

DUKETON MINING LIMITED

ANNUAL REPORT

2023

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Corporate Information

DUKETON MINING LIMITED

ABN 76 159 084 107

Directors

Seamus Cornelius (Non-Executive Chairman)

Stuart Fogarty (Managing Director)

Heath Hellewell (Non-Executive Director)

Company Secretary

Dennis Wilkins

Registered Office

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Principal Place of Business

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Telephone: +61 8 6315 1490

Solicitors

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MT LAWLEY WA 6050

Share Registry

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PERTH WA 6000

Telephone: 1300 288 664

Web: www.automicgroup.com.au

Auditors

Hall Chadwick WA Audit Pty Ltd

283 Rokeby Road

SUBIACO WA 6008

Internet Address

www.duketonmining.com.au

Stock Exchange Listing

Duketon Mining Limited shares are listed on the Australian Securities Exchange (ASX code: DKM)

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Review of Operations

1. Review of Operations

1.1 Strategy and Objectives

The Company remains focused on building shareholder value through measured exploration on multitude projects across several different commodities and mining studies focused on our current nickel/copper/PGE assets. The Company continues to systematically work through all of the outstanding technical risks of the two mineral resources the company owns. This includes expanding the resources, assessing alternative metallurgical options and exploring for additional resources within the broader tenement package. The Company continues to add alternative exploration options across a number of commodities through low entry cost applications of tenements within Western Australia. The prospectivity of these projects are systematically assessed for a range of commodities and then proposed for relinquishment, vending into another company or being held as part of the key tenure of the company. Therefore, the Company remains in a strong position of having a technically de-risked portfolio of projects at varying stages of understanding and continues to have the appropriate personnel to take full advantage of those opportunities as they develop.

During the year ended 30 June 2023 the Company has actively pursued multiple internal and external opportunities. The Company remains focused on creating value through advancing its internal pipeline of opportunities including the following:

- Expanding known nickel deposits through targeted extensions to Rosie and C2;
- Studying mining scenarios of Rosie and C2 both individually and combined;
- Discovering new nickel deposits through regional work in the Bulge area and other new areas; and
- Opportunistically acquiring tenements on prospective ground within Western Australia.

The Company's primary objective continues to focus on achieving returns for shareholders through focused proactive exploration and advancement of mining studies in the Duketon Belt whilst maintaining a watch over potential acquisitions outside of this area.

We are uniquely de-risked technically with respect to nickel within the Duketon Belt and surrounding areas. Economic nickel sulphides have already been delineated within Duketon's 100% owned mining lease at Rosie and C2 deposits. These discoveries show the further upside potential of the tenement package that Duketon controls.

The Company's tenements and nickel rights are within the Duketon Greenstone Belt starting immediately north of the town of Laverton. The Company believes that there is considerable upside in the areas covered by these tenements and continues to review the land holding to further advance understanding of the geological and mineralising controls with the intention of unlocking additional value from within the Company's current and future asset base.

During the first half of the year drilling focused primarily on Rosie and in particular targeted deeper zones of mineralisation. This drilling confirms that Rosie continues and remains open at depth below 550m. Towards the second half of the year the C2 Mineral Resource was updated to incorporate new drilling. Duketon's total Mineral Resource at the C2 and Rosie deposits (see below), was increased to **102,527t of nickel, 14,163t of copper and 254,712oz of PGEs** (see ASX announcement 12 December 2022). Mineralisation remains open in all directions at both deposits.

During the year Phase 2 of the moving loop electro-magnetic (MLEM) survey was completed north of the Rosie and C2 deposits. Multiple MLEM anomalies were identified in the area and programmed for drill testing (see ASX announcement 2 November 2022). The MLEM surveys focused on The Bulge area and the Tate project later in the year identifying a number of anomalies.

Drilling in the areas north of The Bulge commenced in the middle of the year and was unsuccessful in discovering economic nickel mineralisation. Late in the year drilling was successful in identifying new mineralisation approximately 350m to the west of Rosie (see ASX announcement 28 February 2023). MLEM was conducted in this area and identified a large anomaly. Subsequent drilling intersected nickel mineralisation albeit narrow.

Late in the year an alternative value add processing pathway was confirmed for the Duketon nickel concentrate. This utilised a pressure oxidation circuit and resulted in very high leach extractions of nickel, copper and cobalt into solution (see ASX announcement 11 May 2023).

Review of Operations (Cont'd)

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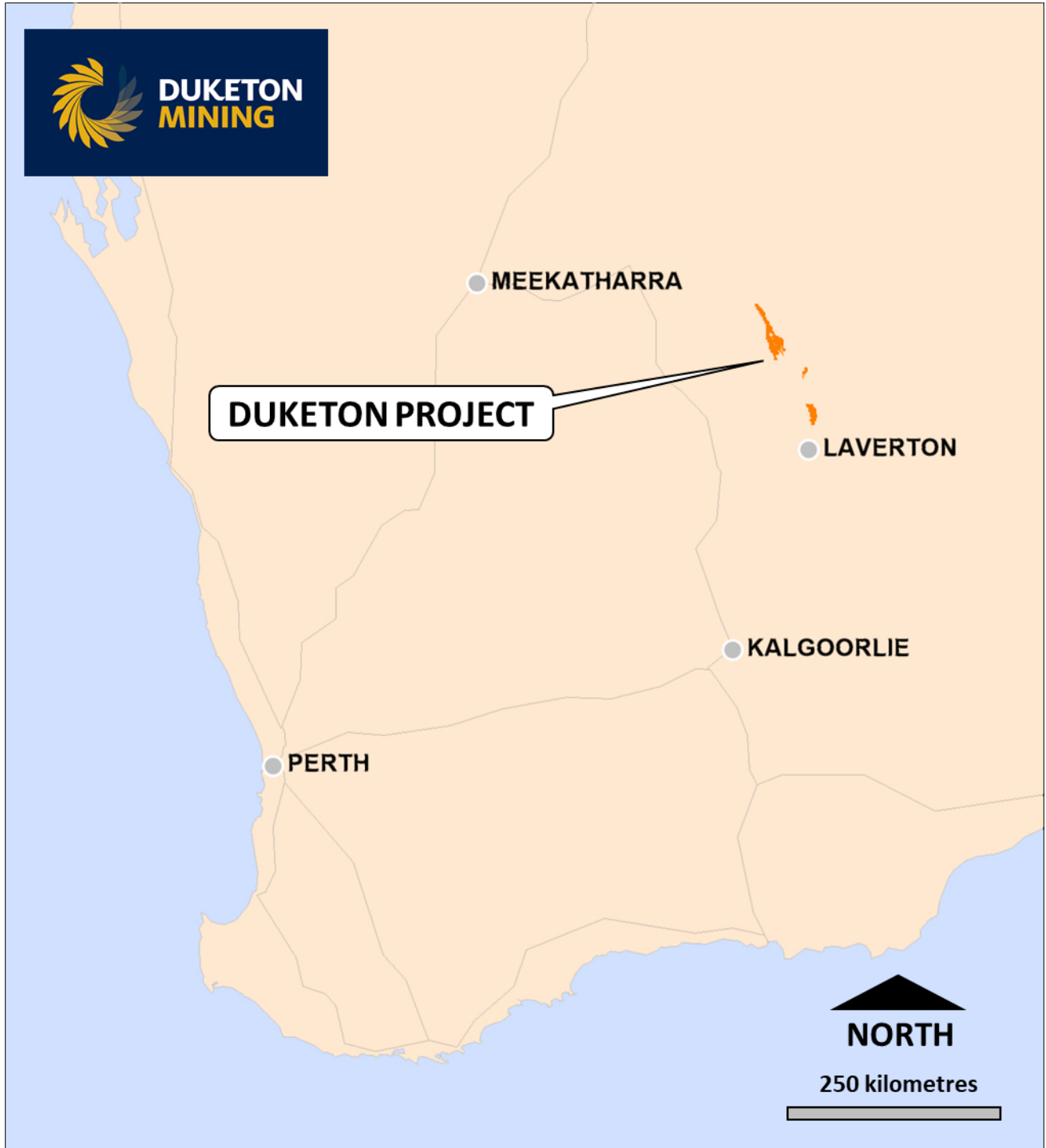


Figure 1: Location of the Duketon Project

Review of Operations (Cont'd)

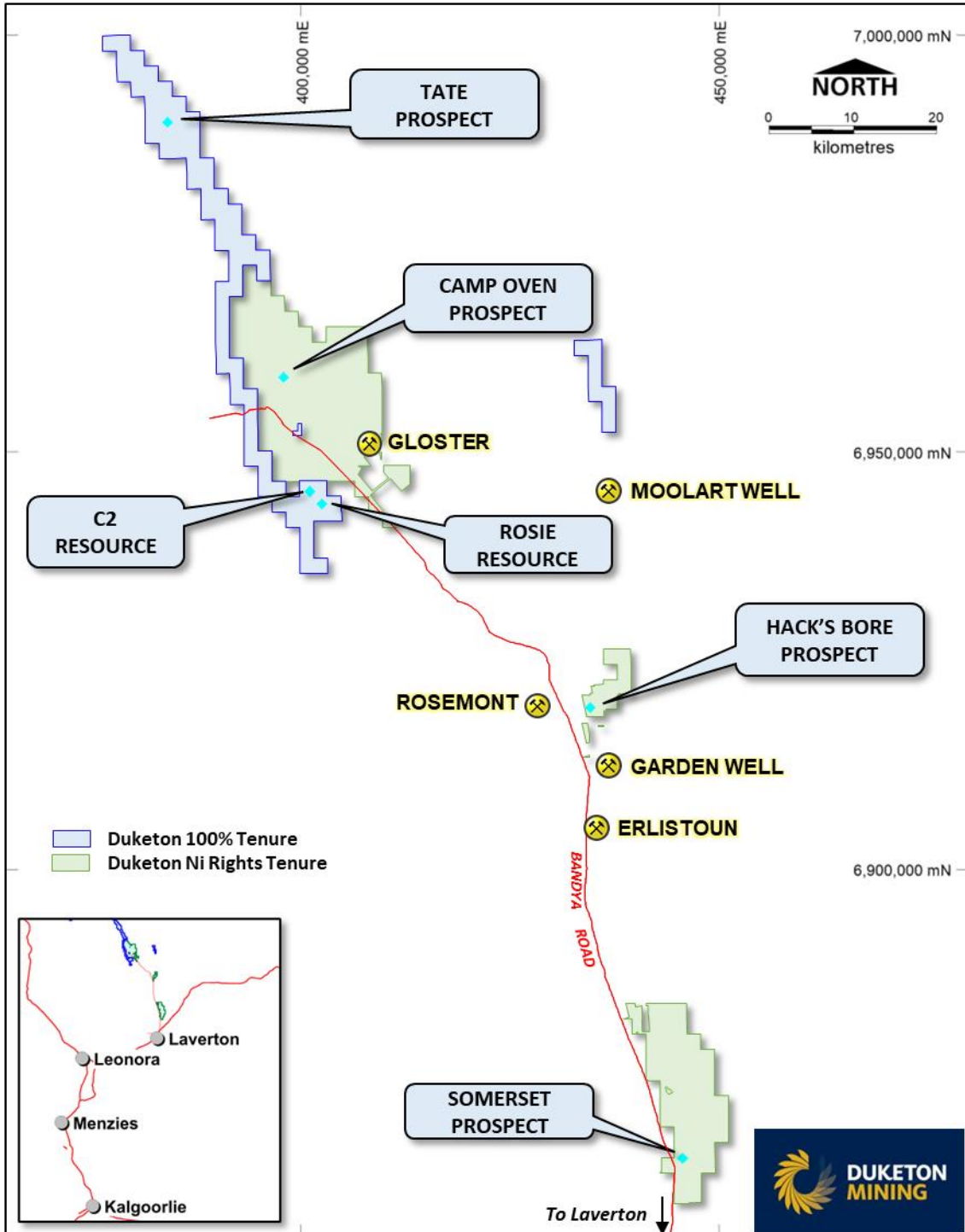


Figure 2: Duketon Project showing DKM tenements and location of Nickel Prospects

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Review of Operations (Cont'd)

1.2 Exploration

1.2.1 Rosie

The Rosie deposit is situated approximately 110km north of Laverton, Western Australia. The project can be accessed via sealed and formed gravel roads (Bandy Rd) from Laverton.

