	343.2	54.5	10.9	4.6	0.04	5.7	57.9

6: Calcined Fe (CaFe) calculated by the formula $CaFe\% = \frac{[(Fe\%)/100 - LOI/1000]}{100} * 100$

7: Channel Iron Deposit mineralisation reported at a 52% Fe cut-off grade.

8: Detrital Iron Deposit Mineralisation reported at a 40% Fe cut-off grade.

9: The Hamersley Iron Ore project Mineral Resource Estimate has no change to that in last financial year

DIRECTORS' REPORT (Continued)

Business Risks

The Group, as an exploration company, faces inherent risks in its activities which may materially affect its operations. Key risks identified which the Group are exposed to include:

- tenement and title
- exploration funding
- project exploration risk
- heritage risk
- environmental and social sustainability risks
- exposure to regulatory environment in foreign jurisdictions
- foreign currency fluctuations

The Group has put in place procedures for reporting and monitoring of the above risks which are continually being reviewed and updated to help manage these risks.

Compliance Statements

This annual year report contains information extracted from ASX Market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code") and available for viewing at www.eqnx.com. Equinox Resources Limited confirms that it is not aware of any new information or data that materially effects the information included in the original ASX market announcement. Such ASX announcements are as follows:

07-Aug-23	Commencement of Exploration Program - Canada
31-Jul-23	Quarterly Activities/Appendix 5B Cash Flow Report
05-Jul-23	Board Changes
20-Jun-23	Canadian Projects Field Work & First Nations Engagement
13-Jun-23	Hamersley Environmental Update
26-May-23	Canadian Lithium Projects Update
23-May-23	Hamersley Environmental Update and Tenement Expansion
26-Apr-23	Quarterly Activities/Appendix 5B Cash Flow Report
17-Apr-23	Heritage Survey - Preliminary Results
03-Apr-23	Hamersley Project Heritage Survey Completed
28-Mar-23	Investor Presentation
22-Feb-23	Half Year Accounts
16-Feb-23	Equinox Expands Canadian Exploration Portfolio
30-Jan-23	Quarterly Activities/Appendix 5B Cash Flow Report
09-Jan-23	Equinox Appoints Experienced Mining Executive as CEO
15-Dec-22	Equinox Secures Australian and Canadian Exploration Areas
31-Oct-22	Quarterly Activities/Appendix 5B Cash Flow Report
28-Oct-22	Notice of Annual General Meeting/Proxy Form
07-Oct-22	AGM Details
04-Oct-22	Hamersley Project Heritage Survey Update
15-Sep-22	Appendix 4G and Corporate Governance Statement
15-Sep-22	Annual Report
24-Aug-22	Hamersley Project Environmental Survey Update
29-Jul-22	Quarterly Activities/Appendix 5B Cash Flow Report
28-Jul-22	Hamersley Project Heritage Survey Update

DIRECTORS' REPORT (Continued)

Corporate

Business Development

The Company reviewed and assessed a number of potential opportunities and partnerships that may have a strategic fit for the Company and that have the potential to deliver value for Shareholders.

Subsequent Events

Subsequent to the financial period end the following key events have occurred:

- (a) Board changed: On 4 July 2023, Mr. Mena Habib resigned from his position as Non-Executive Director, and Mr. Ming Tsen (Vincent) Chye was appointed as Non-Executive Director
- (b) Cessation of securities: Pursuant to the terms and conditions, 128,767 options automatically lapsed on the resignation of Mr. Habib
- (c) Appointment of Chief Financial Officer: On 10 August 2023, Mr. Siyuan (Raymond) Chen was appointed as Chief Financial Officer. Mr. Agha Shahzad Pervez resigned from his position as Chief Financial Officer but will maintaining in his role as a continuing Non-Executive Director.
- (d) Appointment of Chief Executive Officer: On 12 September 2023, Mr. Zekai (Zac) Komur was appointed as Chief Executive Officer. Mr. Jiahe (Gower) He resigned from his position as Chief Executive Officer.

Interest in Mining Tenements as at 30 June 2023

Project	Tenement/Tenure ID	EQN's Interest
Hamersley Project	ML 47/1450-I	100%
	E47/4987	100% (In application)
Auxesia Project	E15/1902, E15/1903	100%
Dome Lake Project	764625-765049, 765123-765135, 765156-765200, 765365-765382, 766417-766444, 766899-766928, 766939-767162	100%
	772983-773057, 773007-773096, 773108-773206, 776638-776660, 777437-777462, 777464-777479, 783088-783122, 783131-783178, 790316-790450, 790562-790572, 790574-790623, 790625-790671	100%
Larder Lake Project		

Dividends

No dividends were paid or declared by the Group to members since the end of the previous financial year and the directors do not recommend the payment of a dividend at this time.

DIRECTORS' REPORT (Continued)

Shares under Option

At the date of this report, the un-issued ordinary shares of Equinox Resources Limited under option are as follows:

Issue Date	Expiry Date	Exercise Price	Number of shares under option
06/10/2021	06/10/2024	\$0.30	6,871,233
			6,871,233

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any related body corporate.

The above options are subject to ASX escrow restrictions until 13 October 2023.

Movement in Options

There is no movement in options during the period ended 30 June 2023.

- 5,000,000 Options with an exercise price of \$0.30 each and expiry date of 6 October 2024 to the Joint Lead Managers (or their nominees) of the Prospectus; and
- 2,000,000 Options with an exercise price of \$0.30 each and expiry date of 6 October 2024 pursuant to the Options Offer to directors, employee and consultants of the Company.

No options were exercised into shares during the period ended 30 June 2023. Since 30 June 2023, 128,767 options have lapsed.

Performance Shares ("PS")/Performance Rights ("PR")

At the date of this report, the performance shares issued of Equinox Resources Limited are as follows:

Issue Date	Expiry Date	Performance Condition	Number of PR/PS
06/10/2021	06/10/2023	(a)	9,500,000
			9,500,000

- (a) Each Performance Share will, at the election of the holder, convert into one Share, subject to the Company announcing to the ASX a positive preliminary Feasibility Study in relation to the Hamersley Iron Ore Project, confirming the Hamersley Iron Ore Project is commercially viable. This performance shares are subject to ASX escrow restrictions until 13 October 2023.

Movement in PRs

During the period ended 30 June 2023, 1,000,000 Performance Rights were granted to Mr Gower He. These Performance Rights subsequently lapsed on 12 September 2023 due Mr He's resignation of CEO.

Meeting of Directors

The following table sets out the number of Directors' meetings held during the financial period and the number of meetings attended by each Director (while they were a Director or committee member) of the Company. The Company's nomination committee did not hold a meeting during the financial year.

Director	Directors Meetings	
	Held while in office	Attended
Robert Martin	6	6
Agha Shahzad Pervez	6	6
Mena Habib	6	5

DIRECTORS' REPORT (Continued)

The board has executed the responsibilities of Audit & Risk and Nomination & Remuneration committees and nomination committee roles as at the date of this report.

Indemnifying Officers

During the financial period, the Company has not paid a premium in respect of a contract insuring the Directors of the Company (as named above) and all executive officers of the Company and of any related body corporate against a liability incurred as such a Director or executive officer to the extent permitted by the Corporations Act 2001.

The Company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

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

Environmental Regulation

The Group's operations are subject to environmental regulation in relation to the discharge of hazardous waste and materials arising from any exploration activities. The Directors are of the opinion that sufficient procedures and reporting processes have been established to enable the Group to meet any environmental responsibilities in the year ended 30 June 2023.

