



ASX Release
28 September 2023

FINANCIAL STATEMENTS – 30 JUNE 2023

Octava Minerals Ltd [ASX:OCT] (“Octava” or the “Company”) encloses its full year financial report for the year ended 30 June 2023.

This announcement has been authorised for release by Mark Pitts the Company Secretary on behalf of the board.

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About Octava Minerals Ltd

Octava Minerals Limited (ASX:OCT) is a Western Australian based green energy metals exploration and development company. The Company has 3 strategically located projects in geographically proven discovery areas, with the key project being the East Pilbara (Talga) lithium project.

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Board Members

Clayton Dodd – Chairman
Damon O’Meara – Non – Executive Director
Feiyu Qi – Non – Executive Director
Bevan Wakelam – Managing Director / CEO

Projects

East Pilbara (Talga) – lithium & gold
East Kimberley – nickel & PGM’s
Yallalong – gold & nickel

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OCTAVA MINERALS LIMITED

ABN 86 644 358 403

FINANCIAL REPORT

30 JUNE 2023

OCTAVA MINERALS LIMITED
and its Controlled Entities

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Competent Person Statements

Where Octava references previously announced Exploration Results in this report and in addition the information noted in the Prospectus and Supplementary Prospectus released to ASX on 14 September 2022. Octava 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 in those announcements continue to apply and have not materially changed.

Octava confirms that the form and context of the respective competent persons' findings in relation to those reports have not been materially modified from the original market announcements.

DIRECTORS' REPORT

The Directors present their report together with the financial report of Octava Minerals Limited ("the Company" or "Octava") and of the Group, comprising the Company and its subsidiaries, for the year ended 30 June 2023 and the auditor's report thereon.

1. DIRECTORS

The names and details of the Company's directors in office during the financial year or since the end of the financial year are set out below.

Clayton Dodd – Chairman
B.Bus, CA

Clayton Dodd is a Chartered Accountant with more than 35 years' experience in finance and the resources sector in Australia, South Africa, South America, the UK and North America. Mr Dodd has been involved in a myriad of public companies listed on AIM, the ASX, the TSX and the JSE, usually through appointments to Board positions and as a founding shareholder. Mr Dodd has had extensive experience in capital raising, marketing, and creating and developing newly listed companies.

Bevan Wakelam – Managing Director
B.Sc., GDipAppFin

Bevan Wakelam is a resource industry executive with over 25 years' experience as a Geologist and Resources Marketing Executive. Mr Wakelam has a diverse skill set, gained from senior geological and marketing roles across a number of commodities including Iron Ore, Manganese and Industrial Minerals. Mr Wakelam spent over 10 years with Rio Tinto and was part of the start-up team at Roy Hill Iron Ore. Mr Wakelam has extensive experience in resource evaluation, project development, due diligence and commodity sales & marketing. His previous roles have also included assessment of resource projects throughout China, SE Asia, India and South America.

Damon O'Meara – Non-Executive Director
B.Ed., Dip.(Teaching)

Damon O'Meara has over 40 years' experience in the mining industry, having previously worked for ASX-Listed Miralga Mining NL and Denis O'Meara Prospecting, the founders of Atlas Iron, Kalamazoo Resources and De Grey Mining. Mr O'Meara was also the co-founder of Outback Trees of Australia which has been contracting to prominent mining groups Rio Tinto, BHP, FMG, Chevron, Woodside, Mineral Resources, and others for over 30 years, and is currently the managing director of two private exploration companies, Great Sandy Pty Ltd and Mineral Edge Pty Ltd.

Feiyu Qi – Non-Executive Director (appointed 23 June 2023)
B.Ec. (Project Management)

Feiyu Qi is currently the CEO of Fuyang New Energy Development Co. Ltd ("Fuyang"), a Company that holds a 15% interest in the shares of Octava and a key cornerstone investor. Mr Qi graduated from Shanghai University with a major in Project Management and has more than 20 years' experience in this field. Mr Qi has also provided professional business advice to a number of international companies including King Power Group (Hong Kong) and Luolai Home Textiles.

2. DIRECTORSHIPS OF OTHER LISTED COMPANIES

Directorships of other ASX listed companies held by Directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company
Clayton Dodd	Podium Minerals Limited (October 2009 - November 2022)
Bevan Wakelam	Nil
Damon O'Meara	First Au Limited (June 2018 - May 2023) Narryer Metals Limited (July 2021 – current)
Feiyu Qi	Patagonia Lithium Limited (August 2023 – current)

DIRECTORS' REPORT (CONTINUED)

3. COMPANY SECRETARY

Mark Pitts – Company Secretary
B.Bus, FCA, GAICD

Mr Pitts is a Chartered Accountant with over 30 years' experience in statutory reporting and business administration. He has been directly involved with, and consulted to, a number of public companies holding senior financial management positions. Mr Pitts is a Principal in the Company Secretarial and CFO advisory divisions of the Automic Group providing secretarial support, corporate and compliance advice to a number of ASX listed public companies.

4. DIRECTORS' MEETINGS

The number of Directors' meetings held, and the number of meetings attended by each of the Directors of the Company during their term in office in the financial year is as follows.

Director	Meetings held while in office	Meetings attended
Clayton Dodd	8	8
Bevan Wakelam	8	8
Damon O'Meara	8	8
Feiyu Qi	-	-

The Company does not have any committees. Matters usually considered by an audit, remuneration or nomination committee were dealt with by the whole Board during regular Board meetings.

5. PRINCIPAL ACTIVITY

The principal activity of the Group during the course of the financial year was mineral exploration in Australia.

6. OPERATING AND FINANCIAL REVIEW

The Group incurred an after-tax loss for the year of \$752,726 (2022: \$1,520,729).

As at 30 June 2023, the Group had cash and cash equivalents of \$3,355,502 (30 June 2022: \$113,777) and net assets of \$5,734,735 (30 June 2022: net liabilities of \$233,949).

Corporate:

During the period, the Group completed its initial public offering of shares, raising \$6,000,000 (before costs of the offer) through the issue of 30,000,000 shares at \$0.20 per share. Furthermore, the Company had the following issues of shares and options during the period:

- 2,000,000 unquoted options, exercisable at \$0.30 each on or before 13 September 2024, were issued to brokers as part of the consideration for capital raising costs;
- 5,000,000 ordinary shares at \$0.20 each were issued as partial consideration for Rich Well Resources Pty Ltd, the holder of four exploration licences; and
- 250,000 ordinary shares at \$0.20 each were issued as partial consideration for the Eginbah Tenement (E45/5022).