Mineralisation at Rosie consists of disseminated, matrix, stringer and brecciated massive Ni-Cu-PGE sulphides at, or adjacent to, the lower contact of the Bulge Ultramafic Complex, interpreted to be a classic komatiitic lava channel style nickel sulphide mineralisation.

The Rosie Mineral Resource was reviewed and recalculated in March 2022 and detailed in Table 1a. For comparison the previously stated Mineral Resource for Rosie (March 2021) is shown in Table 1b. The total Contained Metal Tonnes for Rosie (March 2022) is shown in Table 2.

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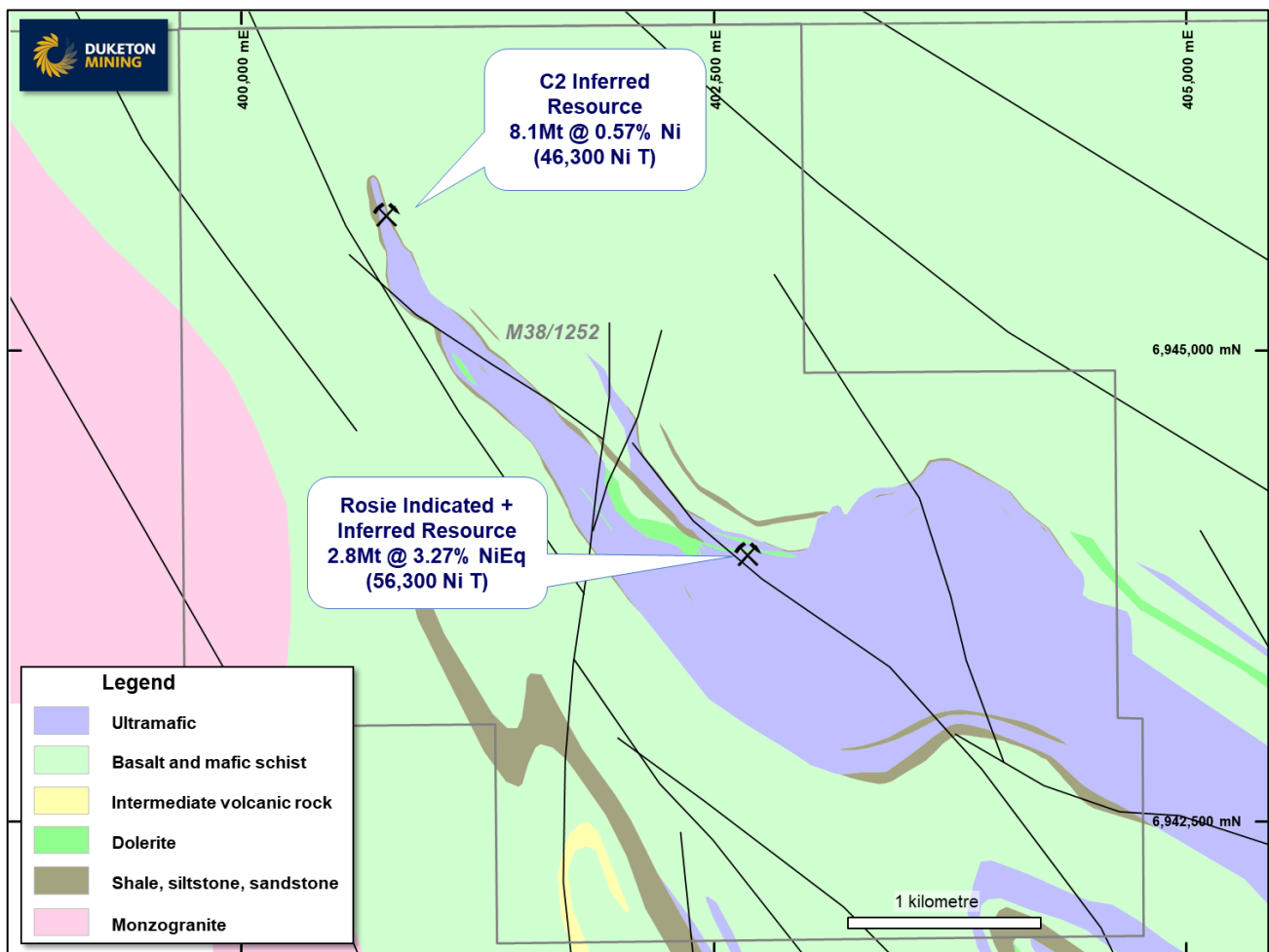


Figure 3: Location Plan of C2 and Rosie Resources.

Review of Operations (Cont'd)

Rosie Nickel Resource >1% NiEq							
Classification	Sulphide	Tonnes	Ni (%)	Cu (%)	Co (ppm)	Total PGEs (g/t)	NiEq (%)
Indicated	Pentlandite	1,191,555	2.4	0.42	642	2.7	3.76
	Violarite	820,999	1.7	0.39	504	2.5	2.75
	Sub-Total	2,012,553	2.1	0.41	585	2.6	3.35
Inferred	Pentlandite	694,751	1.8	0.48	580	2.5	3.13
	Violarite	66,179	1.5	0.42	442	1.7	2.36
	Sub-Total	760,930	1.8	0.48	568	2.4	3.06
Total	All	2,773,483	2.0	0.43	580	2.6	3.27

Table 1a: Rosie Nickel Resource > 1.0% Ni as at 10th March 2022

Rosie Nickel Resource >1% NiEq							
Classification	Sulphide	Tonnes	Ni (%)	Cu (%)	Co (ppm)	Total PGEs (g/t)	NiEq (%)
Indicated	Pentlandite	960,893	2.3	0.41	610	2.6	3.60
	Violarite	745,813	1.7	0.36	490	2.5	2.70
	Sub-Total	1,706,706	2.0	0.39	560	2.5	3.21
Inferred	Pentlandite	751,559	1.8	0.47	570	2.5	3.08
	Violarite	98,676	1.5	0.43	460	2.2	2.51
	Sub-Total	850,234	1.7	0.47	560	2.5	3.01
Total	All	2,556,940	1.9	0.42	560	2.5	3.14

Table 1b: Rosie Nickel Resource > 1.0% Ni (4th March 2021)

Classification	Ore Type	Contained Metal			
		Ni (t)	Cu (t)	Co (t)	Total PGEs (oz)
Indicated	Pentlandite	28,524	4,978	764	104,868
	Violarite	13,966	3,230	414	64,869
	Sub-Total	42,490	8,208	1,178	169,737
Inferred	Pentlandite	12,786	3,337	403	55,740
	Violarite	987	279	29	3,551
	Sub-Total	13,774	3,616	432	59,291
Total	Total	56,264	11,824	1,610	229,028

Table 2: Rosie Nickel Resource > 1.0% Ni – Contained Metal (10th March 2022)

Review of Operations (Cont'd)

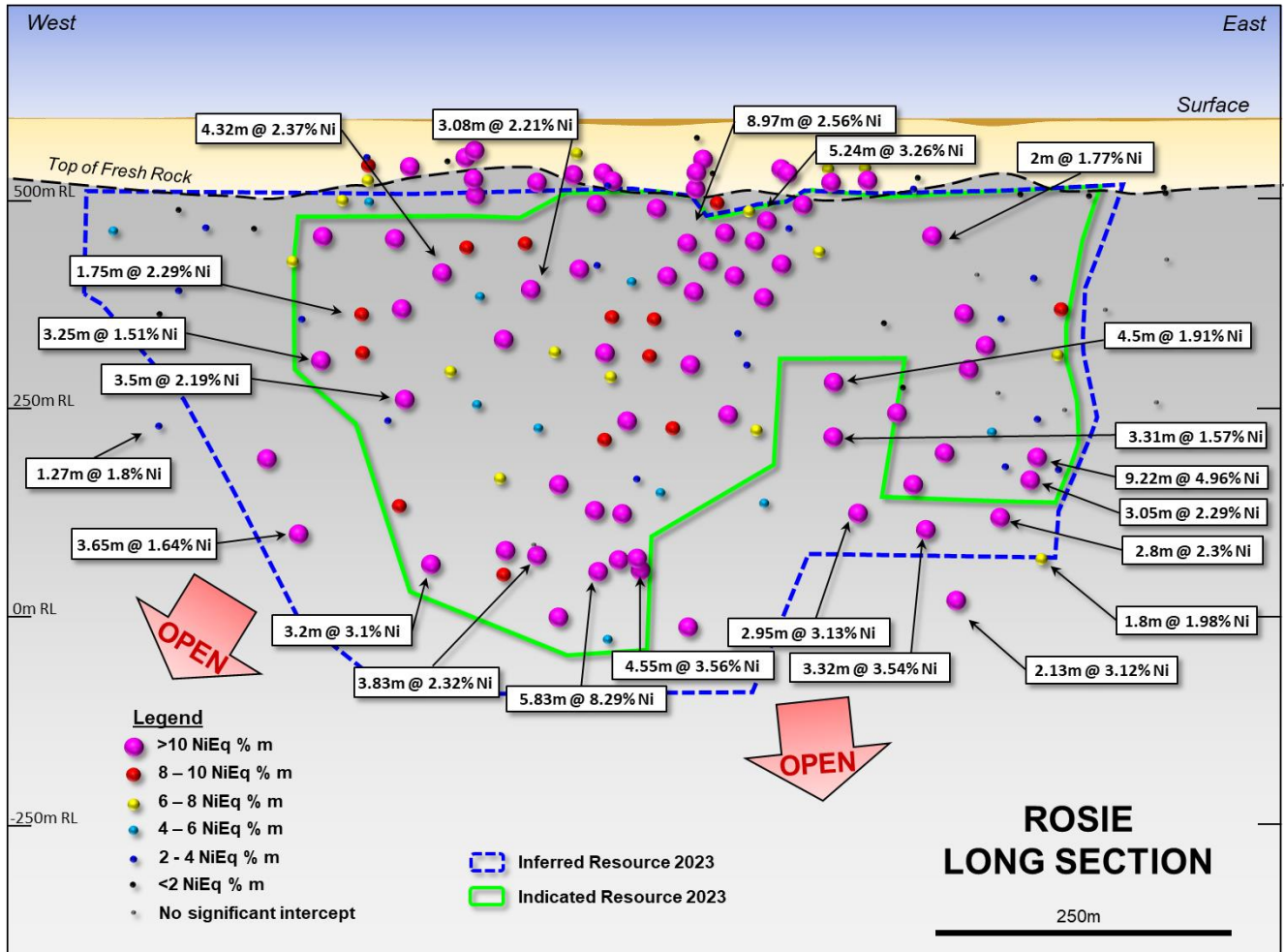


Figure 4: Long section of Rosie looking toward the northeast showing significant intercepts

1.2.2 C2

The C2 deposit is situated approximately 2km north of Rosie and consists of a series of disseminated, blebby and matrix sulphide zones within and proximal to the contacts of the ultramafic complex. Three broad zones of mineralisation have been interpreted.