Likely Future Developments

The Company's strategy is to increase shareholder value by maximising the value of its exploration assets in Western Australia and over time diversification of its asset portfolio.

The Group intends to continue to undertake appropriate exploration and evaluation activities sufficient to maintain tenure of its exploration licences, as well as, determine the technical prospectively of the projects, until such time that informed decisions can be made in order to commercially exploit or relinquish them.

Auditors Independence

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is set out in the part of this Directors' Report for the year ended 30 June 2023.

Non-Audit Services

There is no payment made to HLB Mann Judd during the period for non-audit services.

Corporate Governance Statement

The Company's Corporate Governance Statement can be found on the Company's website at <https://www.eqnx.com.au/corporate-governance/>

DIRECTORS' REPORT (Continued)

Remuneration Report (Audited)

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of the Company's directors and key management personnel for the financial period ended 30 June 2023. The key management personnel of the Company include the Directors and other officers of the Company. For the purposes of this report "key management personnel" are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company.

The information provided in this remuneration report has been audited in accordance with section 300A of the Corporations Act 2001

Remuneration Policy

The Company's guiding principles for remuneration strategy used throughout 2023 recognises that:

- Remuneration must be strongly linked to Company performance;
- Remuneration must be competitive to enable the Company to attract and retain quality individuals who are capable and motivated to deliver results for shareholders;
- Remuneration must provide significant incentive to deliver superior performance against the Company's strategy and key business goals;
- Remuneration must be fair and competitive with both peers and competitor employers; and
- Remuneration must be transparent to shareholders.

The nature and amount of remuneration for the non-executive Directors and executives depends on the nature of the role and market rates for the position, with the assistance of external surveys and reports, and taking into account the experience and qualifications of each individual. The Board ensures that the remuneration of key management personnel is competitive and reasonable. Fees and payments to the non-executive Directors reflect the demands which are made on, and the responsibilities of the Directors. Director's fees and payments are reviewed annually by the Board.

In undertaking a review of the performance of both directors and executives, consideration is given to the respective performance of the person during the review period; however, there are no prescribed performance measures or hurdles connected with the level of remuneration.

The Company's Remuneration Committee has responsibility and oversight for making recommendations to the Board regarding remuneration for directors and employees.

The Company will continue to monitor its remuneration framework against market benchmarks and ensure that the linkages between remuneration and company performance remain strong.

Directors' Remuneration

Directors are remunerated by way of fixed fees and the award of performance based Long Term Incentives (LTI) through the award of PRs or options under the Company's Performance Rights and Option Plan, as approved by Shareholders where required.

Director remuneration is reviewed periodically. Fees paid to directors are determined with reference to:

- the nature of the role, responsibilities and time commitment, including membership of board committees;
- the personal performance, skills and experience of the individual;
- the individual's overall contribution to the success of the business;
- industry benchmarking data and market conditions; and
- the need to attract a diverse and well-balanced group of individuals with relevant experience and knowledge.

Fixed fees for 2023 financial year are as follows:

- | | |
|---------------------------|----------|
| • Chairman | \$83,667 |
| • Non-executive directors | \$52,800 |

DIRECTORS' REPORT (Continued)

The Non-Executive Directors' fees are approved by the Board within the aggregate approved by the shareholders at a general meeting.

The Company does not provide retirement benefits, however directors may salary sacrifice an element of their total remuneration to superannuation. In addition, the Board seeks shareholder approval for any options that may be issued to directors.

The amount of aggregate remuneration and the manner in which it is apportioned amongst directors is reviewed periodically. Shareholder approval is sought where there is a proposed change in the total remuneration paid to non-executive directors, together with the award of securities to directors.

The Board considers the Company's particular circumstances as well as the fees paid to executive and non-executive directors of comparable companies when undertaking the review process and determining the nature and amount of key management remuneration.

Services Agreements

Remuneration and other terms of employment of Directors and Other Key Management Personnel are formalised in an employment contract. The major provision of the agreements related to the remuneration are set out below:

Agha Shahzad Pervez, Non-Executive Director

- The CFO Consultancy Agreement commenced on 1 July 2021 and will continue until validly terminated in accordance with its terms.
- The Company has agreed to pay Horizon Corporate, an entity associated with Mr Pervez \$10,000 per month (exclusive of GST) which fees will be payable on and from the date of Admission. In addition, Horizon Corporate may bill the Company for additional fees for out-of-scope services to be agreed between the parties. The above amounts are inclusive of all taxes and superannuation amounts.
- Notice/ termination period without cause 2 months, material change to engagement 1 month
- Effective 10 May 2022, Mr Pervez charges a director fee of \$4,400 per month (exclusive of GST), in addition to the CFO agreement.

Gower (Jiahe) He, Chief Executive Officer ("CEO")

- The CEO employment agreement commenced on 9 January 2023 and will continue until validly terminated in accordance with its terms.
- The Company has agreed to pay Mr He \$265,000 (gross) per annum (inclusive of statutory superannuation)
- Notice/termination period without cause 1 month

Non-Executive Director Service Contracts

On appointment to the Board all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The term of appointment of all non-executive directors is subject to re-nomination and re-election at Annual General Meetings and non-executive directors are expected to serve a minimum of one term of three years. There is no notice period required by non-executive directors and non-executive directors are not entitled to annual or long service leave benefits.

DIRECTORS' REPORT (Continued)

Details of Remuneration

Details of remuneration of the directors and other key management personnel is set out below:

30 June 2023	Short Term Employment Benefits	Long Term Employment Benefits	Post- employment benefits	Share Based Payments	Total	Performance Based Remuneration
	\$	\$	\$	\$	\$	%
Robert Martin	83,667	-	-	-	83,667	-
Agha Shahzad Pervez	172,800	-	-	-	172,800	-
Mena Habib	52,800	-	-	-	52,800	-
Gower He	122,027	-	11,637	15,793	149,457	10.6
	431,294	-	11,637	15,793	458,724	

30 June 2022	Short Term Employment Benefits	Long Term Employment Benefits	Post- employment benefits	Share Based Payments	Total	Performance Based Remuneration
	\$	\$	\$	\$	\$	%
Robert Martin	12,000	-	-	-	12,000	-
Agha Shahzad Pervez	122,381	-	-	41,412	163,793	25.28
Mena Habib	38,039	-	-	82,825	120,864	68.53
Rod Baxter	38,762	-	-	207,062	245,824	84.23
Daniel Taylor	282,000	-	-	414,125	696,125	59.49
Hugh Callaghan	29,239	-	-	207,062	236,301	87.63
	522,421	-	-	952,486	1,474,907	

Share-based payments

During the financial year ended 30 June 2023, the Company issued PRs to KMP as detailed below.

KMP Performance Rights

During the financial year ended 30 June 2023, the Company granted 1,000,000 PRs to KMP (2022: nil) as detailed below.