During the financial year no other options or performance rights were issued, expired or lapsed unexercised.

Since the end of the financial year, no options or performance rights have been granted or expired.

Exploration Activities:

The Company listed on the Australian Securities Exchange on 16 September 2022 and immediately commenced exploration at its key Talga Lithium Project in the search for lithium bearing pegmatites. Lithium mineralisation has previously been recorded in pegmatite at the Pinnacle Well prospect at Talga, but much of the tenure remains effectively unexplored for lithium. Pinnacle Well is only 10km north from the Archer Lithium Resource (18Mt @ 1.0% Li2O) held by Global Lithium Resources (ASX: GL1).

DIRECTORS' REPORT (CONTINUED)

Octava has undertaken a systematic lithium exploration program at Talga and has identified a number of outcropping pegmatites around the Pinnacle Well and Nimerry prospects, that have recorded anomalous lithium values within the vicinity of the greenstone/granite contacts, a key target geology used in the exploration for lithium in the Pilbara.

A maiden lithium drill program at Talga targeted a large (1.5km) outcropping pegmatite at Pinnacle Well that has recorded anomalous lithium values up to 203pp Li₂O. Substantial intersections of pegmatite were encountered, up to 45m, within a fine-grained foliated basalt from a depth of 1m. The drilling intersected lithium mineralisation which continues to support the wider lithium potential at Talga.

Subsequent to the financial year end, Octava secured agreement to acquire 100% of the Talga JV tenements through acquisition of the remaining 30% held by FirstAu Limited (ASX:FAU, "FAU"). Under the terms of the sales agreement, Octava will purchase the remaining 30%, which will include the 20% free carried interest holding in the Talga JV from FAU to give 100% ownership of the Talga JV tenements.

East Kimberley

The East Kimberley project comprises two 100% owned tenements, the Panton North project (E80/5455) and the Copernicus North project (E80/5459) located in the Halls Creek Orogen, a Tier 1 nickel sulphide – PGM province.

Octava Minerals and Future Metals NL entered into an agreement providing Future Metals with a right to earn up to 70% interest in the Panton North and Copernicus North tenements by sole funding a minimum of A\$2m of exploration and development over the next four years. Thereafter Octava is free carried through to a decision to mine.

Future Metals owns the Panton PGM-Ni Resource containing 5.0Moz PGM3E and 239kt Ni and 20kt Co. The Panton North tenement is located adjacent to the Panton Mineral Resource and covers extensions of this same stratigraphy. Future Metals has completed +2000m of RC scout drilling at the Panton North Project. This first pass RC drilling program was focussed on two key targets, a significant embayment feature ("BC1") and the Panton West Prospect for Ni-Cu-PGM mineralisation. Neither of these targets had been previously drilled and assay results will be announced in due course.

Yallalong

The Yallalong project comprises one granted Exploration Licence, E70/5051 (100% owned) with an exploration area of 63.4km² and an application for E09/2823, with an exploration area of 94km², lodged during May 2023. The project is located ~ 220km to the northeast of the bulk export port town of Geraldton. It is prospective for Ni-Cu-PGM mineralisation related to mafic – ultramafic intrusions. Exploration commenced at the Yallalong Ni-Cu-PGM project, with partial funding provided by the CSIRO Kick-Start program.

A 1027 sample geochemistry soil sampling program designed in conjunction with CSIRO was completed at Yallalong and the samples were submitted for laboratory analysis and interpretation of results using statistical and machine learning models at the CSIRO.

The laboratory results have revealed several prospective Ni-Cu-Co anomalies at Yallalong which are up to 400m across and strongly correlate to magnetitic highs. Maximum assay values include 187ppm nickel, 279ppm copper and 130ppm cobalt. With assay results now received, CSIRO are completing interpretation work and a final report is expected to be received shortly. POW clearances have been received and work towards gaining heritage clearance is in progress, to enable drilling to commence.

7. RISK MANAGEMENT

Material business risks

There are inherent risks associated with the exploration for minerals. The Group faces the usual risks encountered by companies engaged in the exploration, evaluation and development of minerals. The Board has delegated the day to day management of risks to the Managing Director.

The material business risks for the Group include:

Exploration and development risk

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, not all exploration activity will lead to the discovery of economic deposits. Major expenditure may be required to locate and establish Ore Reserves, to establish rights to mine the ground, to receive all necessary operating permits, to develop metallurgical processes and to construct mining and processing facilities at a particular site.

DIRECTORS' REPORT (CONTINUED)

Environmental risks

The Group's operations and projects are subject to the laws and regulations of the jurisdictions in which it has interests and carries on business (Western Australia) regarding environmental compliance and relevant hazards. There is also a risk that the environmental laws and regulations may become more onerous, making the Group's operations more expensive which may adversely affect the financial position and /or performance of the Group. The Directors are not aware of any environmental law that is not being complied with.

Government regulations and tenements risks

Changes in law and regulations or government policy may adversely affect the Group's operations. There is no guarantee that current or future exploration claim applications or existing tenement renewals will be granted, that they will be granted without undue delay, or that the Company can economically comply with any conditions imposed on any granted exploration tenements. Loss of tenements may adversely affect the financial position and /or performance of the Group. The Group monitors proposed changes to industry regulations and policies.

In addition to the risks described above, the Group's ability to successfully develop projects is contingent on the Group's ability to fund those projects through debt or equity raisings.

8. DIVIDENDS

No dividends were paid or declared by the Company during the financial year.

9. EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to the end of the year the Company and FAU entered into an agreement whereby the Company purchased the remaining 30% interest in the Talga JV, which includes the 20% free carried interest to a decision to mine, held by FAU. Consideration for the acquisition comprised a cash payment of \$200,000; the issue of 1.25million ordinary shares in Octava (subject to 6 months voluntary escrow) and a 0.75% net smelter royalty ("NSR").

Other than the above matter, there has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

10. LIKELY DEVELOPMENTS

The Company will continue planning and executing exploration and development work on its existing projects in Australia as well as projects under review in Australia to complement and expand on existing tenement holdings.