The Company published an updated Mineral Resource estimate for the C2 deposit in December 2022. This Inferred Mineral Resource estimate at C2 is 8.06 million tonnes averaging 0.57% nickel, 0.03% copper and 0.1g/t platinum and palladium for a contained **46,263 tonnes of nickel and associated copper, platinum and palladium** (see Tables 3 and 4). This represents the in-situ undiluted Mineral Resource at 0.4% nickel lower cut-off (see Tables 3 and 4). Nickel mineralisation is robust and continuous.

For comparison the previously stated Mineral Resource for C2 (January 2015) which was calculated using a 0.5% nickel lower cut-off is shown in Table 4. The total Contained Metal Tonnes for C2 (December 2022) is shown in Table 5.

The total Mineral Resource for the Duketon project, comprising C2 and the Rosie deposit (see ASX Announcement 12 December 2022), stands at **102,527t of nickel, 14,163t of copper and 254,712oz of PGEs**.

Review of Operations (Cont'd)

C2 Nickel Resource >0.4%Ni – December 2022						
Classification	Tonnes	Ni (%)	Cu (%)	Pd (ppb)	Pt (ppb)	S (%)
Indicated	7,955,751	0.57	0.03	56.7	42.8	1.7
Inferred	107,790	0.44	0.01	34.7	31.4	0.5
Total	8,063,541	0.57	0.03	56.5	42.7	1.7

Table 3: C2 Mineral Resource Statement (December 2022) >0.4% Ni

C2 Nickel Resource >0.5%Ni – January 2015				
Classification	Oxidation	Tonnes	Ni (%)	Ni (t)
Inferred	Fresh	5,100,000	0.7	34,200
	Transitional	600,000	0.6	3,800
Total		5,700,000	0.7	38,000

Table 4: C2 Mineral Resource Statement (January 2015) >0.5% Ni

Classification	Ni tonnes	Cu tonnes	Co tonnes	PGE oz
Indicated	45,790	2,325	1,490	25,455
Inferred	474	15	14	229
Total	46,263	2,339	1,505	25,684

Table 5: C2 Nickel Resource > 0.4% Ni – Contained Metal (December 2022)

For comparison the previously stated (January 2015) and the updated Mineral Resource (December 2022) for C2 shown in Table 6.

Classification	January 2015 Resource			December 2022 Resource			Change %		
	tonnes	Ni %	metal	tonnes	Ni %	metal	tonnes	Ni %	metal
Indicated				7,955,751	0.58	45,790			
Inferred	5,700,000	0.7	38,000	107,790	0.44	474	-98%	-37%	-99%
Total	5,700,000	0.7	38,000	8,063,541	0.57	46,263	41%	-18%	22%

Table 6: C2 - Comparison between January 2015 and December 2022 MREs

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Review of Operations (Cont'd)

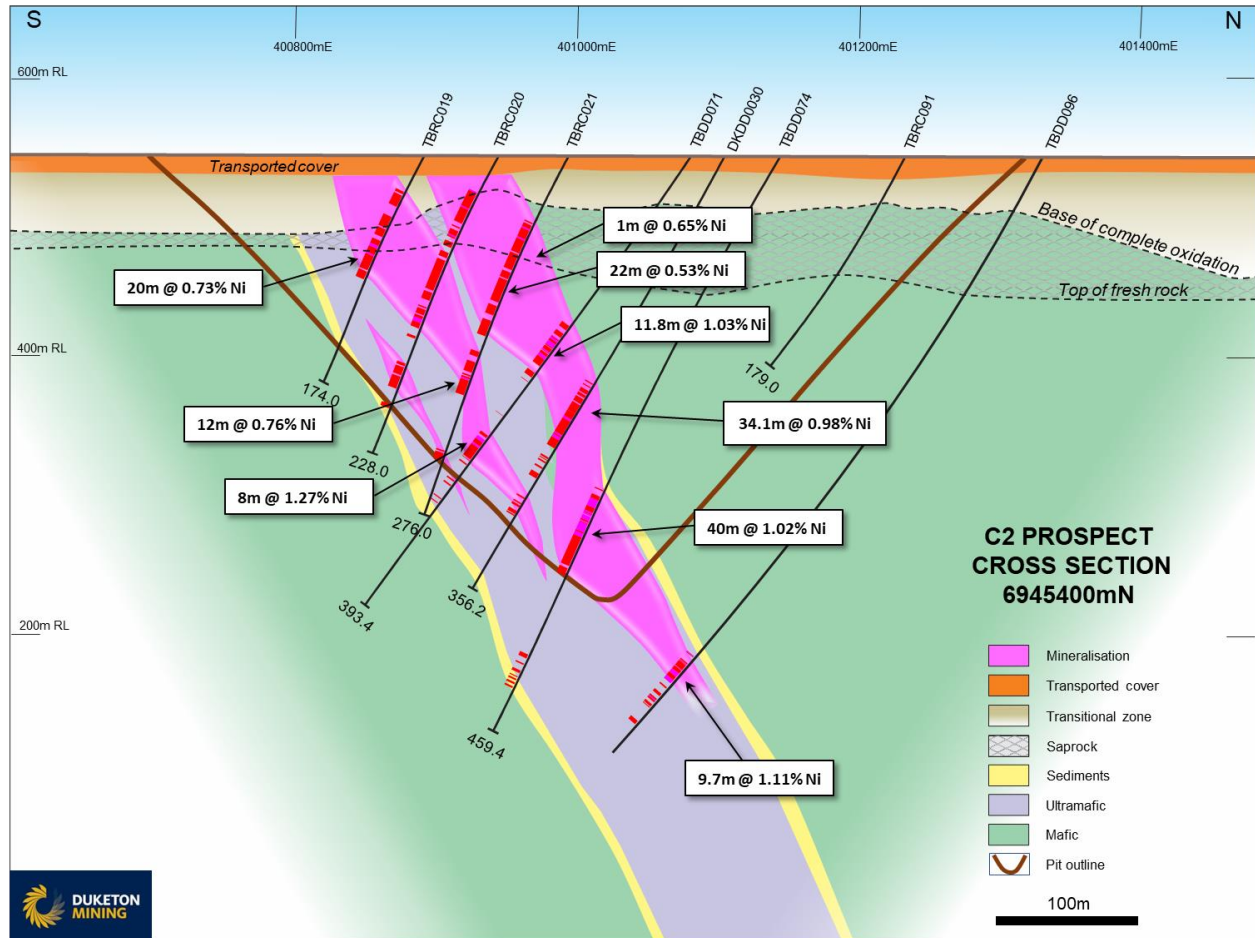


Figure 5: C2 Cross Section

1.2.3 Regional Exploration

Regional exploration has been ongoing throughout the year. Multiple new targets across a number of different commodities have been generated creating a significant and robust pipeline of organic opportunities.

2. Corporate

2.1 Element 25 Limited

The Company holds an equity position in Element 25 Limited.

For further details, please refer to the Element 25 Limited website at www.element25.com.au.

2.2 Buxton Resources Limited

The Company holds an equity position in Buxton Resources Limited.

For further details, please refer to the Buxton Resources Limited website at www.buxtonresources.com.au.

2.3 Other Equities

The Company continues to hold some minor equity positions in several other listed and unlisted companies.

For further details, please refer to the Company website.

Review of Operations (Cont'd)

Appendix 1 – Summary of JORC Resources

Table 1a: Total Nickel Mineral Resources as at 30 June 2022

Project	Measured			Indicated									Inferred								Total									
	Tonnes ('000)	Ni (%)	Ni Tonnes	Tonnes ('000)	Ni (%)	Ni Tonnes	Cu (%)	Cu Tonnes	Co (ppm)	Co Tonnes	PGE's (g/t)	PGE's Oz	Tonnes ('000)	Ni (%)	Ni Tonnes	Cu (%)	Cu Tonnes	Co (ppm)	Co Tonnes	PGE's (g/t)	PGE's Oz	Tonnes ('000)	Ni (%)	Ni Tonnes	Cu (%)	Cu Tonnes	Co (ppm)	Co Tonnes	PGE's (g/t)	PGE's Oz
Rosie				2,012	2.1	42,490	0.41	8,208	585	1,178	2.60	169,737	761	1.8	13,774	0.48	3,616	568	432	2.40	59,291	2,773	2	56,264	0.43	11,824	580	1,610	2.60	229,028
C2													5,700	0.7	38,000	0.04	2280	0	0	0.14	25659	5,700	0.7	38,000	0.04	2280	0	0	0.14	25659
TOTAL				2,012	2.1	42,490	0.41	8,208	585	1,178	2.60	169,737	6,461	0.7	51,774	0.09	5,896	67	432	0.41	84,950	8,473	1.11	94,264	0.17	14,104	190	1,610	0.93	254,687

Table 2a: Total Nickel Mineral Resources as at 30 June 2023

Project	Measured			Indicated									Inferred								Total									
	Tonnes ('000)	Ni (%)	Ni Tonnes	Tonnes ('000)	Ni (%)	Ni Tonnes	Cu (%)	Cu Tonnes	Co (ppm)	Co Tonnes	PGE's (g/t)	PGE's Oz	Tonnes ('000)	Ni (%)	Ni Tonnes	Cu (%)	Cu Tonnes	Co (ppm)	Co Tonnes	PGE's (g/t)	PGE's Oz	Tonnes ('000)	Ni (%)	Ni Tonnes	Cu (%)	Cu Tonnes	Co (ppm)	Co Tonnes	PGE's (g/t)	PGE's Oz
Rosie				2,012	2.1	42,490	0.41	8,208	585	1,178	2.60	169,737	761	1.8	13,774	0.48	3,616	568	432	2.40	59,291	2,773	2	56,264	0.43	11,824	580	1,610	2.60	229,028
C2				7,956	0.57	45,790	0.03	2,325	187	1,490	0.10	25,455	108	0.44	474	0.01	15	129	14	0.06	229	8,063	0.57	46,263	0.03	2,339	186	1,505	0.10	25,684
TOTAL				9,968	0.9	88,280	0.10	10,533	268	2,668	0.61	195,192	869	1.6	14,248	0.42	3,631	513	446	2.13	59,520	10,836	0.9	102,527	0.13	14,163	287	3,115	0.73	254,712

Mineral Resources

Attached as Appendix 1 are two tables comparing the Company's Mineral Resources as at 30 June 2022 and 30 June 2023. No Ore Reserves have been estimated.

Review of material changes

The Company published an updated Mineral Resource estimate for the C2 deposit in December 2022 (refer ASX announcement dated 12 December 2022). The C2 Mineral Resource was updated to incorporate new drilling and was estimated at 0.4% nickel lower cut-off.

Governance controls

All Mineral Resource estimates are prepared by qualified professionals following JORC Code compliant procedures and follow standard industry methodology for drilling, sampling, assaying, geological interpretation, 3-dimensional modelling and grade interpolation techniques.

The Mineral Resource estimates have been calculated by a suitably qualified consultant and overseen by suitably qualified Duketon Mining Limited employee and/or consultant.

Competent Persons Statements

This Mineral Resources Statement as a whole has been approved by Ms Kirsty Culver, Member of the Australian Institute of Geoscientists (AIG) and an employee of Duketon Mining Limited. Ms Culver has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she 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'. Ms Culver has given her prior written consent to the inclusion in this report of the Mineral Resources statement in the form and context in which it appears. Ms Culver is a shareholder in the Company and confirms there is no potential for a conflict of interest in acting as a Competent Person.

The information in this report that relates to Mineral Resources for Rosie and C2 is based on, and fairly represents, information and supporting documentation prepared by Mr Michael Job who is a fellow of the Australasian Institute of Mining and Metallurgy. Mr Job 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'.