Details	Grant date	Performance Period End/ Expiry date	No. granted	Grant date fair value	% vested at 30 Jun 2023
Gower He (a)	9/1/2023	31/1/2026	250,000	0.0876	0%
Gower He (b)	9/1/2023	31/1/2026	250,000	0.0731	0%
Gower He (c)	9/1/2023	31/1/2026	500,000	0.125	0%
			1,000,000		

These performance rights are subject to the following performance milestone:

- Each Performance Right will convert into one share, subject to the Company achieving a \$0.40 VWAP over 20 days on or before 31 January 2026
- Each Performance Right will convert into one share, subject to the Company achieving a \$0.60 VWAP over 20 days on or before 31 January 2026
- Each Performance Right will convert into one share, subject to the Company securing a mutually binding (take or pay) Offtake Agreement with a bankable counterparty for at least 30% of a Phase 1 production plan on or before 31 January 2026

DIRECTORS' REPORT (Continued)

KMP Share Options

At the date of this report, Equinox Resources Limited has the following options on issue exercisable into ordinary shares in Equinox Resources Limited.

Details	Issue date	Expiry date	No. issued	Grant date fair value	Exercised	Lapsed
Agha Shahzad Pervez	06/10/2021	06/10/2024	500,000	0.0828	-	-
Mena Habib	06/10/2021	06/10/2024	1,000,000	0.0828	-	128,767
			1,500,000		-	128,767

Performance Rights holdings of Key Management Personnel

The numbers of Performance Rights over ordinary shares in the Group held during the financial year by each key management personnel of Equinox Resources Limited, including their personally related parties, are set out below:

2023	Balance at 01.07.22	Issue during the year as compensation	Exercised	Other changes	Balance 30.06.23	Vested & Exercisable 30.06.23
Gower He	-	1,000,000	-	-	1,000,000	-
	-	1,000,000	-	-	1,000,000	-

Share holdings of Key Management Personnel

The number of shares in the Company held during the financial year held by each key management personnel of Equinox Resources Limited, including their personally related parties, is set out below:

2023	Balance at 01.07.22	Acquired	Issued during the year as compensation	On exercised of performance rights	Other/ Disposals	Balance 30.06.23
Gower He	38,461	-	-	-	-	38,461
Agha Shahzad Pervez	120,000	50,000	-	-	-	170,000
Mena Habib	250,000	65,000	-	-	-	315,000
Robert Martin	169,530	249,819	-	-	-	419,349
	577,991	364,819	-	-	-	942,810

Option holdings of Key Management Personnel

The number of options in the Company held during the financial year held by each key management personnel of Equinox Resources Limited, including their personally related parties, is set out below:

2023	Balance at 01.07.22	Acquired	Issue during the year as compensation	Exercises/ Conversion	Other/ Cancellation	Balance 30.06.23
Agha Shahzad Pervez	500,000	-	-	-	-	500,000
Mena Habib	1,000,000	-	-	-	-	1,000,000
	1,500,000	-	-	-	-	1,500,000

DIRECTORS' REPORT (Continued)

Loans to Key Management Personnel

There were no loans to Key Management Personnel during the financial period.

Other Related Party Transactions

Purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. During the year, the Group acquired the services from entities that are controlled by members of the Entity's key management personnel.

Securities Trading Policy

The trading of EQN's securities by directors, key management personnel, their associates and employees of the Company is subject to, and conditional upon, compliance with the Company's Securities Trading Policy ("Securities Trading Policy"). The Company's security trading policy applies to trading in all Company securities, which includes:

- Company securities (such as shares);
- any other securities issued by the Company, such as options;
- derivatives and other financial products issued or created over or in respect of Company securities; and
- Securities of any other company or entity that may be affected by inside information.

The securities trading policy details acceptable and unacceptable times for trading in Company Securities including detailing potential civil and criminal penalties for misuse of "inside information".

Any Director, executive or key management personnel wishing to trade in the Company's securities must consult the Chairman and Company Secretary to gain approval to trade and ensure that trading restrictions are not in force. The Directors are responsible for disclosure to the market of all transactions or contracts involving the Company's shares.

Engagement of Remuneration Consultants

During the financial year, the Company did not engage any remuneration consultants to review the key management personal remuneration for the period ended 30 June 2023.

Historical Information

The table below sets out summary information about the entity earnings and performance for the period ended 30 June 2023.

	2023	2022
Revenue (\$)	-	-
Net loss after tax (\$)	(1,224,100)	(3,040,490)
Dividend (\$)	-	-
Basic loss per share (\$ cents)	(1.28)	(4.35)
Diluted loss per share (\$ cents)	(1.28)	(4.35)
Share price at the start of the year (A\$)*	\$0.135	\$0.20
Share price at the end of the year (A\$)	\$0.110	\$0.135

This report is made in accordance with a resolution of the Board of Directors.



Robert Martin
Non- Executive Chairman
Dated: 20 September 2023

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Equinox Resources Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia
20 September 2023



N G Neill
Partner

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	30 June 2023 \$	30 June 2022 \$
Income			
Other Income		2,058	-
Total Income		2,058	-
Expenses			
Compliance and regulatory expenses		(90,911)	(159,213)
Consulting and professional fees	2	(170,188)	(114,051)
Employee benefits expense	2	(442,931)	(626,614)
Exploration expense	2	(135,990)	(513,443)
Depreciation expense & Amortisation Expense		(63,553)	(28,809)
Share based payment	13/26	(15,793)	(1,408,025)
Other expenses		(240,852)	(179,917)
Project & Opportunities Valuation		(65,940)	(10,418)
Total expenses		(1,226,158)	(3,040,490)
(Loss) for the year before tax		(1,224,100)	(3,040,490)
Income tax expense		-	-
Loss for year after tax	3	(1,224,100)	(3,040,490)
Other comprehensive income			
Items which may be subsequently reclassified to profit or loss			
Exchange differences on translating foreign operations		5,108	-
Total comprehensive loss for the year attributable to the members		(1,218,992)	(3,040,490)
		Cents	Cents
Basic and diluted earnings per share (cents per share)	12	(1.28)	(4.35)

The consolidated statement of comprehensive income to be read in conjunction with the notes to and forming part of the financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Note	30 June 2023 \$	30 June 2022 \$
Current Assets			
Cash and cash equivalents	4	4,266,763	6,106,586
Trade and other receivables	5	63,319	37,610
Prepayments	6	51,780	45,081
Total Current Assets		4,381,862	6,189,277
Non-Current Assets			
Property, plant and equipment		30,561	14,004
Right of use Asset		119,755	61,217
Exploration and Evaluation	7	11,322,496	10,544,999
Other non-current assets		49,000	-
Total Non-Current Assets		11,521,812	10,620,220
Total Assets		15,903,674	16,809,497
Current Liabilities			
Trade and other payables	8	256,613	34,546
Other liabilities	9	96,521	85,103
Current lease liability	10	54,993	43,677
Total Current liabilities		408,127	163,326
Non-Current Liabilities			
Non-Current lease liability	10	71,389	18,815
Total Current Liabilities		71,389	18,815
Total Liabilities		479,516	182,141
Net Assets		15,424,158	16,627,357
Equity			
Issued Capital	11	18,259,822	18,259,822
Reserves	13	600,676	579,775
Accumulated Losses	15	(3,436,340)	(2,212,240)
Total Equity		15,424,158	16,627,357

The consolidated statement of financial position is to be read in conjunction with the notes to and forming part of the financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Note	Issued Capital	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2021		1	-	-	1
Loss for the year		-	-	(3,040,490)	(3,040,490)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the year	15	-	-	(3,040,490)	(3,040,490)
Issue of shares	11	19,100,000	-	-	19,100,000
Capital raising cost	11	(840,179)	-	-	(840,179)
Option reserve	13	-	1,408,025	-	1,408,025
Transfer of lapsed options to accumulated losses	13	-	(828,250)	828,250	-
Balance at 30 June 2022		18,259,822	579,775	(2,212,240)	16,627,357