11. DIRECTORS' INTERESTS

The relevant interest of each Director in the shares and options of the Company as notified by the Directors to the Australian Securities Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

Director	Ordinary shares	Unlisted options	Performance Rights
Clayton Dodd	-	-	1,000,000
Bevan Wakelam	100,000	-	1,500,000
Damon O'Meara	383,334	300,001	750,000
Feiyu Qi	-	-	-

The above table includes indirect shareholdings held by related parties to the directors.

12. ENVIRONMENTAL REGULATIONS

In the course of its normal mining and exploration activities Octava adheres to environmental regulations imposed on it by the various regulatory authorities, particularly those regulations relating to ground disturbance and the protection of rare and endangered flora and fauna.

DIRECTORS' REPORT (CONTINUED)

Octava has complied with all material environmental requirements up to the date of this report. The Board believes that Octava has adequate systems in place for the management of its environmental requirements and is not aware of any breach of these environmental requirements as they apply to it.

13. REMUNERATION REPORT – AUDITED

13.1 Principles of compensation

Remuneration levels for key management personnel and other staff of Octava are competitively set to attract and retain appropriately qualified and experienced personnel and therefore includes a combination of cash paid and the issuance of options and rights. Key management personnel comprise the directors of the Company and senior executives for Octava. Staff remuneration is reviewed annually.

Consequences of performance on shareholder wealth

In establishing performance measures and benchmarks to ensure incentive plans are appropriately structured to align corporate behaviour with the long-term creation of shareholder wealth, the Board has regard for the stage of development of the Company's business, share price, operational and business development achievements (including results of exploration activities) that are of future benefit to the Company. In considering Octava's performance and benefits for shareholder wealth, the Board have regarded the following indices. As this is the Group's first financial year as a listed company, no comparative information for the previous years is considered appropriate in this assessment.

	2023
Loss per share (cents)	(1.93)
Net loss (\$)	(\$752,726)
Share price at 30 June	\$0.12

Service contracts

Bevan Wakelam – Managing Director:

The Company entered into an Executive Service agreement with Mr Wakelam on 31 March 2021. An Executive service fee of \$250,000 (including superannuation) per annum is payable with an indefinite term. Either Party can terminate the agreement subject to a three-month notice period. Mr Wakelam is not entitled to any termination payments other than for services rendered at time of termination.

Mark Pitts – Company Secretary

Mr Pitts is a Principal in the Company Secretarial and CFO advisory divisions of the Automic Group providing secretarial support and corporate and compliance advice, pursuant to an engagement agreement with the Company. The agreement has no fixed term with the option of termination by either party with two months' written notice. Mr Pitts is not entitled to any termination payments other than for services rendered at time of termination.

Non-executive directors

Non-executive Directors receive a Directors' fee of up to \$60,000 (inclusive of superannuation benefits as required under the applicable legislation). The Chair receives a fixed annual fee of \$100,000 (inclusive of superannuation benefits as required under the applicable legislation).

The maximum aggregate amount of non-executive Directors' fees payable by the Company as approved by the Company's shareholders is \$300,000 per annum.

Share trading policy

Upon admission to the official list of the ASX, Octava introduced a share trading policy which sets out the circumstances in which directors, executives, employees, and other designated persons may deal with securities held by them in the Company. This includes any shares, or any other securities issued by the Company such as options. The policy includes restriction on key management personnel and other employees from entering into arrangements that limit their exposure to losses that would result from share price decreases. Entering into such arrangements has been prohibited by law since 1 July 2011.

DIRECTORS' REPORT (CONTINUED)

13.2 Directors' and senior executives' remuneration

Details of the nature and amount of each major element of the remuneration of each director of the Company and other key management personnel of the Group are:

	Year Ended 30 June 2023						Proportion of remuneration related %	Value of options and rights as proportion of remuneration %
	Short term			Long term				
	Salary & fees \$	Consulting fees \$	Movement in leave accruals ¹ \$	Superannuation benefits \$	Options and Rights ² \$	Total \$		
Directors								
Executive								
Mr B Wakelam	248,412	-	10,612	26,346	25,699	311,069	8.3%	8.3%
Non-executive								
Mr C Dodd	70,111		5,393	7,362	17,133	99,999	17.1%	17.1%
Mr D O'Meara	37,500	-	-	-	12,849	50,349	10.5%	10.5%
Mr F Qi (appointed 23 June 2023)	-	-	-	-	-	-	-	-
Total - Directors	356,023	-	16,005	33,708	55,681	461,417	12.1%	12.1%
Other Key Management Personnel								
Executives								
Mr M Pitts (Company Secretary)	34,600	-	-	-	-	34,600	-	-
Total – all key management personnel	390,623	-	16,005	33,708	55,681	496,017	11.2%	11.2%

¹ – Represents the accounting value of the movement in accrued leave liabilities, and not amounts paid to the member of Key Management Personnel.

² – Represents the vesting expense of options and rights issued during a previous period.

DIRECTORS' REPORT (CONTINUED)

Year Ended 30 June 2022	Short term			Long term		Total	Proportion of remuneration performance related	Value of options and rights as proportion of remuneration
	Salary & fees	Consulting fees	Movement in leave accruals ¹	Superannuation benefits	Options and Rights ²			
	\$	\$	\$	\$	\$	\$	%	%
Directors								
Executive								
Mr B Wakelam	161,065	-	-	15,000	5,242	181,307	2.9%	2.9%
Non-executive								
Mr C Dodd	16,667	-	-	-	3,494	20,161	17.3%	17.3%
Mr D O'Meara	10,000	-	-	-	2,621	12,621	21%	21%
Total - Directors	187,732	-	-	15,000	11,357	214,089	5.3%	5.3%
Total – all key management personnel	187,732	-	-	15,000	11,357	214,089	5.3%	5.3%

¹ – Represents the accounting value of the movement in accrued leave liabilities, and not amounts paid to the member of Key Management Personnel.

² – Includes both instruments issued during the current period and the vesting expense of options and rights issued during a previous period.

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DIRECTORS' REPORT (CONTINUED)

13.3 Value of options to key management personnel

The value of options will only be realised if and when the market price of the Company shares, as quoted on the Australian Securities Exchange, rises above the Exercise Price of the options. Further details of the options are contained below.