Review of Operations (Cont'd)

The information in this report that relates to Mineral Resources for Rosie is extracted from the Company's ASX announcement titled "Rosie Resource Increases in Tonnes Grade and Metal" dated 10 March 2022. The information in this report that relates to Mineral Resources for C2 is extracted from the Company's ASX announcement titled "Duketon Project Increases to over 100k tonnes of Nickel in Resource" dated 12 December 2022. The announcements are available to view on the Company's website (www.duketonmining.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

The information in this report that relates to exploration results is extracted from the Company's ASX announcements noted in the text of the report which are available to view on the Company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements and that the form and context in which the Competent Person's findings are presented have not been materially altered.

Directors' Report

The directors present their report together with the financial report of Duketon Mining Limited ("Duketon" or "the Company") for the year ended 30 June 2023.

DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are as follows. Where applicable, all current and former directorships held in listed public companies over the last three years have been detailed below. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Seamus Cornelius

Non-Executive Chairman, LLB, LLM (Age 57)

Mr Cornelius is an experienced international corporate lawyer and company director. He was a partner with a major international law firm from 2000 to 2010 and resided in China from 1993 until 2017. In 2010, Mr Cornelius commenced his public company career as company director and is currently a director and non-executive chairman of Buxton Resources Ltd since 29 November 2010 and Element 25 Ltd since 30 June 2011. Mr Cornelius has been a director of Danakali Ltd since 15 July 2014 and is currently the Executive Chairman. Mr Cornelius is also non-executive director of First Tin PLC since 7 April 2022 and South Harz Potash Ltd since 21 August 2023.

Stuart Fogarty

Managing Director, B.Sc (Geology) (Hons) (Age 51)

Mr Fogarty has over 20 years of exploration experience with BHP Billiton and Western Mining Corporation, and prior to leaving he was BHP's Senior Exploration Manager for North and South America. Mr Fogarty has a very strong background in nickel and gold exploration, having commenced his career at Kambalda Nickel Operations in 1994. He has held senior roles with BHP including Senior Geoscientist for nickel exploration in the Leinster and Mt Keith region, Project Manager WA Nickel Brownfields and Regional Manager Australia – Asia where he was responsible for a \$100 million per annum exploration budget.

Mr Fogarty is currently a non-executive director of ASX listed Buxton Resources Ltd since 15 March 2017.

Heath Hellewell

Non-Executive Director, B.Sc (Hons), MAIG (Age 53)

Mr Hellewell is an exploration geologist with over 20 years of experience in gold, base metals and diamond exploration predominantly in Australia and West Africa. Most recently, Mr Hellewell was the co-founding Executive Director of Doray Minerals Ltd (Doray), where he was responsible for the company's exploration and new business activities. Following the discovery of its Andy Well gold deposits in 2010, Doray was named "Gold Explorer of the Year" in 2011 by The Gold Mining Journal. In 2014 Mr Hellewell was the co-winner of the prestigious "Prospector of the Year" award, presented by the Association of Mining and Exploration Companies.

Mr Hellewell was also part of the Independence Group NL team that identified and acquired the Tropicana project area, eventually leading to the discovery of the Tropicana and Havana gold deposits.

Mr Hellewell is currently an independent Non-Executive Director of Core Lithium Ltd (formerly Core Exploration Ltd) since 15 September 2014 and Discovex Resources Ltd since 11 March 2021.

COMPANY SECRETARY

Dennis Wilkins

B.Bus, MAICD, ACIS (Age 60)

Mr Wilkins is the founder and principal of DWCorporate Pty Ltd a leading privately held corporate advisory firm servicing the natural resources industry. Since 1994 he has been a director of, and involved in the executive management of, several publicly listed resource companies with operations in Australia, PNG, Scandinavia and Africa. From 1995 to 2001 he was the Finance Director of Lynas Corporation Ltd during the period when the Mt Weld Rare Earths project was acquired by the group. He was also founding director and advisor to Atlas Iron Ltd at the time of Atlas' initial public offering in 2006.

Since July 2001 Mr Wilkins has been running DWCorporate Pty Ltd where he advises on the formation of, and capital raising for, emerging companies in the Australian resources sector. Mr Wilkins is currently a non-executive director of Key Petroleum Ltd since 5 July 2006. Within the last 3 years Mr Wilkins has been a former alternate director of Middle Island Resources Ltd (resigned 31 January 2021).

Directors' Report (Cont'd)

Interests in the shares and options of the company and related bodies corporate

As at the date of this report, the interests of the directors in the shares and options of Duketon Mining Limited were:

	Ordinary Shares	Options over Ordinary Shares
Seamus Cornelius	7,834,396	2,000,000
Stuart Fogarty	1,796,231	6,000,000
Heath Hellewell	723,115	2,000,000

PRINCIPAL ACTIVITIES

The principal activities of the Company during the year consisted of exploration and evaluation of mineral resources. There was no significant change in the nature of the Company's activities during the year.

DIVIDENDS

No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

OPERATING REVIEW

During the year ended 30 June 2023 the Company actively identified opportunities and drilled exploration targets.

The Company remains focused on creating value through advancing its internal pipeline of opportunities including the following:

- Expanding and assessing our known nickel deposits and targeting extensions to Rosie and C2;
- Studying mining scenarios of Rosie and C2 both individually and combined;
- Discovering new nickel deposits through regional work in the Bulge area and other new areas; and
- Opportunistically acquiring tenements on prospective ground within Western Australia.

The Company's primary objective continues to focus on achieving returns for shareholders through focused proactive exploration and advancement of mining studies in the Duketon Belt whilst maintaining a watch over potential acquisitions outside of this area.

Finance Review

The Company began the year with cash reserves of \$16,229,093 and listed equity investments with a market value of \$2,203,821. During the year, the Company issued 54,794 ordinary shares, with a value of \$20,000, to an employee as a reward and incentive. Funds were used for exploration activities on nickel targets within the Duketon Project and working capital purposes.

The Company recorded a net loss after tax of \$2,858,485 (2022: \$9,314,266) for the financial year ended 30 June 2023 and included in the result for the year was exploration expenditure of \$4,510,784 (2022: \$3,060,179). In line with the Company's accounting policies, all exploration expenditure is expensed as it is incurred. The Company had total cash on hand at the end of the year of \$12,474,449, and listed equity investments with a market value of \$3,656,380.

Operating Results for the Year

Summarised operating results are as follows:

	2023	
	Revenues	Loss
	\$	\$
Revenues and loss from ordinary activities before income tax benefit	<u>2,147,205</u>	<u>(3,701,418)</u>

Shareholder Returns

	2023	2022
Basic (loss)/earnings per share (cents)	(2.3)	(7.7)

Directors' Report (Cont'd)

Risk Management

The board is responsible for ensuring that risks, and opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the board.

The Company believes that it is crucial for all board members to be a part of this process, and as such the board has not established a separate risk management committee.

The board has numerous mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the board. These include the following:

- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders' needs and manage business risk.
- Implementation of board approved operating plans and budgets and board monitoring of progress against these budgets.

Company specific business risks that could interfere with the achievement of the Company's future operational and financial success are listed below.

Exploration risks

The mineral tenements of the Company are in the early stages of exploration. Because mineral exploration and development are high-risk undertakings, there can be no assurance that exploration of these other or any future tenements will result in the discovery of an economic deposit. If exploration is successful, there will be additional costs and processes involved in moving to the development phase.

Exploration and development costs are based on estimates and assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may differ materially from these estimates and assumptions. Such differences may materially and adversely affect the Company's viability.

New projects and acquisitions

The Company has to date and will continue to pursue and assess other new business opportunities. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, or direct equity participation. The Directors of the Company will use their expertise and experience in the resources sector to assess the value of potential projects that have characteristics that are likely to provide returns to Shareholders. There can be no guarantee that any new project acquisition or investment will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders.

The acquisition of projects or other assets (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence and prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or successful. If the proposed acquisition is not completed, monies already advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess, at that time, the funding allocated to current projects and new projects or assets, which may result in the Company reallocating funds from other projects and/or the raising of additional capital (if available). Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

Furthermore, if a new investment or acquisition by the Company is completed, ASX may require the Company to seek Shareholder approval and to meet the admission requirements under Chapters 1 and 2 of the ASX Listing Rules as if the Company were a new listing. There would be costs associated in re-complying with the admission requirements. The Company may be required to incur these costs in any event, were it to proceed to seek to acquire a new project which is considered to result in a significant change to the nature or scale of its existing operations.

If a new investment or acquisition is not completed, then the Company may not be in a position to comply with the ongoing ASX Listing Rules, which includes but is not limited to, maintaining a sufficient level of operations and financial position. Given the nature of resource exploration, this may also occur if the Company abandons and/or relinquishes a project which is no longer considered viable.

Any new project or business acquisition may change the risk profile of the Company, particularly if the new project is located in another jurisdiction, involving a new commodity and/or changes to the Company's capital/funding requirements. Should the Company propose or complete the acquisition of a new project or business activity, investors may re-assess their investment in the Company in light of the new project/business activity.

Regulatory risks

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including, without limitation, tenement and concession requirements and risks, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires environmental licences from regulatory authorities to authorise the Company's operations. These licences relate to development, production and rehabilitation activities (although no such activities are currently in progress).

Directors' Report (Cont'd)

Obtaining necessary licences can be a time-consuming process and there is a risk that the Company will not obtain these licences on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary licences and complying with these licences and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project. Any failure to comply with applicable laws and regulations or licences, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the projects in which the Company currently holds an interest.

Resource and Reserve estimates

An estimate is an expression of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

Key personnel and employee's risk

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance that there will be no detrimental impact on the Company if one or more of these key personnel ceases their involvement with the Company.

Operating risks

The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including:

- (i) adverse geological conditions;
- (ii) failure to achieve predicted grades in exploration and mining;
- (iii) limitations on activities due to seasonal weather patterns and cyclone activity;
- (iv) unanticipated operational and technical difficulties encountered in geophysical surveys, drilling and production activities;
- (v) difficulties in commissioning and operating plant and equipment;
- (vi) mechanical failure of operating plant and equipment;
- (vii) unanticipated metallurgical problems which may affect extraction recoveries and costs;
- (viii) industrial and environmental accidents, industrial disputes and other force majeure events;
- (ix) unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment; and
- (x) inability to obtain or maintain any necessary consents or approvals.

No assurances can be given that the Company will achieve commercial viability through successful exploration and/or mining. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

Commodity price volatility and exchange rate risks

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for commodities, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

Directors' Report (Cont'd)

Title risk

Although the Company has investigated title to all of its tenements, the Company cannot give any assurance that title to such tenements will not be challenged or impugned. Accordingly, there is a residual risk that, despite the Company's investigations, the tenements may be subject to prior unregistered agreements or transfers, or title may be affected by unregistered encumbrances, third party interests or defects. Tenements are also subject to minimum expenditure requirements. In the event that these minimum expenditure requirements are not met, those tenements may be subject to forfeiture proceedings.

Exploration tenements are subject to periodic renewal. There is no guarantee that renewal of current or future tenements or future applications for production tenements will be approved.

The renewal of the term of a granted tenement is subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

It is also possible that, in relation to tenements in which the Company has an interest or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

Each licence or lease carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in the tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

Environmental risks

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws and industry standards. Areas disturbed by the Company's activities will be rehabilitated as required by the relevant regulatory authorities.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires, may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay or modification to anticipated exploration programmes or mining activities. There is always a risk that detailed environmental investigations will identify endangered or other protected species that may affect the ability of the Company to obtain any necessary government approvals or carry out its operations as planned.