	Note	Issued Capital	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2022		18,259,822	579,775	(2,212,240)	16,627,357
Loss for the year		-	-	(1,224,100)	(1,224,100)
Other comprehensive income		-	5,108	-	5,108
Total comprehensive loss for the year	15	-	5,108	(1,224,100)	(1,218,992)
Share based payment reserves	13/ 26	-	15,793	-	15,793
Balance at 30 June 2023		18,259,822	600,676	(3,436,340)	15,424,158

The consolidated statement of changes in equity is to be read in conjunction with the notes to and forming part of the annual report.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	30 June 2023 \$	30 June 2022 \$
Cash Flow from Operating Activities			
Payments to suppliers and employees		(1,069,961)	(843,785)
Payments for exploration expenditure		(125,553)	(507,784)
GST Paid		126,043	(37,610)
Interest paid		(9,052)	-
Net cash flows (used in) operating activities	23	(1,078,523)	(1,389,179)
Cash Flow from Investing Activities			
Payments for exploration and evaluation		(639,600)	(580,065)
Payment for property plant and equipment		(24,688)	(16,791)
Purchase/payment of other assets		(49,000)	-
Net cash (used in) investing activities		(713,288)	(596,856)
Cash Flows from Financing Activities			
Proceeds from issue of shares		-	9,000,000
Share issue costs		-	(684,964)
Repayment of borrowings		-	(222,416)
Repayment of lease liability		(48,012)	-
Net cash (used in) financing activities		(48,012)	8,092,620
Net (decrease)/increase in cash and cash equivalents		(1,839,823)	6,106,585
Cash and cash equivalents at the beginning of the financial period		6,106,586	1
Foreign Exchange		-	-
Cash and cash equivalents at the end of the financial period	4	4,266,763	6,106,586

The consolidated statement of cash flows is to be read in conjunction with the notes to and forming part of the annual report.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 1: Summary of Significant Accounting Policies

(a) Reporting Entity

The financial report covers the entity of Equinox Resources Ltd ("Equinox" or the "Company"). Equinox is a listed public company, incorporated and domiciled in Australia. The address of the Company's registered office and principal place of business is Level 50, 108 St Georges Terrace, Perth, Western Australia, 6000. The company is a for-profit entity for the purpose of preparing financial statements.

The financial report was authorised for issue by a resolution of the Board of Directors on 20 September 2023.

(b) Statement of Compliance

The financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

(c) Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical cost, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Cost is based on the fair value of the consideration given in exchange for assets.

The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted. The financial report has been prepared on a going concern basis.

Standards and Interpretations applicable to 30 June 2023

In the year ended 30 June 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standard Board that are relevant to the Company and effective for the reporting periods beginning on or after 1 July 2022.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to Company accounting policies.

Standards and Interpretations in issue not yet adopted

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(d) Going Concern

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

(e) Accounting Policies and Methods of Computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial period.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

(f) Principles of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement in with the investee; and
- has the ability to use its power over the investee to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

(g) Operating Segment

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

The Company consists of two reportable segments, Australia and Canada. This presentation aligns with the format used in these financial statements.

(h) Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets are recognised for all differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction.

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

(i) Plant & Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future consolidated benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Office Furniture	5%-50%
Office Equipment	12.5% - 40%

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 profit or loss.

(j) Leases

With the exception of leases with terms of less than 12 months and leases relating to low-value assets, right-of-use assets and lease liabilities are recognised in relation to all leases. The lease liabilities are recognised at the present value of the lease payments that are remaining to be paid and include, where applicable, any payments applicable under extension options expected to be exercised. The right-of-use assets are initially recognised as the amount of the initial lease liability adjusted for any lease payments made at or before commencement, lease incentives received, initial direct costs incurred, and an estimate of costs of dismantling, removing or restoring the asset that are required to be incurred under the terms of the lease. The right-of-use asset is then depreciated on a straight-line basis over the term of the lease.

(k) Exploration and Evaluation

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward where rights to tenure of the area of interest are current and;

- it is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale; and/or
- exploration and evaluation activities are continuing in an area of interest but at balance date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Where the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated then any capitalised exploration and evaluation expenditure is reclassified as capitalised "mine properties in development". Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

Exploration and evaluation assets are reviewed at each reporting date for indicators of impairment and are tested for impairment where such indicators exist. If testing performed indicates that the carrying value might not be recoverable the asset is written down to its recoverable amount. Any such impairment is recognised in profit or loss for the year.

Accumulated costs in relation to an abandoned area are written off to profit or loss in the period in which the decision to abandon the area is made.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

(l) Cash and Cash Equivalents

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

(m) Income

Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All income is stated net of the amount of goods and services tax (GST).

(n) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to year-end and which are unpaid. These amounts are unsecured and usually have 30 - 60 day payment terms.

(o) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(p) Earnings Per Share

- Basic earnings per share: Basic earnings per share are determined by dividing the net loss attributable to equity holders of the Company, by the weighted average number of ordinary shares outstanding during the year.
- Diluted earnings per share: Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(q) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. 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.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

(r) Critical Accounting Estimates and Judgements

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

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

The critical accounting estimates and judgements applicable to this financial report are as follows:

Exploration and Evaluation Expenditure

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

Share-based Payment Transactions

The entity measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using appropriate valuation models.

The entity measures the cost of cash-settled share-based payments at fair value at the grant date using appropriate valuation models taking into account the terms and conditions upon which the instruments were granted.

(s) Equity-settled Compensation

Share-based payments, whether to employees or non-employees, are valued based on the fair value of the instruments issued or the fair value of goods or services received, or the fair value of equity instruments issued in cases where the fair value of goods or services cannot be reliably determined. These transactions are recorded when the goods or services are received, with the corresponding amount being recorded in reserves. The fair value of share-based payments is determined using an appropriate pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period to reflect the eventual number of equity instruments that will vest.

For directors, employees, and consultants, the fair value of options granted as remuneration is recognized as an expense on a pro-rata basis over the vesting period in the statement of profit or loss and other comprehensive income. This expense is accompanied by a corresponding adjustment to equity.

The Company engages in equity-settled transactions with directors, employees, and consultants, where they provide services in exchange for shares or rights over shares. The cost of these equity-settled transactions is determined by referencing the fair value of the shares or rights at the date of grant, with the fair value being calculated using the Monte Carlo model.

(t) Issued Capital

Ordinary shares are classified as equity.

Costs attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

(u) Fair Value

Fair values may be used for financial asset and liability measurement as well as for disclosures.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

(v) Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Entity becomes a party to the contractual provisions of the financial instrument.

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

Classification and measurement

i. 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).

Financial assets, other than those designated and effective as hedging instruments accounted for at amortised cost or fair value through profit or loss (FTVPL).

Financial assets are measured at amortised cost if the objective of the financial asset is to hold and collect its contractual cash flows and 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 using the effective interest method.

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorized at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interests are accounted for a FTVPL.

ii. Financial liabilities

The Entity's financial liabilities include trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and where applicable, adjusted for transaction costs unless the 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 FVTPL, which are carried subsequently at fair value with gains or losses recognized in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

(w) Foreign Currency Translation Policy

Transactions in foreign currencies are translated into the functional currency of the Consolidated Entity at the exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical costs in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Foreign currency differences arising on the translation of monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity.