13.4 Options and rights over equity instruments granted as compensation

No options or rights were granted to Key Management Personnel during the current financial year.

No options were granted to Key Management Personnel during the previous financial year.

3,250,000 performance rights were granted to Key Management Personnel during the previous financial year. The details are set out below.

13.5 Analysis of options and rights over equity instruments granted as compensation

Granted during previous financial years

The following performance rights, which all expire on 28 February 2027, were issued to Key Management Personnel during the previous financial year:

- 1,083,334 Tranche A performance rights, vesting upon the share price of the Company exceeding \$0.30 as quoted on the ASX for a period of 30 consecutive trading days;
- 1,083,333 Tranche B performance rights, vesting upon the share price of the Company exceeding \$0.50 as quoted on the ASX for a period of 30 consecutive trading days; and
- 1,083,333 Tranche C performance rights, vesting upon the share price of the Company exceeding \$0.70 as quoted on the ASX for a period of 30 consecutive trading days;

The number of rights under each tranche on issue during the current and previous financial year are as follows:

	30 June 2023	30 June 2022
	No.	No.
Performance Rights – Tranche A	1,083,334	1,083,334
Performance Rights – Tranche B	1,083,333	1,083,333
Performance Rights – Tranche C	1,083,333	1,083,333
	3,250,000	3,250,000

The fair value of the performance rights issued during the year to Key Management Personnel was determined by reference to a trinomial valuation model. The key inputs into the probability models and valuations are summarised as follows:

	Tranche A	Tranche B	Tranche C
Underlying security spot price on grant date	\$0.10	\$0.10	\$0.10
Grant date	28 Feb 2022	28 Feb 2022	28 Feb 2022
Expiration date	28 Feb 2027	28 Feb 2027	28 Feb 2027
Vesting date (estimated)	28 Feb 2027	28 Feb 2027	28 Feb 2027
Life (years)	5	5	5
Number of rights	1,083,334	1,083,333	1,083,333
Expected volatility	100%	100%	100%
Risk-free rate	3.09%	3.09%	3.09%
Value per right	\$0.0850	\$0.0766	\$0.0704
Remaining life (years)	3.7	3.7	3.7
Total value	\$92,056	\$83,014	\$76,288
Value recognised to date (as at 30 June 2023)	\$24,552	\$22,140	\$20,346
Value still to be recognised (as at 30 June 2023)	\$67,504	\$60,874	\$55,942

DIRECTORS' REPORT (CONTINUED)

13.6 Equity Holdings and Transactions

The movement during the reporting period in the number of ordinary shares in Octava Minerals Limited held directly, indirectly or beneficially, by each key management person, including their personally related entities, is as follows:

Key Management Personnel	Held at beginning of period/on appointment	Purchases	Sales	Exercise of Options and Performance Rights	Other movements	Held at end of period/on resignation
Clayton Dodd	-	-	-	-	-	-
Bevan Wakelam	-	100,000	-	-	-	100,000
Damon O'Meara	133,334	-	-	-	250,000 ¹	383,334
Feiyu Qi	-	-	-	-	-	-
Mark Pitts	-	-	-	-	-	-

1 – During the year, the Company acquired the tenements comprising the Eginbah project from Great Sandy Pty Ltd, and entity in which Mr O'Meara is a director and has an interest. The consideration for this acquisition included the issue of 250,000 shares.

13.7 Option holdings

The movement during the reporting period in the number of options over ordinary shares in Octava Minerals Limited held, directly, indirectly or beneficially, by each key management person, including their personally-related entities, is as follows:

Key Management Personnel	Held at beginning of period/on appointment	Granted	Purchased	Exercised	Lapsed or Expired	Held at end of period / on resignation	Vested and exercisable at end of period
Clayton Dodd	-	-	-	-	-	-	-
Bevan Wakelam	-	-	-	-	-	-	-
Damon O'Meara	300,001	-	-	-	-	300,001	300,001
Feiyu Qi	-	-	-	-	-	-	-
Mark Pitts	-	-	-	-	-	-	-

13.8 Performance right holdings

The movement during the reporting period in the number of performance rights over ordinary shares in Octava Minerals Limited held, directly, indirectly or beneficially, by each key management person, including their personally-related entities, is as follows:

Key Management Personnel	Held at beginning of period/on appointment	Granted	Exercised	Other movements	Held at end of period / on resignation	Vested and exercisable at end of period
Clayton Dodd	1,000,000	-	-	-	1,000,000	-
Bevan Wakelam	1,500,000	-	-	-	1,500,000	-
Damon O'Meara	750,000	-	-	-	750,000	-
Feiyu Qi	-	-	-	-	-	-
Mark Pitts	-	-	-	-	-	-

DIRECTORS' REPORT (CONTINUED)

13.9 Key management personnel transactions

The following table provides the total amount of transactions which have been entered into with related parties for the relevant financial year exclusive of GST:

Key management Personnel	Transaction	Transaction value year ended		Balance outstanding as at	
		30 June 2023	30 June 2022	30 June 2023	30 June 2022
		\$	\$	\$	\$
Mark Pitts	Accounting services	10,885	-	3,214	-

The Company paid fees to Endeavour Corporate, a company associated with Mark Pitts, for accounting and financial reporting services provided to the Group.

Furthermore, during the year the Group acquired tenements from Great Sandy Pty Ltd, an entity in which Damon O'Meara has a material interest and is the Managing Director. These tenements, comprising the Eginbah project, were acquired for the payment of 250,000 shares at \$0.20 each, totalling \$50,000, plus the payment of \$10,000 as reimbursement of costs incurred by Great Sandy Pty Ltd prior to the acquisition.

END OF REMUNERATION REPORT

14. SHARE OPTIONS

Unissued shares under option

At the date of this report unissued ordinary shares of the Company under option are:

	Expiry Date	Exercise price	Number of options
Seed Capital Options – Tranche A	8 October 2025	\$0.60	3,650,007
Seed Capital Options – Tranche A	16 September 2024	\$0.90	481,260
Broker Options	13 September 2024	\$0.30	2,000,000
			<u>6,131,267</u>

These options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

Shares issued on exercise of options

During and since the end of the financial year, no shares have been issued subject to the exercise of options (2022: Nil)

15. PERFORMANCE RIGHTS

Unissued shares under performance rights

At the date of this report unissued ordinary shares of the Company under performance rights are:

	Expiry Date	Number of rights
Performance Rights – Tranche A	28 Feb 2027	1,083,334
Performance Rights – Tranche B	28 Feb 2027	1,083,333
Performance Rights – Tranche C	28 Feb 2027	1,083,333
		<u>3,250,000</u>

The terms of these rights are summarised in section 13.5 above.