Conflicts of interest

The Company's Directors are also directors and officers of other companies engaged in mineral exploration and development and mineral property acquisitions. Accordingly, mineral exploration opportunities or prospects of which such persons become aware will not necessarily be made available to the Company. The Directors intend, however, to allocate these to such companies on the basis of prudent business and judgement and the relative financial abilities and needs of the companies to participate. Although such persons have been advised of their fiduciary duties to the Company, there exist actual and potential conflicts of interest among these persons and situations could arise in which their obligations to, or interests in, other companies could detract from their efforts on behalf of the Company.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as disclosed in this Report, no significant changes in the state of affairs of the Company occurred during the financial year.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No matters or circumstances, besides those disclosed at note 20, have arisen since the end of the year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Directors' Report (Cont'd)

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Details of important developments occurring in this financial year have been covered in the Review of Operations section of the Directors' Report. The Company will continue activities in the exploration, evaluation and development of the Duketon Project and mineral tenements with the objective of developing a significant mining operation and any significant information or data will be released to the market and the shareholders pursuant to the Continuous Disclosure rules as and when they come to hand.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is subject to significant environmental regulation in respect to its exploration activities. The Company aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Company are not aware of any breach of environmental legislation for the year under review.

REMUNERATION REPORT (AUDITED)

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

Principles used to determine the nature and amount of remuneration

Remuneration Policy

The remuneration policy of Duketon Mining Limited has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The board of Duketon Mining Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Company.

The board's policy for determining the nature and amount of remuneration for board members and senior executives (if any) of the Company is as follows:

The remuneration policy, setting the terms and conditions for the executive directors, was developed by the board. All executives receive a base salary (which is based on factors such as length of service, performance and experience) and superannuation. The board reviews executive packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract and retain the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

The directors and executives (if any) receive a superannuation guarantee contribution required by the government, which was 10.5% for the 2023 financial year. Some individuals may choose to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to key management personnel is valued at the cost to the Company and expensed. Options are valued using the Black-Scholes methodology.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is (currently \$300,000) and set in accordance with the constitution of the Company. Fees for non-executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company.

Performance based remuneration

The Company currently has no performance-based remuneration component built into key management personnel remuneration packages.

Company performance, shareholder wealth and key management personnel remuneration

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and key management personnel performance. Currently, this is facilitated through the issue of options to the majority of key management personnel to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth. If the Company were to commence mine production, performance-based bonuses based on key performance indicators are expected to be introduced. For details of key management personnel interests in options at year end, refer to the 'Option holdings' section later in the Remuneration Report.

Directors' Report (Cont'd)

The table below shows the gross revenue, profits or losses and earnings per share for the last five years for the listed entity.

	2023	2022	2021	2020	2019
	\$	\$	\$	\$	\$
Revenue and other income	2,147,205	121,773	8,579,268	21,448,874	158,809
Net (loss)/profit	(2,858,485)	(9,314,266)	3,167,660	19,130,177	(2,890,296)
(Loss)/earnings per share (cents)	(2.3)	(7.7)	2.6	16.2	(2.5)
Share price at year end (cents)	35.5	25.0	32.5	17.0	13.0
Total KMP compensation	818,497	817,612	572,139	507,639	469,344

No dividends have been paid.

Use of remuneration consultants

The Company did not employ the services of any remuneration consultants during the financial year ended 30 June 2023.

Voting and comments made at the Company's 2022 Annual General Meeting

The Company received approximately 99.6% of "yes" votes on its remuneration report for the 2022 financial year. The Company did not receive any specific feedback at the Annual General Meeting or throughout the year on its remuneration practices.

Details of remuneration

Details of the remuneration of the key management personnel of the Company are set out in the following table.

The key management personnel of the Company include the directors as per page 14 above.

Key management personnel of the Company

	Short-Term		Post-Employment	Long-Term	Share-based	Total
	Salary & Fees	Annual Leave	Super-annuation	Long Service Leave	Payments Options	
	\$	\$	\$	\$	\$	\$
Directors						
Seamus Cornelius						
2023	47,418	-	4,971	-	99,000	151,389
2022	45,662	-	4,566	-	108,750	158,978
Stuart Fogarty						
2023	287,659	12,465	30,159	9,825	198,000	538,108
2022	254,737	12,613	25,474	9,560	217,500	519,884
Heath Hellewell						
2023	30,000	-	-	-	99,000	129,000
2022	30,000	-	-	-	108,750	138,750
Total key management personnel compensation						
2023	365,077	12,465	35,130	9,825	396,000	818,497
2022	330,399	12,613	30,040	9,560	435,000	817,612

Service agreements

Stuart Fogarty, Managing Director:

- Annual salary of \$306,797 (including statutory superannuation).
- The Company or the Executive may terminate, without cause, the Executive's employment at any time by giving three calendar months' written notice.
- In the event the Managing Director is terminated as result of one of the following circumstances the Company will make a twelve calendar months Redundancy Payment to the Executive at the base salary:
 - o the Executive's position is made redundant by the Board;
 - o there is a material diminution in the responsibilities or powers assigned to the Executive by the Board; or
 - o there is a material reduction in the remuneration payable to the Executive as determined by the Board.

Directors' Report (Cont'd)

Share-based compensation

Options are issued at no cost to key management personnel as part of their remuneration. The options are not issued based on performance criteria but are issued to the key management personnel of Duketon Mining Limited to increase goal congruence between key management personnel and shareholders. The following options over ordinary shares of the Company were granted to or vesting with key management personnel during the year:

	Grant Date	Granted Number	Vesting Date	Expiry Date	Exercise Price (cents)	Value per option at grant date (cents) ⁽¹⁾	Exercised Number	% of Remuneration
Directors								
Seamus Cornelius	30/11/2022	500,000	30/11/2022	29/11/2027	50.8	19.8	Nil	65.4
Stuart Fogarty	30/11/2022	1,000,000	30/11/2022	29/11/2027	50.8	19.8	Nil	36.8
Heath Hellewell	30/11/2022	500,000	30/11/2022	29/11/2027	50.8	19.8	Nil	76.7

(1) The value at grant date in accordance with AASB 2: Share Based Payments of options granted during the year as part of remuneration. For options granted during the current year, the valuation inputs for the Black-Scholes option pricing model were as follows:

	Underlying Share Price (cents)	Exercise Price (cents)	Volatility	Risk Free Interest Rate	Valuation Date	Expiry Date
Directors	35.0	50.8	76.5%	3.3%	30/11/2022	29/11/2027

Equity instruments held by key management personnel

Share holdings

The numbers of shares in the Company held during the financial year by each director of Duketon Mining Limited and other key management personnel of the Company, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2023

	Balance at start of the year	Acquired during the year on the exercise of options	Other changes during the year	Balance at end of the year
Directors of Duketon Mining Limited				
Ordinary shares				
Seamus Cornelius	7,834,396	-	-	7,834,396
Stuart Fogarty	1,796,231	-	-	1,796,231
Heath Hellewell	723,115	-	-	723,115

Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each director of Duketon Mining Limited and other key management personnel of the Company, including their personally related parties, are set out below:

2023	Balance at start of the year	Granted as compensation	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
Directors of Duketon Mining Limited							
Seamus Cornelius	1,500,000	500,000	-	-	2,000,000	2,000,000	-
Stuart Fogarty	5,000,000	1,000,000	-	-	6,000,000	6,000,000	-
Heath Hellewell	1,500,000	500,000	-	-	2,000,000	2,000,000	-

Loans to key management personnel

There were no loans to key management personnel during the year.

End of audited Remuneration Report

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Directors' Report (Cont'd)

DIRECTORS' MEETINGS

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2023 and the number of meetings attended by each Director were:

	Directors Meetings		Audit Committee Meetings		Remuneration Committee Meetings	
	Total Available	Attended	Total Available	Attended	Total Available	Attended
Seamus Cornelius	5	5	1	1	1	1
Stuart Fogarty	5	5	1	1	-	-
Heath Hellewell	5	5	1	1	1	1

SHARES UNDER OPTION

Unissued ordinary shares

Unissued ordinary shares of Duketon Mining Limited under option at the date of this report are as follows:

Date options issued	Expiry date	Exercise price (cents)	Number of options
28 November 2018	28 November 2023	20.0	2,000,000
29 November 2019	28 November 2024	21.4	2,250,000
30 November 2020	26 November 2025	28.8	2,250,000
2 March 2021	17 February 2026	36.0	410,000
24 November 2021	19 November 2026	48.0	2,250,000
30 November 2022	29 November 2027	50.8	2,000,000
16 December 2022	30 November 2027	42.5	410,000
Total number of options outstanding at the date of this report			11,570,000

No option holder has any right under the options to participate in any other share issue of the Company or any other entity.

No options were granted to the directors or any of the five highest remunerated officers of the Company since the end of the financial year.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to 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.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

INSURANCE OF DIRECTORS AND OFFICERS

During the year, the Company has paid a premium in respect of Directors' and Executive Officers' insurance. The contract contains a prohibition on disclosure of the amount of the premium and the nature of the liabilities under the policy. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

NON-AUDIT SERVICES

There were no non-audit services provided by the entity's auditor, Hall Chadwick WA Audit Pty Ltd or associated entities during the year ended 30 June 2023.

Directors' Report (Cont'd)

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 24.

Signed in accordance with a resolution of the directors.



Stuart Fogarty

Managing Director

Perth, 21 September 2023

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To the Board of Directors,

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

As lead audit Director for the audit of the financial statements of Duketon Mining Limited for the financial year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully,

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated this 21st day of September 2023
Perth, Western Australia

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Corporate Governance Statement

Duketon Mining Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Duketon Mining Limited 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 was approved by the Board on 21 September 2023 and is current as at 21 September 2023. A description of the Company's current corporate governance practices is set out in the Company's Corporate Governance Statement which can be viewed at www.duketonmining.com.au.

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Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Company	
		2023 \$	2022 \$
REVENUE			
Interest	4	356,394	26,773
Profit on sale of tenements		490,000	95,000
Fair value gains on financial assets at fair value through the profit or loss		1,300,811	-
EXPENDITURE			
Administration expenses		(360,143)	(322,924)
Depreciation expense		(72,903)	(65,886)
Employee benefits expenses		(392,789)	(388,292)
Exploration expenditure		(4,510,784)	(3,060,179)
Fair value losses on financial assets at fair value through the profit or loss		-	(7,241,192)
Finance costs		(3,262)	(6,263)
Share based payment expense	23	(508,742)	(610,638)
LOSS BEFORE INCOME TAX		(3,701,418)	(11,573,601)
INCOME TAX BENEFIT	6	842,933	2,259,335
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO THE OWNERS OF DUKETON MINING LIMITED		(2,858,485)	(9,314,266)
Basic and diluted loss per share (cents per share)	22	(2.3)	(7.7)

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

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Statement of Financial Position

AS AT 30 JUNE 2023

	Notes	Company	
		2023	2022
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	12,474,449	16,229,093
Trade and other receivables	8	172,108	95,270
Financial assets at fair value through profit or loss	9	3,656,380	2,203,821
TOTAL CURRENT ASSETS		16,302,937	18,528,184
NON-CURRENT ASSETS			
Receivables		37,274	37,274
Plant and equipment	10	106,031	93,366
Right-of-use assets	11	32,220	64,363
TOTAL NON-CURRENT ASSETS		175,525	195,003
TOTAL ASSETS		16,478,462	18,723,187
CURRENT LIABILITIES			
Trade and other payables	12	635,857	540,025
Lease liabilities	11	32,453	32,321
Employee benefit obligations		185,215	151,317
TOTAL CURRENT LIABILITIES		853,525	723,663
NON-CURRENT LIABILITIES			
Lease liabilities	11	-	32,455
Employee benefit obligations		17,610	9,999
TOTAL NON-CURRENT LIABILITIES		17,610	42,454
TOTAL LIABILITIES		871,135	766,117
NET ASSETS		15,607,327	17,957,070
EQUITY			
Issued capital	13	23,964,748	23,944,748
Reserves	14(a)	1,556,202	1,067,460
Accumulated losses	14(b)	(9,913,623)	(7,055,138)
TOTAL EQUITY		15,607,327	17,957,070