Note 2: Expenses

	30 June 2023	30 June 2022
	\$	\$
Consulting and professional fees		
Company secretarial fees	48,000	66,074
Legal fees	10,719	20,236
Consulting fees	66,015	-
Other	45,454	27,741
Total consulting and professional fees	170,188	114,051

	30 June 2023	30 June 2022
	\$	\$
Employee benefits expense		
Director fees	189,267	317,422
Accounting fees	120,000	115,000
Wages and salaries	133,664	88,876
Consultants	-	105,316
Total employee benefits expense	442,931	626,614

	30 June 2023	30 June 2022
	\$	\$
Exploration expense		
Project expense	131,700	121,499
Project wages and consultancy	4,290	391,944
Total exploration expense	135,990	513,433

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 3: Income Tax Note

	30 June 2023	30 June 2022
	\$	\$
<i>Factors affecting income tax expense for the year</i>		
Profit/(loss) before tax	(1,224,100)	(3,040,490)
Tax @25% (2022:30%)	(306,025)	(912,147)
Entertainment	70	423
Share Based Payment	3,948	422,408
Unrecognised deferred tax	302,007	489,316
Income tax expense/ (benefit)	-	-
Deferred tax assets/(liability)		
Exploration	(500,821)	(244,364)
Income tax losses	1,281,589	786,459
Other	113,711	169,275
Net deferred tax assets not recognised	894,479	711,370

Income tax benefit due to timing differences not brought to account. Deferred tax liability is reduced to nil by benefits attributable to tax losses not brought to account. The potential tax benefit will only be obtained if

- The entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- The entity continues to comply with the conditions for deductibility imposed by tax legislation; and
- No changes in tax legislation adversely affect the entity in realising the benefit from the deductions for the losses.

Note 4: Cash and Cash Equivalents

	30 June 2023	30 June 2022
	\$	\$
Cash at bank	4,266,763	6,106,586
Cash and Cash Equivalents	4,266,763	6,106,586

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 5: Trade and Other Receivables

	30 June 2023 \$	30 June 2022 \$
GST receivables	44,785	37,610
Other receivables	18,534	-
Trade and Other Receivables	63,319	37,610

Note 6: Prepayments

	30 June 2023 \$	30 June 2022 \$
Insurance	10,070	11,450
Other Prepayments	41,710	33,631
Total Prepayments	51,780	45,081

Note 7: Exploration and Evaluation

	30 June 2023 \$	30 June 2022 \$
<i>Exploration and evaluation phase at cost</i>		
Acquisition cost	10,544,999	10,000,000
Transfer Duty	-	425,485
Exploration Capitalised	777,497	119,514
Total Exploration and Evaluation	11,322,496	10,544,999

The recoupment of exploration costs carried forward in relation to assets in the exploration phase are dependent on the successful development and commercial exploitation or sale of the respective area.

Note 8: Trade and Other Payables

	30 June 2023 \$	30 June 2022 \$
Trade creditors	256,613	34,456
Total Trade and other Payables	256,613	34,456

Note 9: Other Liabilities

	30 June 2023 \$	30 June 2022 \$
Accruals	47,290	44,723
PAYG withheld payable	49,231	40,380
Total other liabilities	96,521	85,103

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 10: Lease Liabilities

	30 June 2023 \$	30 June 2022 \$
At the start of the period	62,492	-
Lease termination	(53,913)	-
New leases	165,815	83,212
Net repayments	(48,012)	(20,720)
At the end of the period	126,382	62,492
Current	54,993	43,677
Non-current	71,389	18,815
Total Lease liabilities	126,382	62,492

Note 11: Issued Capital

	30 June 2023 \$	30 June 2022 \$
95,500,001 (30 June 2022: 95,500,001) fully paid ordinary shares	18,259,822	18,259,822
a). Ordinary shares		
At beginning of the reporting period	18,259,822	1
Issue of share at incorporation	-	-
Issue of shares – acquisition of tenements	-	10,000,000
Issue of shares – initial public offer	-	9,000,000
Issue of shares – success fee	-	100,000
Less share issue costs	-	(840,179)
At reporting date	18,259,822	18,259,822
	No of Shares	No. of shares
At beginning of the reporting period	95,500,001	1
Issue of share at incorporation	-	-
Issue of shares – Acquisition of tenements	-	50,000,000
Issue of shares – capital raising	-	45,000,000
Issue of shares – success fee	-	500,000
At reporting date	95,500,001	95,500,001

Ordinary shares have no par value and participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. Every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 12: Loss per Share

	30 June 2023 \$	30 June 2022 \$
Loss after Income Tax	(1,224,100)	(3,040,490)
	Cents	Cents
Basic and diluted loss per share	(1.28)	(4.35)
	Number	Number
<i>Weighted average number of ordinary shares used in calculating basic loss per share</i>	95,500,001	70,120,548
<i>Weighted average number of ordinary shares used in calculating diluted loss per share</i>	95,500,001	70,120,548

Note 13: Reserves

	30 June 2023 \$	30 June 2022 \$
Option reserve	579,775	579,775
Share based payment reserve	15,793	-
Foreign currency reserve	5,108	-
Total Reserves	600,676	579,775

(a) Option Reserve

	30 June 2023 \$	30 June 2022 \$
At the start of the period	579,775	-
Share Options issued	-	1,408,025
Lapsed options, transferred to accumulated losses	-	(828,250)
At the end of the period	579,775	579,775

	30 June 2023 No. of options	30 June 2022 No. of options
At the start of the period	7,000,000	-
Share Options issued	-	17,000,000
Lapsed options, transferred to accumulated losses	-	(10,000,000)
At the end of the period	7,000,000	7,000,000

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 13: Reserves (Continued)

(b) Share Based Payment Reserve

	30 June 2023 \$	30 June 2022 \$
At the start of the period	-	-
Performance rights expense	15,793	-
At the end of the period	15,793	-

	30 June 2023 No. of PRs	30 June 2022 No. of PRs
At the start of the period	-	-
Performance rights issued	1,000,000	-
At the end of the period	1,000,000	-

Note 14: Auditors Remuneration

	30 June 2023 \$	30 June 2022 \$
Auditing or reviewing of financial reports	(34,693)	(13,775)
Preparation of independent limited assurance report	-	(10,000)
Non-audit services	-	(2,500)
Total	(34,693)	(26,275)

Note 15: Accumulated Losses

	30 June 2023 \$	30 June 2022 \$
Accumulated losses at the beginning of the financial year	(2,212,240)	-
Loss during the current year	(1,224,100)	(3,040,490)
Transfer of lapsed options	-	828,250
Accumulated losses at the end of the financial year	(3,436,340)	(2,212,240)

Note 16: Operating Segments

The entity has two operating segments: Australia (Hamersley project and parent entity) and Canada (Dome Lake project and Larder Lake project). The entities are managed primarily on the basis of geographical area of interest. Each geographical area has different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis. The Board of Directors (the chief operating decision maker) reviews internal reports of each operating segment at least quarterly.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 16: Operating Segments (continued)

Information related to each operating segment is set out below.