Shares issued on exercise of performance rights

During the financial year, the Company did not issue any ordinary shares as a result of the exercise of performance rights (2022: Nil).

DIRECTORS' REPORT (CONTINUED)

16. CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviours and accountability, the Directors support and have adhered to the principles of sound corporate governance. The Board recognises the recommendations of the ASX Corporate Governance Council and considers the Company is in compliance with those guidelines which are of importance to the operations of the Company. Where a recommendation has not been followed, that fact has been disclosed together with the reasons for the departure.

The Company's Corporate Governance Statement and disclosures available on the Company's website at www.octavaminerals.com.

17. INDEMNIFICATION OF OFFICERS AND AUDITORS

The Company has entered into Deeds of Access and Indemnity (Deed) with each Director and the Company Secretary (officers). Under the Deed, the Company indemnifies the officers to the maximum extent permitted by law and the Constitution against legal proceedings, damage, loss, liability, cost, charge, expense, outgoing or payment (including legal expenses on a solicitor/client basis) suffered, paid or incurred by the officers in connection with the officers being an officer of the Company, the employment of the officer with the Company or a breach by the Company of its obligations under the Deed.

Also pursuant to the Deed, the Company must insure the officers against liability and provide access to all board papers relevant to defending any claim brought against them in their capacity as officers of the Company.

The Company has paid insurance premiums during the year in respect of liability for any past, present or future Directors, secretary, officers and employees of the Company or related body corporate. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has not provided any insurance or indemnification for the Auditor of the Company.

18. NON-AUDIT SERVICES

During the year the Company's auditors, McLean Delmo Bentleys Audit Pty Ltd and HLB Mann Judd, provided no non-audit services to the Company.

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

The lead auditor's independence declaration is set out on page 13 and forms part of the Directors' report for the financial year ended 30 June 2023.

20. SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of Directors, other than that disclosed elsewhere in this report, there were no other significant changes in the state of affairs of the Group that occurred during the financial year under review.

This report is made with a resolution of the Directors:



C Dodd
Chairman
Perth
28 September 2023

AUDITOR'S INDEPENDENCE DECLARATION

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

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



Perth, Western Australia
28 September 2023

D B Healy
Partner

hl**b.com.au**

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	Note	30 June 2023 Consolidated \$	30 June 2022 Company \$
Current Assets			
Cash and cash equivalents	9	3,355,502	113,777
Trade and other receivables	10	27,332	3,175
Total current assets		3,382,834	116,952
Non-current assets			
Exploration and evaluation expenditure	11	2,343,320	190,000
Other financial assets	12	115,500	30,000
Total non-current assets		2,458,820	220,000
Total assets		5,841,654	336,952
Current liabilities			
Trade and other payables	13	73,734	565,842
Employee entitlements	14	33,185	5,059
Total current liabilities		106,919	570,901
Total liabilities		106,919	570,901
Net assets / (liabilities)		5,734,735	(233,949)
Equity			
Share capital	15	8,293,927	1,797,630
Reserves	16	236,470	11,357
Accumulated losses		(2,795,662)	(2,042,936)
Total equity / (deficiency)		5,734,735	(233,949)

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	30 June 2023 Consolidated \$	30 June 2022 Company \$
Other income	5	400,000	-
Administrative expenses		(302,006)	(95,159)
Exploration expenses		-	(530,932)
Employee benefits expenses	4	(369,421)	(55,023)
Marketing expenses		(96,151)	(20,265)
Occupancy expenses		(5,647)	(7,957)
Share based payment expense		(55,681)	(80,950)
Fair value adjustment of financial assets	12	(284,500)	-
Exploration and evaluation expenditure written off	11	(60,000)	(226,822)
Prospectus expenses		(45,294)	(504,016)
Other expenses		(545)	-
Loss from operating activities		(819,245)	(1,521,124)
Finance income		66,705	395
Finance expenses		(186)	-
Net finance income	6	66,519	395
Loss before income tax			
Income tax benefit	7	-	-
Net loss for the year from continuing operations		(752,726)	(1,520,729)
Other comprehensive income		-	-
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive loss for the year		(752,726)	(1,520,729)
Loss per share:			
Basic and diluted loss per share (cents per share)	8(a)	(1.93)	N/A

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

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

	Share capital	Share based payment reserve	Accumulated losses	Total
Company				
Balance at 1 July 2021	565,400	-	(522,207)	43,193
Loss for the year	-	-	(1,520,729)	(1,520,729)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	-	(1,520,729)	(1,520,729)
Share capital received from investors	1,197,000	-	-	1,197,000
Share-based payments to consultants	80,950	-	-	80,950
Fair value of options and rights issued to directors	-	11,357	-	11,357
Share issue costs	(45,720)	-	-	(45,720)
Balance at 30 June 2022	1,797,630	11,357	(2,042,936)	(233,949)
Consolidated				
Balance at 1 July 2022	1,797,630	11,357	(2,042,936)	(233,949)
Loss for the year	-	-	(752,726)	(752,726)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	-	(752,726)	(752,726)
Issue of shares – initial public offering	6,000,000	-	-	6,000,000
Issue of shares for tenement acquisition	1,050,000	-	-	1,050,000
Issue of options in lieu of share issue costs	(169,432)	169,432	-	-
Vesting of previously issued options and rights	-	55,681	-	55,681
Share issue costs	(384,271)	-	-	(384,271)
Balance at 30 June 2023	8,293,927	236,470	(2,795,662)	5,734,735

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

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

	Note	30 June 2023 Consolidated \$	30 June 2022 Company \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,000,541)	(470,767)
Payments for exploration expenditure		-	(546,139)
Interest received		66,705	395
GST received		78,378	54,633
Net cash (used) in operating activities	21	(855,458)	(961,878)
Cash flows from investing activities			
Payments for exploration expenditure		(1,480,234)	-
Net cash (used) in investing activities		(1,480,234)	-
Cash flows from financing activities			
Proceeds from issue of share capital		6,000,000	1,097,000
Transaction costs from issue of shares and options		(422,583)	(45,720)
Net cash from financing activities		5,577,417	1,051,280
Net increase in cash and cash equivalents		3,241,725	89,402
Cash and cash equivalents at beginning of year		113,777	24,375
Cash and cash equivalents at end of year	9	3,355,502	113,777

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. REPORTING ENTITY

Octava Minerals Limited (“the Company”) is a company domiciled in Australia. The Company’s registered office is Suite 1, 234 Churchill Avenue, Subiaco, Western Australia. The consolidated financial statements of the Company for the financial year ended 30 June 2023 comprises the Company and its subsidiaries (together referred to as “the Group”).