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

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Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Contributed Equity \$	Options Reserve \$	(Accumulated Losses) / Retained Earnings \$	Total \$
BALANCE AT 1 JULY 2021		23,624,235	714,835	2,259,128	26,598,198
Loss for the year		-	-	(9,314,266)	(9,314,266)
TOTAL COMPREHENSIVE LOSS		-	-	(9,314,266)	(9,314,266)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	13	320,513	(136,750)	-	183,763
Employee and consultant options	14(a)	-	489,375	-	489,375
BALANCE AT 30 JUNE 2022		<u>23,944,748</u>	<u>1,067,460</u>	<u>(7,055,138)</u>	<u>17,957,070</u>
Loss for the year		-	-	(2,858,485)	(2,858,485)
TOTAL COMPREHENSIVE LOSS		-	-	(2,858,485)	(2,858,485)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	13	20,000	-	-	20,000
Employee and consultant options	14(a)	-	488,742	-	488,742
BALANCE AT 30 JUNE 2023		<u>23,964,748</u>	<u>1,556,202</u>	<u>(9,913,623)</u>	<u>15,607,327</u>

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

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Company	
		2023	2022
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		315,496	29,785
Interest paid		(3,262)	(6,263)
Payments to suppliers and employees		(710,921)	(680,908)
Expenditure on mining interests		(4,451,394)	(3,041,751)
Income taxes refunded/(paid)		842,933	(842,933)
Proceeds from disposal of financial assets at fair value through profit or loss		488,276	-
Payments for financial assets at fair value through profit or loss		(150,024)	-
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	21	(3,668,896)	(4,542,070)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(53,425)	(83,084)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(53,425)	(83,084)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	62,500
Principal elements of lease payments		(32,323)	(31,642)
NET CASH (OUTFLOW)/INFLOW FROM FINANCING ACTIVITIES		(32,323)	30,858
NET DECREASE IN CASH AND CASH EQUIVALENTS		(3,754,644)	(4,594,296)
Cash and cash equivalents at the beginning of the financial year		16,229,093	20,823,389
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	12,474,449	16,229,093

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

Notes to the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Company consisting of Duketon Mining Limited. The financial statements are presented in Australian currency. Duketon Mining Limited is a company limited by shares, domiciled and incorporated in Australia. The financial statements were authorised for issue by the directors on 21 September 2023. The directors have the power to amend and reissue the financial statements.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Duketon Mining Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

The financial statements of Duketon Mining Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the Company

The Company has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

(iii) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretations is that they are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(iv) Historical cost convention

These financial statements have been prepared under the historical cost convention, except for certain financial assets and liabilities measured at fair value.

(b) Segment reporting

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

(c) Revenue recognition

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial assets.

(d) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

(e) Income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Notes to the Financial Statements (Cont'd)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Leases

The Company leases office premises with a three-year term that commenced on 1 July 2021. Upon commencement of the lease the Company recognised a lease liability for this lease, measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate, being 6.5%.

Where the Company is lessee, the Company recognises a right-of-use asset and a corresponding liability at the date at which the lease asset is available for use by the Company. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
 - variable lease payments that are based on an index or a rate;
 - amounts expected to be payable by the lessee under residual value guarantees;
 - the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The Company's office lease agreement contains an option for the lessee to extend for a further two-year term.

Right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received, and any initial direct costs.

Where the terms of a lease require the Company to restore the underlying asset, or the Company has an obligation to dismantle and remove a leased asset, a provision is recognised and measured in accordance with AASB 137. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

Where leases have a term of less than 12 months or relate to low value assets the Company may apply exemptions in AASB 16 to not capitalise any such leases and instead recognise the lease payments on a straight-line basis as an expense in profit or loss.

Notes to the Financial Statements (Cont'd)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(h) Cash and cash equivalents

For statement of cash flows presentation purposes, 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 insignificant risk of changes in value, and bank overdrafts.

(i) Financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income or expenses. Impairment losses are presented as a separate line item in the statement of profit or loss.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or expenses. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income or expenses and impairment losses are presented as a separate line item in the statement of profit or loss.

Notes to the Financial Statements (Cont'd)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other income or expenses in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payment is established.

Changes in the fair value of financial assets at FVPL are recognised in other income or expenses in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

The Company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology depends on whether there has been a significant increase in credit risk.

(j) Plant and equipment

All plant and equipment are stated at historical cost less depreciation. 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 economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the reporting period in which they are incurred.

Depreciation of plant and equipment is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term. The rates used range from 10% to 36% per annum.

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 (note 1(g)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income. When revalued assets are sold, it is Company's policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(k) Exploration and evaluation costs

Exploration and evaluation costs are expensed as they are incurred.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting date. They are recognised initially at fair value and subsequently at amortised cost. The amounts are unsecured, non-interest bearing and are paid on normal commercial terms.

(m) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date in respect of employees' services up to the reporting date are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

Notes to the Financial Statements (Cont'd)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(ii) Other long-term employee benefit obligations

The Company also has liabilities for long service leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current employee benefit obligations in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Share-based payments

The Company provides benefits to employees (including directors) of the Company in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model.

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

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of options that, in the opinion of the directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

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

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

(n) Issued capital

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

(o) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) 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.

Notes to the Financial Statements (Cont'd)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

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

(q) Critical accounting judgements, estimates and assumptions

The preparation of these financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

Environmental issues

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

Taxation generally

Balances disclosed in the financial statements and the notes thereto related to taxation are based on the best estimates of the directors. These estimates consider both the financial performance and position of the Company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents the directors' best estimate, pending an assessment by the Australian Taxation Office.

Share based payment transactions

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

Notes to the Financial Statements (Cont'd)

2. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

Risk management is carried out by the full Board of Directors as the Company believes that it is crucial for all board members to be involved in this process. Senior management, as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the board on risk management.

(a) Market risk

(i) Foreign exchange risk

As all operations are currently within Australia, the Company is not exposed to any material foreign exchange risk.

(ii) Price risk

The Company is exposed to equity securities price risk. This arises from investments held by the Company and classified in the statement of financial position at fair value through the profit and loss. The Company is not exposed to commodity price risk. At the reporting date, the Company has investments in ASX listed equity securities.

Sensitivity analysis

The Company's equity investments are listed on the Australian Stock Exchange (ASX) and are all classified at fair value through the profit or loss. At 30 June 2023, if the value of the equity investments held had increased/decreased by 15% with all other variables held constant, post-tax loss for the Company would have been \$548,457 lower/higher (2022: \$330,573 lower/higher) as a result of gains/losses on the fair value of the financial assets.

(iii) Interest rate risk

The Company is exposed to movements in market interest rates on cash and cash equivalents. The Company's policy is to monitor the interest rate yield curve out to six months to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The entire balance of cash and cash equivalents for the Company of \$12,474,449 (2022: \$16,229,093) is subject to interest rate risk. The proportional mix of floating interest rates and fixed rates to a maximum of six months fluctuate during the year depending on current working capital requirements. The weighted average interest rate received on cash and cash equivalents by the Company was 2.6% (2022: 0.1%).

Sensitivity analysis

At 30 June 2023, if interest rates had changed by +/- 100 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Company would have been \$136,831 lower/higher (2022: \$179,232 lower/\$26,773 higher post tax loss on a +/- 100 basis point change) as a result of higher/lower interest income from cash and cash equivalents.

(b) Credit risk

The Company has no significant concentrations of credit risk. The maximum exposure to credit risk at balance date is the carrying amount (net of provision for impairment) of those assets as disclosed in the statement of financial position and notes to the financial statements.

As the Company does not presently have any debtors, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained. All surplus cash holdings of the Company are currently invested with AA- rated financial institutions.

(c) Liquidity risk

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Company. Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Company's current and future funding requirements, with a view to initiating appropriate capital raisings as required.

The financial liabilities of the Company are confined to trade and other payables as disclosed in the Statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date.

Notes to the Financial Statements (Cont'd)

2. FINANCIAL RISK MANAGEMENT (Cont'd)

(d) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The equity investments held by the Company are classified at fair value through profit or loss. The market value of all equity investments represents the fair value based on quoted prices on active markets (ASX) as at the reporting date without any deduction for transaction costs. These investments are classified as level 1 financial instruments.

The carrying amounts and estimated fair values of financial assets and financial liabilities are as follows:

	Company	
	2023	2022
	\$	\$
Financial Assets		
Cash and cash equivalents	12,474,449	16,229,093
Trade and other receivables	172,108	95,270
Financial assets at fair value through profit or loss	3,656,380	2,203,821
Non-current receivables	37,274	37,274
Total Financial Assets	16,340,211	18,565,458
Financial Liabilities		
Trade and other payables	635,857	540,025
Total Financial Liabilities	635,857	540,025

The methods and assumptions used to estimate the fair value of financial instruments are outlined below:

Cash

The carrying amount is fair value due to the liquid nature of these assets.

Receivables/Payables

Due to the short-term nature of the current financial rights and obligations, their carrying amounts are estimated to represent their fair values. The fair value of the non-current receivable is also not significantly different from its carrying amount.

Fair value measurements of financial assets

The carrying values of financial assets and liabilities of the Company approximate their fair values. Fair values of financial assets and liabilities have been determined for measurement and / or disclosure purposes.

Fair value hierarchy

The Company classifies assets and liabilities carried at fair value using a fair value hierarchy that reflects the significance of the inputs used in determining that value. The following table analyses financial instruments carried at fair value by the valuation method. The different levels in the hierarchy have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
30 June 2023				
Financial assets at fair value through profit or loss	3,656,380	-	-	3,656,380
Total as at 30 June 2023	3,656,380	-	-	3,656,380
30 June 2022				
Financial assets at fair value through profit or loss	2,203,821	-	-	2,203,821
Total as at 30 June 2022	2,203,821	-	-	2,203,821

Notes to the Financial Statements (Cont'd)

3. SEGMENT INFORMATION

Industry and geographical segment

The Company operates in one segment, being the mining exploration sector in Australia.

In determining operating segments, the Company has had regard to the information and reports the Managing Director uses to make strategic decisions regarding resources. The Managing Director is considered to be the chief operating decision maker and is empowered by the Board of Directors to allocate resources and assess the performance of the Company.