	Australia	Canada	Total
	\$	\$	\$
2023			
Results			
Other Income	2,058	-	2,058
Compliance and regulatory expenses	(90,912)	-	(90,912)
Consulting and professional fees	(167,775)	(2,413)	(170,188)
Employee benefits expense	(442,930)	-	(442,930)
Exploration expenditure	(135,990)	-	(135,990)
Depreciation	(63,553)	-	(63,553)
Share based payments	(15,793)	-	(15,793)
Other expenses	(240,531)	(321)	(240,852)
Project & opportunities evaluation	(65,940)	-	(65,940)
Segment results before tax	(1,221,366)	(2,734)	(1,224,100)
Total assets	15,636,105	267,569	15,903,674
Total liabilities	(479,516)	-	(479,516)
Other disclosures			
Exploration and evaluation	11,054,927	267,569	11,322,496

	Australia	Canada	Total
	\$	\$	\$
2022			
Results			
Other Income	-	-	-
Compliance and regulatory expenses	(159,213)	-	(159,213)
Consulting and professional fees	(114,051)	-	(114,051)
Employee benefits expense	(626,614)	-	(626,614)
Exploration expenditure	(513,443)	-	(513,443)
Depreciation	(28,809)	-	(28,809)
Share based payments	(1,408,025)	-	(1,408,025)
Other expenses	(179,917)	-	(179,917)
Project & opportunities evaluation	(10,418)	-	(10,418)
Segment results before tax	(3,040,490)	-	(3,040,490)
Total assets	16,809,497	-	16,809,497
Total liabilities	(182,141)	-	(182,141)
Other disclosures			
Exploration and evaluation	10,544,999	-	10,544,999

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 17: Parent Entity Information

The following details information related to the parent entity, Equinox Resources, as at 30 June 2023. The information presented here has been prepared using consistent accounting policies as presented in Note 1

	30 June 2023 \$	30 June 2022 \$
Assets		
Current assets	4,381,863	6,189,277
Non-current assets	11,254,352	10,620,220
Total assets	15,636,215	16,809,497
Liabilities		
Current liabilities	144,435	163,326
Non-current liabilities	71,389	18,815
Total liabilities	215,824	182,141
Net assets	15,420,391	16,627,357
Equity		
Issued Capital	18,259,822	18,259,822
Reserves	594,175	579,775
Accumulated losses	(3,433,606)	(2,212,240)
Total equity	15,420,391	16,627,357
Profit/(loss) for the year	(1,221,365)	(3,040,490)

Note 18: Subsequent Events

Subsequent to 30 June 2023, the Company has made the following changes to the Board effective 4 July 2023.

- Mr Mena Habib resigned from his position as Non-Executive Director.
- The Company appointed Mr Ming Tsen (Vincent) Chye as Non-Executive Director.

The Company has made the following changes to the management team:

Effective 10 August 2023

- Mr Agha Shahzad Pervez resigned from this position as Chief Financial Officer whilst maintaining his role as a continuing Non-Executive director
- Mr Siyuan (Raymond) Chen was appointed as Chief Financial Officer

Effective 12 September 2023

- Mr Jiahe (Gower) He resigned from his position as Chief Executive Officer
- Mr Zekai (Zac) Komur was appointed as Chief Executive Officer

Other than operational results as detailed in the review of operations, there are no other significant matters subsequent to year end.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 19: Related Party Transactions

Directors and key management personnel

Remuneration and other terms of employment of Directors and Other Key Management Personnel are formalised in an employment contract. The major provision of the agreements related to the remuneration are set out below

Agha Shahzad Pervez, Non-Executive Director

- The CFO Consultancy Agreement commenced on 1 July 2021 and will continue until validly terminated in accordance with its terms.
- The Company has agreed to pay Horizon Corporate, an entity associated with Mr Pervez \$10,000 per month (exclusive of GST) which fees will be payable on and from the date of Admission. In addition, Horizon Corporate may bill the Company for additional fees for out-of-scope services to be agreed between the parties. The above amounts are inclusive of all taxes and superannuation amounts.
- Notice/ termination period; without cause 2 months, material change to engagement 1 month
- Effective 10 May 2022, Mr Pervez will be charging a director fee of \$4,400 per month (exclusive of GST), in addition to the CFO agreement.

Gower (Jiahe) He, Chief Executive Officer ("CEO")

- The CEO employment agreement commenced on 9 January 2023 and will continue until validly terminated in accordance with its terms.
- The Company has agreed to pay Mr He \$265,000 (gross) per annum (inclusive of statutory superannuation)
- Notice/termination period without cause 1 month

Other related party transactions

There were no other related party transactions at 30 June 2023.

Note 20: Contingent Liabilities

Pursuant to the Hamersley Iron Ore Project Acquisition Agreement, on completion of the Acquisition the Company:

- a) issued 9,500,000 Performance Shares with Battery Age Resources Ltd ("BM8") entitled to receive 6,650,000 and Lockett entitled to receive 2,850,000 Performance Shares, each to convert into one (1) Share within 24 months upon the Company announcing to the ASX, a Preliminary Feasibility Study in relation to the Hamersley Iron Ore Project, confirming the Hamersley Iron Ore Project is commercially viable.
- b) agreed to pay BM8 a fixed royalty of USD\$0.70 per metric tonne of iron ore which is extracted and sold or otherwise disposed of from the area within the boundaries of the Hamersley Iron Ore Project (as those exist at the date of the Acquisition Agreement); and
- c) agreed to pay Lockett a fixed royalty of USD\$0.30 per metric tonne of iron ore which is extracted and sold or otherwise disposed of from the area within the boundaries of the Hamersley Iron Ore Project (as those exist at the date of the Acquisition Agreement).

There are no contingent assets at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 21: Key Management Personnel

The aggregate compensation made to directors and other member of key management personal of the company are:

	30 June 2023 \$	30 June 2022 \$
Short term benefits	431,294	522,421
Post-employment benefits	11,637	-
Share based payments	15,793	952,486
Total	458,724	1,474,907

Note 22: Commitments

	30 June 2023 \$	30 June 2022 \$
Within one year	739,400	104,200
One year or later but no later than 5 years	-	-
More than 5 years	-	-
Total	739,400	104,200

Exploration tenements – Hamersley Project

In order to maintain the group's tenement in good standing with the Western Australian Department of Mines, Industry Regulation and Safety, the company will be required to incur exploration expenditure under the terms of each licence. It is likely that the granting of new licences and changes in terms of each licence will change the expenditure commitment from time to time. Current expenditure commitment for Hamersley iron ore tenements is \$104,200.

Exploration tenements – Dome Lake Project

In order to maintain the Group's tenements in good standing and available for renewal the Group is required to incur exploration expenditure under the terms of each licence. It is likely that the granting of new licences and changes in terms of each licence will change the expenditure commitment from time to time. Current expenditure commitment for Dome Lake tenements is \$313,200.

Exploration tenements – Larder Lake Project

In order to maintain the Group's tenements in good standing and available for renewal the Group is required to incur exploration expenditure under the terms of each licence. It is likely that the granting of new licences and changes in terms of each licence will change the expenditure commitment from time to time. Current expenditure commitment for Larder Lake tenements is \$234,000.