The Group is a for profit entity and its principal activity is mineral exploration in Australia.

2. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements also comply with International Financial Reporting Standards (IFRS’s) adopted by the International Accounting Standards Board (IASB).

The consolidated financial report was authorised for issue by the Directors on 28 September 2023.

(b) Basis of measurement

The financial report is prepared on the historical cost basis except for share based payments and financial assets which are measured at their fair value.

(c) Functional and presentation currency

The financial report is presented in Australian dollars which is the functional and presentation currency of the Company and its subsidiaries.

(d) Use of estimates and judgements

Set out below is information about:

- critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements; and
- assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

Critical judgements

i. Going concern

A key assumption underlying the preparation of the financial statements is that the Group will continue as a going concern. An entity is a going concern when it is considered to be able to pay its debts as and when they are due, and to continue in operation without any intention or necessity to liquidate or otherwise wind up its operations. A significant amount of judgement has been required in assessing whether the Group is a going concern, as set out in note 2(f).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (continued)

(d) Use of estimates and judgements (continued)

Critical judgements (continued)

ii. Ore Reserves and Mineral Resources

Economically recoverable reserves represent the estimated quantity of product in an area of interest that can be expected to be profitably extracted, processed and sold under current and foreseeable economic conditions. The Group determines and reports ore reserves and mineral resources under the standards incorporated in the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves, 2012 edition (the JORC Code). The determination of ore reserves or mineral resources includes estimates and assumptions about a range of geological, technical and economic factors, including: quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates. Changes in ore reserves and mineral resources impact the assessment of recoverability of exploration and evaluation assets, provisions for site restoration and the recognition of deferred tax assets, including tax losses.

iii. Exploration and evaluation assets

Determining the recoverability of exploration and evaluation expenditure capitalised in accordance with the Group's accounting policy (refer note 3(k)), requires estimates and assumptions as to future events and circumstances, in particular, whether successful development and commercial exploitation, or alternatively sale, of the respective areas of interest will be achieved. Critical to this assessment are estimates and assumptions as to ore reserves (refer note 2(d)(ii)), the timing of expected cash flows, exchange rates, commodity prices and future capital requirements. Changes in these estimates and assumptions as new information about the presence or recoverability of an ore reserve becomes available, may impact the assessment of the recoverable amount of exploration and evaluation assets. If, after having capitalised the expenditure under accounting policy note 3(k), a judgement is made that recovery of the expenditure is unlikely, an impairment loss is recorded in the statement of profit and loss and other comprehensive income in accordance with accounting policy note 3(d). The carrying amounts of exploration and evaluation assets are set out in note 11.

iv. Share based payments

The Group 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 using a valuation model considering the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 18 for further information.

(e) Adoption of new and revised standards

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

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

(f) Going concern

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Group has consistently applied the accounting policies set out in this note to all periods presented in these consolidated financial statements.

(a) Basis of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Investments in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 percent and 50 percent of the voting power of another entity.

Investments in associates are accounted for using the equity method and are recognised initially at cost. The cost of the investments includes transaction costs.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of the investment, including any long-term interest that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

iii. Joint arrangements

The Group classifies its interests in joint arrangements as either joint operations or joint ventures depending on the Group's rights to the assets and obligation for the liabilities of the arrangements. When making this assessment, the Group considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances.

iv. Transactions eliminated on consolidation

Intragroup balances, and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

v. Business combinations

Business combinations are accounted for by applying the acquisition method.

For every business combination, the Group identifies the acquirer, which is the combining entity that obtains control of the other combining entities or businesses. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

vi. Contingent liabilities

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (continued)

vii. *Non-controlling interest*

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

(b) Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

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

For the purpose of subsequent measurement, financial assets, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

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

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

After initial recognition, these are measured at amortised cost using the effective interest method.

Financial assets at fair value through profit or loss (FVTPL)

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

The category also contains an equity investment. The Group accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in unlisted and listed equity securities at fair value through other comprehensive income (FVOCI). The fair value was determined in line with the requirements of AASB 9, which does not allow for measurement at cost. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Financial instruments (continued)

Trade and other receivables and contract assets

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

(d) Impairment

The Group assesses at each balance date whether a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

Trade receivables are initially recognised at their transaction price and other receivables at fair value. Receivables that are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest are classified and subsequently measured at amortised cost. Receivables that do not meet the criteria for amortised cost are measured at fair value through profit or loss.

The group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises the lifetime expected credit loss for trade receivables carried at amortised cost.

The expected credit losses on these financial assets are estimated based on the Group's historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as forecast conditions at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Impairment (continued)

The Group considers an event of default has occurred when a financial asset is more than 90 days past due or external sources indicate that the debtor is unlikely to pay its creditors, including the Group. A financial asset is credit impaired when there is evidence that the counterparty is in significant financial difficulty or a breach of contract, such as a default or past due event has occurred. The Group writes off a financial asset when there is information indicating the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets (see accounting policy 3(k)) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(e) Share capital

Ordinary shares

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

(f) Employee benefits

Share based payment transactions

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcome.

Wages, salaries, annual leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries and annual leave represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay as at reporting date including related on-costs, such as, workers compensation insurance and payroll tax.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Finance income and expenses

Net finance income

Net finance income comprises interest receivable on funds invested and realised foreign exchange gains and losses. Interest income is recognised in the statement of profit and loss and other comprehensive income as it accrues, using the effective interest method.