4. REVENUE AND OTHER INCOME

	Company	
	2023	2022
	\$	\$
Revenue		
<i>Other revenue</i>		
Interest from financial institutions	356,394	26,773

5. EXPENSES

Profit or loss before income tax includes the following specific expenses:

Superannuation expense	68,079	62,431
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6. INCOME TAX

(a) Income tax benefit

Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	(842,933)	-
Decrease in deferred tax liabilities	-	(2,259,335)
Income tax benefit	(842,933)	(2,259,335)

(b) Numerical reconciliation of income tax benefit to prima facie tax payable

Loss from continuing operations before income tax expense	(3,701,418)	(11,573,601)
Prima facie tax benefit at the Australian tax rate of 25% (2022: 25%)	(925,354)	(2,893,400)
Tax effect of amounts which are not deductible in calculating taxable income:		
Share-based payments	127,186	152,660
Other	180	271
	(797,988)	(2,740,469)
Movements in unrecognised temporary differences	797,988	481,134
Adjustments for current tax of prior periods	(842,933)	-
Income tax benefit	(842,933)	(2,259,335)

Notes to the Financial Statements (Cont'd)

	Notes	Company	
		2023	2022
		\$	\$
6. INCOME TAX (Cont'd)			
(c) Unrecognised temporary differences			
(i) Deferred tax assets at 25% (2022: 25%)			
Accrued expenses		7,538	8,901
Employee benefits		50,706	40,329
Tax losses		1,291,995	1,023,980
Total		<u>1,350,239</u>	<u>1,073,210</u>
(ii) Deferred tax liabilities at 25% (2022: 25%)			
Financial assets at fair value through profit or loss		478,575	208,935
Other		8,477	6,320
Total		<u>487,052</u>	<u>215,255</u>
(iii) Offset deferred tax provisions			
Deferred tax liabilities		(487,052)	(215,255)
Deferred tax assets (portion off-set deferred tax liabilities)		487,052	215,255
Unused tax losses for which no deferred tax asset has been recognised		-	-
<p>Potential deferred tax assets attributable to tax losses carried forward have not been brought to account at 30 June 2023 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:</p> <ul style="list-style-type: none"> (i) the Company derives future assessable income of nature and of an amount sufficient to enable the benefits to be utilised; (ii) the Company continues to comply with the conditions for deductibility imposed by law; and (iii) no changes in income tax legislation adversely affect the Company in utilising the benefits. <p>In April 2017, the Australian Government enacted legislation which reduces the corporate rate for small and medium business (base rate) entities from 30% to 25% over the next decade. For the 2017 financial year the corporate tax rate reduced to 27.5% for small business entities with turnover less than \$10 million. This turnover threshold progressively increased until it reached \$50 million in the 2020 financial year. For the 2021 financial year, the tax rate decreased to 26% and then 25% for the 2022 and later financial years. Duketon Mining Limited did satisfy the criteria to be a base rate entity for the 2023 and 2022 financial years for which the base rate of 25% was applied.</p>			
7. CURRENT ASSETS - CASH AND CASH EQUIVALENTS			
Cash at bank and in hand		2,444,449	6,199,093
Short-term deposits		10,030,000	10,030,000
Cash and cash equivalents as shown in the statement of financial position and the statement of cash flows		<u>12,474,449</u>	<u>16,229,093</u>
Cash at bank earns interest at floating rates based on daily bank deposit rates.			
Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.			
8. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES			
Trade and other receivables		<u>172,108</u>	<u>95,270</u>

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Notes to the Financial Statements (Cont'd)

	Company	
	2023	2022
	\$	\$
9. CURRENT ASSETS – FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		
Australian listed equity securities	<u>3,656,380</u>	<u>2,203,821</u>
Changes in fair values of financial assets at fair value through profit or loss are disclosed directly on the face of the statement of profit or loss and other comprehensive income.		
10. NON-CURRENT ASSETS - PLANT AND EQUIPMENT		
Plant and equipment		
Cost	281,059	227,634
Accumulated depreciation	<u>(175,028)</u>	<u>(134,268)</u>
Net book amount	<u>106,031</u>	<u>93,366</u>
Plant and equipment		
Opening net book amount	93,366	44,113
Additions	53,425	83,084
Depreciation charge	<u>(40,760)</u>	<u>(33,831)</u>
Closing net book amount	<u>106,031</u>	<u>93,366</u>
11. LEASES		
(i) Amounts recognised in the Statement of Financial Position		
The statement of financial position shows the following amounts relating to leases:		
Right-of-use assets		
Right-of-use assets	96,418	96,418
Accumulated Depreciation of Right of Use Asset	<u>(64,198)</u>	<u>(32,055)</u>
Carrying value of right-of-use-asset	<u>32,220</u>	<u>64,363</u>
Lease liabilities		
Current lease liabilities	32,453	32,321
Non-current lease liabilities	-	32,455
Total lease liabilities	<u>32,453</u>	<u>64,776</u>
(ii) Amounts recognised in the Statement of Profit or Loss		
The statement of profit or loss and other comprehensive income shows the following amounts relating to leases:		
Depreciation charge for right-of-use assets	32,143	32,055
Interest expense (included in finance costs)	3,262	5,778
The Company leases office premises with a three-year term that commenced on 1 July 2021.		
12. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES		
Trade payables	549,182	439,528
Other payables and accruals	62,641	76,463
Funds held on trust for unmarketable parcel roundup	<u>24,034</u>	<u>24,034</u>
	<u>635,857</u>	<u>540,025</u>

Notes to the Financial Statements (Cont'd)

13. ISSUED CAPITAL

(a) Share capital

	Notes	2023		2022	
		Number of shares	\$	Number of shares	\$
Ordinary shares fully paid	13(b), 13(d)	122,090,229	23,964,748	122,035,435	23,944,748
Total issued capital		122,090,229	23,964,748	122,035,435	23,944,748

(b) Movements in ordinary share capital

Beginning of the financial year		122,035,435	23,944,748	121,114,304	23,624,235
<i>Issued during the year:</i>					
• Issued upon exercise of \$0.25 options ⁽¹⁾		-	-	250,000	72,750
• Issued upon cashless exercise of \$0.30 options ⁽²⁾		-	-	615,576	227,763
• Issued as part of employee remuneration ⁽³⁾		54,794	20,000	55,555	20,000
End of the financial year		122,090,229	23,964,748	122,035,435	23,944,748

- (1) Includes an amount of \$10,250 transferred from the share-based payments reserve upon exercise of the options.
- (2) On 24 November 2021 the directors and the company secretary exercised a total of 2,500,000 options utilising the cashless exercise facility approved at the AGM on 19 November 2021. This resulted in the issue of 615,576 ordinary shares. In accordance with the requirements of AASB 2, the utilisation of the cashless exercise facility was treated as a modification of the original share-based payment transaction. The fair value of the shares issued was calculated using the closing price of \$0.37 on the date of issue, for a total value of \$227,763. An amount of \$126,500 was recognised upon the original issue of the options and was transferred from the share-based payments reserve to issued capital. The balance of \$101,263 was recognised in the profit or loss for the 2022 reporting period as share-based payments expense.
- (3) On 8 December 2022, the Company issued 54,794 ordinary shares (9 December 2021, 55,555 ordinary shares) to an employee as a reward and incentive. The closing price of \$0.365 (2022: \$0.36) on the date of issue was the grant date fair value of the shares issued.

(c) Movements in options on issue

	Number of options	
	2023	2022
Beginning of the financial year	9,160,000	9,660,000
Issued, exercisable at \$0.508 on or before 29 November 2027	2,000,000	-
Issued, exercisable at \$0.48 on or before 19 November 2026	-	2,250,000
Issued, exercisable at \$0.425 on or before 30 November 2027	410,000	-
Exercised at \$0.30, expiring 24 November 2021	-	(2,500,000)
Exercised at \$0.25, expiring on 31 January 2022	-	(250,000)
End of the financial year	11,570,000	9,160,000

(d) Ordinary shares

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

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

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Notes to the Financial Statements (Cont'd)

	Company	
	2023	2022
	\$	\$

13. ISSUED CAPITAL (Cont'd)

(e) Capital risk management

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

Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Company at 30 June 2023 and 30 June 2022 are as follows:

Cash and cash equivalents	12,474,449	16,229,093
Trade and other receivables	172,108	95,270
Financial assets at fair value through profit or loss	3,656,380	2,203,821
Trade and other payables	(635,857)	(540,025)
Lease liabilities (current)	(32,453)	(32,321)
Employee benefit obligations (current)	(185,215)	(151,317)
Working capital position	<u>15,449,412</u>	<u>17,804,521</u>

14. RESERVES AND ACCUMULATED LOSSES

(a) Reserves

Share-based payments reserve

Balance at beginning of year	1,067,460	714,835
Employee and consultant options expense	488,742	489,375
Transferred to share capital upon exercise of options	-	(136,750)
Balance at end of year	<u>1,556,202</u>	<u>1,067,460</u>

(b) (Accumulated losses)/retained earnings

Balance at beginning of year	(7,055,138)	2,259,128
Net loss for the year	(2,858,485)	(9,314,266)
Balance at end of year	<u>(9,913,623)</u>	<u>(7,055,138)</u>

(c) Nature and purpose of reserves

Share-based payments reserve

The share-based payments reserve is used to recognise the fair value of options granted and currently on issue.

15. DIVIDENDS

No dividends were paid during the financial year. No recommendation for payment of dividends has been made.

Notes to the Financial Statements (Cont'd)

	Company	
	2023	2022
	\$	\$
16. RELATED PARTY TRANSACTIONS		
(a) Key management personnel compensation		
Short-term benefits	377,542	343,012
Post-employment benefits	35,130	30,040
Other long-term benefits	9,825	9,560
Share-based payments	396,000	435,000
	818,497	817,612

Detailed remuneration disclosures are provided in the remuneration report on pages 19 to 21.

(b) Loans to related parties

There were no loans to related parties, including key management personnel, during the year.

17. REMUNERATION OF AUDITORS

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

(a) Auditors of the Company – Hall Chadwick WA Audit Pty Ltd and related network forms

Audit and review of financial reports	33,000	22,000
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(b) Other auditors and their related network firms

Audit and review of financial reports	-	13,000
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18. CONTINGENCIES

There are no material contingent liabilities of the Company at balance date. The Company has contingent assets at balance date resulting from the sale of gold tenements to Regis Resources Limited ("Regis") during the 2020 financial year.

Gold tenements sale to Regis

Under the terms of the sale agreement with Regis to sell a package of tenements from the Duketon Project the following contingent consideration is outstanding:

- 1) Mineral resource contingent payment – \$2.5m in cash payable on the first occasion that Regis announces to the ASX mineral resources totalling more than 250,000 ounces of gold (Measured, Indicated or Inferred) on one or more of the sale tenements.
- 2) Gold production contingent payment – \$2.5m in cash payable on the first to occur of the following:
 - a) first commercial gold production within the sale tenements (and not being an extension into the tenements of Regis' existing mining operation at Petra); or
 - b) in the case of an extension into the sale tenements of Regis' existing mining operation at Petra, the mining of greater than 5,000 ounces of gold from the sale tenements.

19. COMMITMENTS

Exploration commitments

The Company has certain commitments to meet minimum expenditure requirements on the mineral exploration assets it has an interest in. Outstanding exploration commitments are as follows:

within one year	587,260	574,300
later than one year but not later than five years	1,986,080	2,267,200
later than five years	769,200	961,500
	3,342,540	3,803,000

Notes to the Financial Statements (Cont'd)

	Company	
	2023	2022
	\$	\$

20. EVENTS OCCURRING AFTER THE REPORTING DATE

A review of the Company's investment portfolio has been performed on 20 September 2023. The fair value of Financial Assets reported at year end is \$3,656,380. The Company has realised proceeds on sale of Financial Assets of \$286,250 since the reporting date and the market value of the remaining Financial Assets on hand is now \$2,531,902, wholly attributable to the share market fluctuations since the reporting date.

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

21. CASH FLOW INFORMATION

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

Net loss for the year	(2,858,485)	(9,314,266)
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Non-Cash Items

Share-based payment expense	508,742	610,638
Depreciation expense	72,903	65,886
Fair value of financial assets received on sale of tenements	(490,000)	(95,000)

Change in operating assets and liabilities

(Increase) in trade and other receivables	(76,838)	(18,734)
(Increase)/decrease in financial assets at fair value through profit or loss	(962,559)	7,241,192
Increase in trade and other payables	95,832	19,335
(Decrease) in current tax liabilities	-	(842,933)
Increase in employee benefit obligations	41,509	51,147
(Decrease) in deferred tax liabilities	-	(2,259,335)
Net cash outflow from operating activities	<u>(3,668,896)</u>	<u>(4,542,070)</u>

(b) Non-cash investing and financing activities

On 8 December 2022, the Company issued 54,794 ordinary shares (9 December 2021, 55,555 ordinary shares) to an employee as a reward and incentive, for a value of \$20,000 (2022: \$20,000). This amount is included in 'share-based payments expense' on the statement of profit or loss and other comprehensive income of the Company.