Exploration tenements – Auxesia Project

In order to maintain the Group's tenements in good standing and available for renewal the Group is required to incur exploration expenditure under the terms of each licence. It is likely that the granting of new licences and changes in terms of each licence will change the expenditure commitment from time to time. Current expenditure commitment for Auxesia tenements is \$88,000.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 23: Cash Flow Reconciliation

Reconciliation of loss after income tax to net cash outflow from operating activities

	30 June 2023	30 June 2022
	\$	\$
Loss after income tax	(1,224,100)	(3,040,490)
<i>Adjustment for non-cash items</i>		
Depreciation	63,553	28,809
Share based payment	15,793	1,408,025
Profit from lease termination	(2,058)	-
<i>Increase/ (decrease) in:</i>		
(Increase)/decrease in receivables	19,076	(37,610)
(Increase)/decrease in prepayments	(6,699)	(45,081)
Increase/(decrease) in creditors and accruals	50,559	297,168
(Increase)/decrease in net leasing balance	5,353	-
Net cash outflow from operating activities	(1,078,523)	(1,389,179)

Note 24: Financial Risk Management

The Entity's principal financial instruments comprise mainly of deposits with banks, receivable and payables.

The Entity manages its exposure to key financial risks, including interest rate and currency risk in accordance with the entity's financial risk management policy. The objective of the policy is to support the delivery of the Entity's financial targets whilst protecting future financial security.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below.

1. Financial Risk Exposures and Management

The group's activities expose it to financial risks, market risk (including currency risk, fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. The level of activity during the financial year did not warrant using derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge certain risk exposures. Where relevant and appropriate, the Company will avail itself of appropriate hedging instruments in future financial years.

2. Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash to fund the group's activities. The directors regularly monitor the Company's cash position and on an on-going basis consider a number of strategic initiatives to ensure that adequate funding continues to be available.

The table below reflects all contractually fixed pay-offs and receivables for settlement, repayments and interest resulting from recognised financial assets and liabilities. The undiscounted cash flows for the respective upcoming fiscal years are presented. Cash flows for financial assets and liabilities without a fixed amount or timing are based on the conditions existing at 30 June 2023.

Maturity analysis of financial assets and liability based on management's expectation

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 24: Financial Risk Management (Continued)

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows. Trade payables and other financial liabilities mainly originate from the financing of the day to day operations of the entity. These assets are considered in the entity's overall liquidity risk.

Year ended 30 June 2023	≤ 6 months \$	6-12 months \$	1-5 years \$	> 5 years \$	Total \$
Financial assets					
Cash and cash equivalents	4,266,763	-	-	-	4,266,763
Trade and other receivables	63,319	-	-	-	63,319
	4,330,082	-	-	-	4,330,082
Financial liabilities at amortised cost					
Trade and other payables	256,613	-	-	-	256,613
Lease Liability	26,803	28,127	71,452	-	126,382
	283,416	28,127	71,452	-	382,995
Year ended 30 June 2022	≤ 6 months \$	6-12 months \$	1-5 years \$	> 5 years \$	Total \$
Financial assets					
Cash and cash equivalents	6,106,586	-	-	-	6,106,586
Trade and other receivables	37,610	-	-	-	37,610
	6,144,196	-	-	-	6,144,196
Financial liabilities at amortised cost					
Trade and other payables	34,546	-	-	-	34,546
Lease Liability	21,379	22,297	18,816	-	62,492
	55,925	22,297	18,816	-	97,038

3. Interest Rate Risk

The Group has no borrowings or interest-bearing assets with a variable interest rate and hence there is no exposure to interest rate risk associated with debt or reliance on interest income. There is no material interest rate risk.

4. Price Risk

The Company's exposure to commodity and equity securities price risk is minimal at present.

5. Net Fair Values

Due to short term nature of the receivables and payables the carrying value approximates the fair value.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 25: Interest in Subsidiaries

The consolidated financial statement includes the financial statements of Equinox Resources Ltd. And its subsidiaries listed in the following table.

Subsidiary	Principal activity in the year	Country of incorporation	Equity Holdings 30 June 2023	Date of incorporation
EQN Canada INC.	Lithium exploration	Canada	100%	6 December 2022

Note 26: Share Based Payment

Employee Performance Rights

The following table details the number and weighted average grant fair value at grant date of Performance Rights outstanding at the period end.

Grant date	Share price at grant date	Expiry date	Expected volatility	Risk-free interest rate	Weighted average grant date fair value	Number of PRs outstanding at the end of period
9/01/2023	\$0.125	31/01/2026	95.16%	3.95%	\$0.103	1,000,000

On 9 January 2023, the Company granted and accounted for 1,000,000 Performance Rights with an expiry date 3 years from the date of issue, being 31 January 2026. The terms and conditions of the Performance Rights are set out below.

- 250,000 Performance Right which will each convert into one share each, subject to the Company achieving a \$0.40 VWAP over 20 days on or before 31 January 2026 (Tranche 1).
- 250,000 Performance Right which will each convert into one share, subject to the Company achieving a \$0.60 VWAP over 20 days on or before 31 January 2026 (Tranche 2).
- 500,000 Performance Right which will each convert into one share, subject to the Company securing a mutually binding (take or pay) Offtake Agreement with a bankable counterparty for at least 30% of a Phase 1 production plan on or before 31 January 2026 (Tranche 3).

The total value of the Tranche 1 Performance Rights is \$21,888 and the value has been derived using the Monte Carlo Model. The cost of \$3,367 has been expensed in the period to 30 June 2023.

The total value of the Tranche 2 Performance Rights is \$18,265 and the value has been derived using the Monte Carlo Model. The cost of \$2,810 has been expensed in the period to 30 June 2023.

The tranche 3 Performance Rights have been valued at \$0.0125 each, based on the spot price on issue date, for a total value of \$62,500. As the milestones attached to the rights are non-market based, and it is considered probable that the milestones will be met. The cost of \$9,615 has been expensed in the period to 30 June 2023.

NOTES TO THE CONSOLIDATED FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Note 26: Share Based Payment (Continued)

Options Issued

The Company provides directors, certain employees and advisors with share options. The options are exercisable at set prices and the vesting and exercisable terms varied to suit each grant of options.

	2023		2022	
	Number of options	Weighted average exercise price (cents)	Number of options	Weighted average exercise price (cents)
Outstanding 1 July 2022	7,000,000	30	17,000,000	30
Issued	-	-	-	-
Lapsed	-	-	(10,000,000)	30
Exercised	-	-	-	-
Outstanding 30 June 2023	7,000,000	30	7,000,000	30

The weighted average remaining contractual life of options outstanding at the end of the financial year was 0.5 years (2022: 1.5 years).

DIRECTOR'S DECLARATION

In the Director's opinion:

1. The financial statements and notes set out on pages 21 to 44 are in accordance with the Corporations Act 2001, including:
 - a) complying with Australian Accounting Standards and Corporations Regulations 2001;
 - b) giving a true and fair view, the Company's financial position as at 30 June 2023 and of its performance for the period ended on that date
 - c) complying with International Financial Reporting Standards as disclosed in Note 1; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. This declaration has been made after receiving the declaration required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2023.

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

A handwritten signature in black ink, appearing to read 'Robert Martin', positioned above a horizontal line.