(h) Income tax

Income tax in the statement of profit and loss and other comprehensive income for the periods presented comprises current and deferred tax. Income tax is recognised in the statement of profit and loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(i) Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

(j) 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 Board of Directors of the Company.

(k) Exploration and evaluation expenditure

Exploration for and evaluation of mineral resources is the search for mineral resources after the Group has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resources. Accordingly, exploration and evaluation expenditures are those expenditures incurred by the Group in connection with the exploration for and evaluation of minerals resources before the technical feasibility and commercial viability of extracting mineral resources are demonstrable.

Accounting for exploration and evaluation expenditure is assessed separately for each area of interest. An area of interest is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Exploration and evaluation expenditure (continued)

Expenditure incurred on activities that precede exploration and evaluation of mineral resources, including all expenditure incurred prior to securing legal rights to explore an area, is expensed as incurred.

For each area of interest, the expenditure is recognised as an exploration and evaluation asset where the following conditions are satisfied:

- a) The rights to tenure of the area of interest are current; and
- b) At least one of the following conditions is also met:
 - i. The expenditure is expected to be recouped through successful development and commercial exploitation of an area of interest, or alternatively by its sale; and
 - ii. Exploration and evaluation activities in the area of interest have not, at reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise 'economically recoverable reserves' and active and significant operations in, or in relation to, the area of interest are continuing. Economically recoverable reserves are the estimated quantity of product in an area of interest that can be expected to be profitably extracted, processed and sold under current and foreseeable conditions.

Exploration and evaluation assets include

- Acquisition of rights to explore;
- Topographical, geological, geochemical and geophysical studies;
- Exploratory drilling, trenching, and sampling and
- Activities in relation to evaluating the technical feasibility and commercial viability of extracting the mineral resource.

General and administrative costs are allocated to, and included in, the cost of exploration and evaluation assets only to the extent that those costs can be related directly to the operational activities in the area of interest to which the exploration and evaluation assets relate. In all other instances, these costs are expensed as incurred.

Exploration and evaluation assets are transferred to Development Assets once technical feasibility and commercial viability of an area of interest is demonstrable. Exploration and evaluation assets are assessed for impairment, and any impairment loss is recognised prior to being reclassified.

The carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective area of interest.

Impairment testing of exploration and evaluation assets

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Exploration and evaluation assets are tested for impairment when any of the following facts and circumstances exist:

- The term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploitation for and evaluation of mineral resources in the specific area are not budgeted or planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the decision was made to discontinue such activities in the specified area; or
- Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development of by sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Exploration and evaluation expenditure (continued)

Where a potential impairment is indicated, an assessment is performed for each cash generating unit which is no larger than the area of interest. The Group performs impairment testing in accordance with accounting policy 3(d).

Farm-in arrangements (in the exploration and evaluation phase)

For exploration and evaluation asset acquisitions (farm-in arrangements) in which the Group has made arrangements to fund a portion of the selling partner's exploration and/or future development expenditures (carried interests), these expenditures are reflected in the financial statements as and when the exploration work progresses.

Farm-out arrangements (in the exploration and evaluation phase)

The Group does not record any expenditure made by the party farming-in on its account. It also does not recognise any gain or loss on its exploration and evaluation farm-out arrangements but redesignates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained.

Monies received pursuant to farm-in agreements are treated as a liability (advanced cash call) on receipt and until such time as the relevant expenditure is incurred.

	30 June 2023	30 June 2022
	Consolidated	Company
	\$	\$
4. RESULT FROM OPERATING ACTIVITIES		
Net loss for the year before tax has been arrived at after the charging the following expenses:		
<i>Employee benefits expenses</i>		
Salaries and Wages	315,365	48,857
Superannuation	37,301	3,000
Other employee expenses	16,755	3,166
	369,421	55,023
	30 June 2023	30 June 2022
	Consolidated	Company
	\$	\$
5. OTHER INCOME		
Option fee for farm-out of Panton North ⁽¹⁾	400,000	-
Total other income	400,000	-

1 – On 17 January 2023, the Group announced that it had signed an agreement with Future Metals NL (ASX:FME) relating to the farm-out of its East Kimberley Nickle, Copper and PGM project, comprising the Panton North and Copernicus tenements. Consideration for the establishment of this agreement (the "Option Fee") was \$400,000, which was satisfied through the issue of 3,500,000 fully paid ordinary shares in FME to the Group. Further details of the agreement are provided in Note 20.

	30 June 2023	30 June 2022
	Consolidated	Company
	\$	\$
6. FINANCE INCOME AND FINANCE COSTS		
Recognised in loss for the year:		
Interest income	66,705	395
Finance costs	(186)	-
Net finance income	66,519	395

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	30 June 2023	30 June 2022
	Consolidated	Company
	\$	\$
7. INCOME TAX		
(a) Income tax benefit		
Current tax	-	-
Deferred tax	-	-
Total income tax benefit	-	-
Numerical reconciliation of income tax benefit to pre-tax accounting loss:		
Loss before income tax	752,726	1,520,729
Income tax benefit using the Company's domestic tax rate of 30% (2022: 30%)	225,818	456,219
Adjusted for:		
Non-deductible expenses / (Non-Assessable Income)	(129,421)	315
Temporary differences and tax losses not recognised	(96,397)	(455,904)
Income tax benefit	-	-

To be eligible for a rate of 25% (2022: 25%) the Group must satisfy a section of the Income Tax Act that requires no more than 80% of its assessable income to be classified as base-rate passive income. The Group's only source of income is from interest and sundry income and this is regarded as base-rate passive income. Accordingly, the tax rate of 30% has been adopted.

A deferred tax asset has not been recognised with respect to the carry forward of unused tax losses as at this stage it is not probable that future taxable profits will be derived. Income tax losses approximate \$1,118,739 and capital losses approximate \$226,822 as at balance date.