22. EARNINGS PER SHARE

(a) Reconciliation of earnings used in calculating earnings per share

Loss attributable to the owners of the Company used in calculating basic and diluted earnings per share	<u>(2,858,485)</u>	<u>(9,314,266)</u>
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(b) Weighted average number of shares used as the denominator

	No. of Shares 2023	No. of Shares 2022
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share	<u>122,066,060</u>	<u>121,617,655</u>

(c) Information on the classification of options

As the Company has made a loss for the year ended 30 June 2023, all options on issue are considered antidilutive and have not been included in the calculation of diluted earnings per share. These options currently on issue could potentially dilute basic earnings per share in the future.

Notes to the Financial Statements (Cont'd)

23. SHARE-BASED PAYMENTS

a) Employee and consultant options

The Company provides benefits to employees (including directors), contractors and consultants of the Company in the form of share-based payment transactions, whereby employees, contractors and consultants render services in exchange for options to acquire ordinary shares. The options granted and on issue at 30 June 2023 have exercise prices ranging from \$0.20 to \$0.508 and expiry dates ranging from 28 November 2023 to 30 November 2027.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Company with full dividend and voting rights.

The weighted average fair value of the options granted during the 2023 financial year was 20.3 cents (2022: 21.7 cents). The fair value was calculated by using the Black-Scholes European Option Pricing Model applying the following inputs:

	2023	2022
Weighted average exercise price (cents)	49.4	48.0
Weighted average life of the option (years)	5.0	5.0
Weighted average underlying share price (cents)	35.3	37.0
Weighted average expected share price volatility	76.5%	79.2%
Weighted average risk-free interest rate	3.3%	1.4%

Set out below are summaries of the share-based payment options granted:

	Company			
	2023		2022	
	Number of options	Weighted average exercise price cents	Number of options	Weighted average exercise price cents
Outstanding at the beginning of the year	9,160,000	30.1	9,660,000	25.8
Granted	2,410,000	49.4	2,250,000	48.0
Forfeited	-	-	-	-
Exercised ⁽¹⁾	-	-	(2,750,000)	29.5
Expired	-	-	-	-
Outstanding at year-end	<u>11,570,000</u>	<u>34.1</u>	9,160,000	30.1
Exercisable at year-end	<u>11,570,000</u>	<u>34.1</u>	9,160,000	30.1

(1) There were no options exercised during the year ended 30 June 2023. The weighted average share price at the date of exercise of options exercised during the year ended 30 June 2022 was \$0.374.

The weighted average remaining contractual life of share options outstanding at the end of the financial year was 2.5 years (2022: 3.0 years), with exercise prices ranging from \$0.20 to \$0.508.

b) Employee shares

On 8 December 2022, the Company issued 54,794 ordinary shares (9 December 2021, 55,555 ordinary shares) to an employee as a reward and incentive. The closing price of \$0.365 (2022: \$0.36) on the date of issue was the grant date fair value of the shares issued.

c) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	Company	
	2023	2022
	\$	\$
Options issued to employees shown as share-based payments	488,742	489,375
Modification to option terms upon cashless exercise (refer note 13(b)(3))	-	101,263
Shares issued to employees shown as share-based payments	20,000	20,000
	<u>508,742</u>	<u>610,638</u>

Directors' Declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 26 to 45 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (c) a statement that the attached financial statements are in compliance with International Financial Reporting Standards has been included in the notes to the financial statements.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the directors.



Stuart Fogarty
Managing Director

Perth, 21 September 2023

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUKETON MINING LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Duketon Mining Limited (“the Company”), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

In our opinion:

- a. the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company’s financial position as at 30 June 2023 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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
<p>Financial Assets – \$3,656,380</p> <p>The Company’s financial assets can be a significant asset by value year on year based on the share price at year end.</p> <p>We do not consider financial assets to be at a high risk of significant misstatement, however due to materiality in the context of the financial statements as a whole, this is considered to be an area which had an effect on our overall strategy and allocation of resources in planning and completing our audit.</p>	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> • We assessed the financial assets subsequent measurement at fair value to ensure consistency with AASB 9. • We agreed significant financial assets to statements of share registry at balance date. • We assessed the fair value of the financial assets at the date of signing the audit report. • We assessed the appropriateness of the related disclosures in the notes to the financial statements.
<p>Exploration and Evaluation Expenditure – \$4,510,784</p> <p>Exploration and evaluation is a key audit matter due to:</p> <ul style="list-style-type: none"> • The significance of the balance to the Company’s financial performance as costs incurred are expensed. • The level of judgement required in evaluating management’s application of the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. 	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> • Assessing management’s determination of its areas of interest for consistency with the definition in AASB 6 <i>Exploration and Evaluation of Mineral Resources</i> (“AASB 6”); • Assessing the Company’s rights to tenure for a sample of tenements; • Validating the rights of the licenses to explore held if they are expiring in the near future or are not expected to be renewed; • Substantive testing on the expenditure incurred to verify the accuracy of amount recorded; • Reviewing data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recorded in full from successful development or sale; and • We assessed the appropriateness of the related disclosures in the notes to the financial statements.

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Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Share Based Payments - \$508,742</p> <p>During the year the Company issued options to Directors, employees, and contractors.</p> <p>Share-based payments are considered to be a key audit matter due to:</p> <ul style="list-style-type: none"> The significance of the transactions to the Company's financial position and performance; and <p>The level of judgement required in evaluating management's application of the requirements of AASB 2 <i>Share-based Payment</i> ("AASB 2").</p>	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> Analysed contractual arrangements to identify key terms and conditions of the share-based payments and relevant vesting conditions in accordance with AASB 2; Evaluated management's valuation methods and assessed the assumptions and inputs used; Assessed the amount recognised during the period against relevant vesting conditions; and Examination of the disclosures made in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 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 Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

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

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

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2023. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of the Company, for the year ended 30 June 2023, complies with section 300A of the Corporations Act 2001.

Hall Chadwick
HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis
MARK DELAURENTIS CA
Director

Dated this 21st day of September 2023
Perth, Western Australia

ASX Additional Information

Additional information required by Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 13 September 2023.

(a) Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

		Ordinary Shares	
		Number of holders	Number of shares
1	- 1,000	234	77,407
1,001	- 5,000	219	567,652
5,001	- 10,000	217	1,617,966
10,001	- 100,000	317	10,895,714
100,001	and over	125	108,931,490
		1,112	122,090,229
The number of equity security holders holding less than a marketable parcel of securities are:		305	180,382

(b) Twenty largest shareholders

The names of the twenty largest holders of quoted ordinary shares are:

		Listed ordinary shares	
		Number of shares	Percentage of ordinary shares
1	HARMANIS HOLDINGS PTY LTD <HARMAN FAMILY A/C>	22,296,905	18.26
2	MCCUSKER HOLDINGS PTY LTD	11,300,000	9.26
3	MR LIAM RAYMOND CORNELIUS	4,105,000	3.36
4	ARGONAUT SECURITIES (NOMINEES) PTY LTD <ASPL CLIENT NO 12 A/C>	4,000,000	3.28
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,481,674	2.85
6	SINO WEST ASSETS PTY LTD	3,409,177	2.79
7	JETOSEA PTY LTD	3,340,655	2.74
8	OCEANVIEW ROAD PTY LTD	3,069,751	2.51
9	CITICORP NOMINEES PTY LIMITED	2,698,219	2.21
10	ZERRIN INVESTMENTS PTY LTD	2,425,000	1.99
11	GANDRIA CAPITAL PTY LTD <TEDBLAHNKI FAMILY A/C>	2,250,000	1.84
12	PATO NEGRO PTY LTD <NEGRO TORO INVESTMENT A/C>	1,596,231	1.31
13	HARMANIS HOLDINGS PTY LTD <HARMAN FAMILY A/C>	1,500,000	1.23
14	ELEMENT 25 LIMITED	1,450,000	1.19
15	MR SEAMUS IAN CORNELIUS	1,310,912	1.07
16	KHE SANH PTY LTD <TRADING NO 1 A/C>	1,300,000	1.06
17	ZTHREE PTY LTD	1,200,000	0.98
18	MR SEAMUS IAN CORNELIUS	1,169,888	0.96
19	WERSMAN NOMINEES PTY LTD	1,110,000	0.91
20	GANDRIA CAPITAL PTY LTD <LIGHTYEAR SUPER FUND A/C>	1,100,000	0.90
		74,113,412	60.70

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ASX Additional Information (Cont'd)

(c) Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the *Corporations Act 2001* are:

	Number of Shares
Harmanis Holdings Pty Ltd	23,796,905
Seamus Cornelius	7,149,723

(d) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(e) Unquoted securities

Class	Number of Securities	Number of Holders	Holders of 20% or more of the class	
			Holder Name	Number of Securities
20 cent Options, Expiry 28 November 2023	2,000,000	1	Pato Negro	2,000,000
21.4 cent Options, Expiry 28 November 2024	2,250,000	4	Pato Negro	1,000,000
			Seamus Cornelius	500,000
			Nedlands Nominees	500,000
28.8 cent Options, Expiry 26 November 2025	2,250,000	4	Pato Negro	1,000,000
			Seamus Cornelius	500,000
			Nedlands Nominees	500,000
36 cent Options, Expiry 17 February 2026	410,000	3	Kirsty Culver	200,000
			Alan Downie	160,000
42.5 cent Options, Expiry 30 November 2027	410,000	3	Kirsty Culver	200,000
			Alan Downie	160,000
48 cent Options, Expiry 19 November 2026	2,250,000	4	Pato Negro	1,000,000
			Seamus Cornelius	500,000
			Nedlands Nominees	500,000
50.8 cent Options, Expiry 29 November 2027	2,000,000	3	Pato Negro	1,000,000
			Seamus Cornelius	500,000
			Nedlands Nominees	500,000

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(f) Schedule of interests in mining tenements

Location	Tenement	Percentage held / earning
Mount Mabel	E38/1997	100% Nickel rights only
Duketon	E38/2666	100% Nickel rights only
Duketon	E38/2805	100% Nickel rights only
Duketon	E38/2834	100% Nickel rights only
Duketon	E38/2866	100% Nickel rights only
Duketon	E38/2916	100% Nickel rights only
Granite Peak	E38/3142	100% Nickel rights only
Millar Hill	E38/3549	100% Nickel rights only
Mount Mabel	E38/3550	100% Nickel rights only
Moolart North	E38/3617	100%
Duketon North	E38/3658	100%
Duketon North	E38/3871 (A)	100%
Doris	E52/3833	100%
Cunyu	E52/3923 (A)	100%
Doris North	E52/4004	100%
Fisher South	E53/2143	100%
Wonganoo	E53/2305 (A)	100%
Curbura North Well	E58/613 (A)	100%
Dusty East	E53/2302 (A)	100%
Barlee	E77/2717	100%
North Walgoolan	E77/2794 (A)	100%
Barlee	E77/3027 (A)	100%
Lake Barlee	E77/3117 (A)	100%
North Walgoolan	E77/3129 (A)	100%
Lake Mackay	E80/5947 (A)	100%
Duketon	M38/1252	100% Nickel rights only
Duketon	P38/4550 (A)	100%

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