Robert Martin
Non-Executive Chairman
Dated: 20 September 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Equinox Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Equinox Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key Audit Matters

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

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Key Audit Matter	How our audit addressed the key audit matter
Carrying amount of exploration and evaluation asset Note 7	
<p>In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources, the Group capitalises acquisition costs of rights to explore and applies the cost model after recognition.</p> <p>Our audit focussed on the Group's assessment of the carrying amount of the capitalised exploration and evaluation asset, because this is one of the significant assets of the Group.</p> <p>There is a risk that the capitalised expenditure no longer meets the recognition criteria of the standard. In addition, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.</p>	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> • We obtained an understanding of the key processes associated with management's review of the exploration and evaluation asset carrying values; • We considered the Director's assessment of potential indicators of impairment; • We obtained evidence that the Group has current rights to tenure of its area of interest; • We substantiated sample of additions to exploration expenditure during the year; • We examined the exploration budget for 2024 and discussed with management the nature of planned ongoing activities; • We enquired with management, reviewed ASX announcements and minutes of Directors' meetings to ensure that the Group had not decided to discontinue exploration and evaluation at its area of interest; and • We examined the disclosures made in the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

In 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 have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Equinox Resources Limited for the year ended 30 June 2023 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.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
20 September 2023



N G Neill
Partner

CORPORATE GOVERNANCE STATEMENT

The Board of Equinox Resources Limited are committed to achieving and demonstrating the highest standards of corporate governance. As such, the Company has adopted what it believes to be appropriate corporate governance policies and practices having regard to its size and the nature of its activities.

The Board has adopted the ASX Corporate Governance Principles and Recommendations which are complemented by the Company's core principles of honesty and integrity. The corporate governance policies and practices adopted by the Board are outlined in the Corporate Governance section of the Company's website <https://www.eqnx.com.au/corporate-governance/>

Equinox has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2023 corporate governance statement is dated 20 September 2023 and reflects the corporate governance practices in place throughout the 2023 financial period.

The 2023 corporate governance statement was approved by the Board on 20 September 2023. A description of the Company's current corporate government practices is set out in the Company's corporate governance statement which can be viewed on the Company's website.

The Company has also lodged an Appendix 4G with this Annual Report.

ADDITIONAL INFORMATION

Additional information required by Australian Securities Exchange Limited and not shown elsewhere in this Annual Report is as follows. The information is as at 18 August 2023.

Number of Holders of Equity Securities

Ordinary Shareholders

There are 95,500,001 fully paid ordinary shares on issue, held by 452 shareholders.

Twenty Largest Shareholders

	Shareholder Name	Fully Paid Ordinary Shares	
		Number	Percentage
1	BATTERY AGE MINERALS LIMITED	35,000,000	36.65
2	LOCKETT FE PTY LTD	15,000,000	15.71
3	MR BILAL AHMAD	4,910,000	5.14
4	MR SUFIAN AHMAD	3,695,239	3.87
5	MR MARX LIN	2,250,000	2.36
6	MARKOVIC FAMILY NO 2 PTY LTD	2,000,000	2.09
7	KOBALA INVESTMENTS PTY LTD	1,740,000	1.82
8	MR SUFIAN AHMAD	1,699,800	1.78
9	RIMOYNE PTY LTD	1,599,708	1.68
10	RUBI HOLDINGS PTY LTD	1,250,000	1.31
11	MR ROBERT VELLETRI & MRS FRANCINE LEE VELLETRI	1,000,000	1.05
12	DIAB INVESTMENTS PTY LTD	1,000,000	1.05
13	EUROVEST PTY LTD	877,500	0.92
14	MR AHMED NOMAN	831,999	0.87
15	MR MOBEEN IQBAL	580,000	0.61
16	UPSKY EQUITY PTY LTD	525,000	0.55
17	ACME RESOURCES PTY LTD	516,088	0.54
18	BARCLAY WELLS LTD	500,000	0.52
19	BNP PARIBAS NOMS PTY LTD	445,154	0.47
20	AHWAZ ENTERPRISES PTY LTD	444,361	0.47
		75,864,849	79.46

Voting Rights

Each member entitled to vote may vote in person or by proxy or by attorney and on a show of hands. Every person who is a member or a representative or a proxy of a member shall have one vote and on a poll every member present in person or by proxy or attorney or other authorised representative shall have one vote for each share held.

Holders Of Non-Marketable Parcels

There are 42 shareholders who hold less than a marketable parcel of shares.

ADDITIONAL INFORMATION (Continued)

Distribution of Shareholders

Spreads of Holdings	Number of Holders	Number of Units	% Of Total Issued Capital
1-1,000	15	1,060	0.00%
1,001-5,000	69	229,595	0.24%
5001-10,000	75	667,158	0.70%
10,001-100,000	223	8,856,890	9.27%
100,001-999,999,999	70	85,745,298	89.79%
Total	452	95,500,001	100%

Substantial Shareholders

As at report date, the following shareholders are recorded in the Register as a Substantial Shareholders:

Name	No. of Shares
Battery Age Minerals Ltd	35,000,000
Lockett Fe Pty Ltd	15,000,000
Mr Bilal Ahmad	4,910,000

Share Buy-Backs

There is no current on-market buy-back scheme.

Options

Company had 6,871,233 unlisted options on issue with an exercise price of \$0.30 and an expiry date of 6 October 2024.

Unlisted options do not carry any voting rights.

Distribution of Option Holders

Details of Options \$0.30, expiry 06/10/2024 unlisted options

Spreads of Holdings	Number of Holders
1 - 1,000	0
1,0001 - 5,000	0
5,001 - 10,000	0
10,0001 - 100,000	0
100,001 - 999,999,999	4

Holders of greater than 20% or more of these unlisted options are as follows: -

Sixty Two Capital Pty Ltd 2,500,000, exercise price \$0.30, expiry 06/10/2024
Cannacord Equities Pty Ltd 2,500,000, exercise price \$0.30, expiry 06/10/2024

Distribution of Performance Shares

Details of Performance Shares

Spreads of Holdings	Number of Holders
1 - 1,000	0
1,0001 - 5,000	0
5,001 - 10,000	0
10,0001 - 100,000	0
100,001 - 999,999,999	2

ADDITIONAL INFORMATION (Continued)

Each Performance Share will, at the election of the holder, convert into one Share, subject to the Company announcing to the ASX a positive preliminary Feasibility Study in relation to the Hamersley Iron Ore Project, confirming the Hamersley Iron Ore Project is commercially viable. Performance shares expires on 6 October 2023.

The above performance shares are subject to ASX escrow restrictions until 13 October 2023.

Holders of greater than 20% or more of these unlisted options are as follows: -

Battery Age Minerals Ltd - 6,650,000 (70%)
Lockett FE Pty Ltd - 2,850,000 (30%)

Other Information

Equinox Resources Limited, incorporated and domiciled in Australia, is a public listed Company limited by shares.

Equinox Resources Limited has used its cash and assets in a form readily convertible to cash that it held at the time of listing, in a way consistent with its stated business objectives.

Restricted Securities

The following Company securities are subject to restriction, as detailed below:

Securities	Number	Escrow end date
Fully Paid Ordinary Shares	50,500,000	13/10/2023
Options (\$0.30)	6,871,233	13/10/2023
Performance Shares	9,500,000	13/10/2023

Schedule of Tenements

Project	Tenement/Tenure ID	EQN's Interest
Hamersley Project	ML 47/1450-I	100%
	E47/4987	100% (In application)
Auxesia Project	E15/1902, E15/1903	100%
Dome Lake Project	764625-765049, 765123-765135, 765156-765200, 765365-765382, 766417-766444, 766899-766928, 766939-767162	100%
	772983-773057, 773007-773096, 773108-773206, 776638-776660, 777437-777462, 777464-777479, 783088-783122, 783131-783178, 790316-790450, 790562-790572, 790574-790623, 790625-790671	100%
Larder Lake Project		