	30 June 2023	30 June 2022
	Consolidated	Company
	\$	\$
8. LOSS PER SHARE		
(a) Basic and dilutive loss per share calculated using the weighted average number of fully paid ordinary shares on issue at the reporting date.	(1.93)	N/A
As the Company was unlisted during the year ended 30 June 2022, no comparative information is considered appropriate.		
Options disclosed in Note 15(b) and performance rights disclosed in Note 15(c) are potential ordinary shares which are considered anti-dilutive, therefore diluted loss per share is the same as basic loss per share.		
(b) Weighted average number of shares used in calculation of basic and dilutive loss per share	38,999,106	-

	30 June 2023	30 June 2022
	Consolidated	Company
	\$	\$
9. CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	3,355,502	113,777

The Group's exposure to interest rate risk and sensitivity analysis for financial assets and financial liabilities are disclosed in Note 23.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	30 June 2023	30 June 2022
	Consolidated	Company
	\$	\$
10. TRADE AND OTHER RECEIVABLES		
<i>Current</i>		
GST receivable	18,655	3,175
Prepayments	8,677	-
	27,332	3,175

Trade and other receivables are non-interest bearing.

	30 June 2023	30 June 2022
	Consolidated	Company
	\$	\$
11. EXPLORATION AND EVALUATION EXPENDITURE		
<i>Exploration and evaluation phase:</i>		
Balance at 1 July	190,000	226,822
Exploration costs capitalised during the year	1,133,320	-
Exploration costs written-off	(60,000)	(226,822)
Reallocation from Financial Assets (deposits paid)	30,000	-
Option fees paid	-	190,000
Acquisition of tenements for shares – Note 15 ⁽¹⁾	1,050,000	-
Balance at 30 June	2,343,300	190,000

1 – During the year, the Company issued shares to acquire two separate exploration projects. The tenements comprising the Eginbah project were acquired directly from the vendors for the payment of 250,000 shares at \$0.20 each, and the Panton and Copernicus projects were acquired through the acquisition of 100% of the share capital of Rich Well Resources Pty Ltd through the issue of 5,000,000 shares at \$0.20 each. As Rich Well had no assets or liabilities other than the tenements as at the date of acquisition, the acquisition of this subsidiary has not been recognised as a business combination, rather an acquisition of an asset, in accordance with the Group accounting policies.

The ultimate recovery of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas of interest at an amount greater than or equal to carrying value. Refer note 3 (k).

Expenses capitalised to Exploration and Evaluation Expenditure assets for the year include direct exploration costs (drilling, rock chip programs and surveys including magnetic and SAM), laboratory costs (assaying, analysis and review), geological and geochemical consultants as well as allocated administration costs (including salary and wages) where those costs can be directly attributed to the exploration or evaluation activities upon a given area of interest.

During the year ended 30 June 2023, the exploration costs capitalised with respect to a surrendered tenement were written off. During the year ended 30 June 2022, the exploration costs capitalised with respect to the Matlock Geological Services option were written off as the Company did not proceed with the acquisition.

	30 June 2023	30 June 2022
	Consolidated	Company
	\$	\$
12. OTHER FINANCIAL ASSETS		
Deposits paid for exploration expenditure	-	30,000
Financial assets at fair value through profit or loss (Level 1) – investment in ASX-listed Company	115,500	-
	115,500	30,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. OTHER FINANCIAL ASSETS (continued)	30 June 2023 Consolidated \$	30 June 2022 Company \$
Balance at 1 July	30,000	20,000
Additional deposits paid	-	10,000
Deposits transferred to Exploration and Evaluation Expenditure	(30,000)	-
Shares received for Farm-out Option Fee (Note 5)	400,000	-
Fair value adjustment – financial assets at fair value through profit or loss	(284,500)	-
Balance at 30 June	115,500	30,000

13. TRADE AND OTHER PAYABLES	30 June 2023 Consolidated \$	30 June 2022 Company \$
Trade payables and accruals	73,734	339,175
Vendor payments accrued	-	200,000
Director fees accrued	-	26,667
	73,734	565,842

All trade and other payables are non-interest bearing and payable on normal commercial terms.

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 23.

14. EMPLOYEE ENTITLEMENTS	30 June 2023 Consolidated \$	30 June 2022 Company \$
Employee Leave Accruals	33,185	5,059
	33,185	5,059

15. ISSUED CAPITAL	30 June 2023 Consolidated		30 June 2022 Company	
(a) Share capital	\$	No.	\$	No.
<i>Ordinary shares</i>	8,293,928	46,145,681	1,797,630	10,895,681
On issue at 1 July	1,797,630	10,895,681	565,400	15,300,000
Conversion of options ⁽¹⁾	-	-	435,000	4,350,000
Shares issued in lieu of fees ⁽²⁾	-	-	80,950	1,149,495
Issued for cash – placement ⁽³⁾	-	-	462,000	2,887,500
Impact of share consolidation ⁽⁴⁾	-	-	-	-15,791,314
Pre-IPO issue of shares ⁽⁵⁾	-	-	300,000	3,000,000
Issue of shares for cash – Initial Public Offering ⁽⁶⁾	6,000,000	30,000,000	-	-
Issue of shares to acquire tenements (Note 11) ⁽⁷⁾	1,050,000	5,250,000	-	-
Options issued in lieu of share issue costs (Note 18)	(169,432)	-	-	-
Other share issue costs for the period	(384,271)	-	(45,720)	-
On issue at 30 June – fully paid	8,293,927	46,145,681	1,797,630	10,895,681

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. ISSUED CAPITAL (continued)

Notes

- 1 - During the year ended 30 June 2022, 4,350,000 options were exercised at \$0.10 each.
- 2 - During the year ended 30 June 2022, a total of 1,149,495 shares were issued in lieu of unpaid fees totalling \$80,950, at an average price of \$0.07 each.
- 3 - Issue of shares at \$0.16 each to raise funds for working capital.
- 4 - During the year ended 30 June 2022, the Company completed a consolidation of capital on a 1 for 3 basis (rounded up), reducing the total number of shares from 23,686,995 to 7,895,681, a reduction of 15,791,314.
- 5 - Issue of shares at \$0.10 each to raise funds for the initial public offering process.
- 6 - Issue of shares at \$0.20 each under an initial public offering of shares.
- 7 - Issue of shares at \$0.20 each to acquire tenements.

Terms and conditions

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

The company does not have authorised capital or par value in respect of its issued shares.

In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

Dividends

No dividends were paid or declared for the year (2022: Nil).

	30 June 2023 Consolidated No.	30 June 2022 Company No.
(b) Options outstanding over ordinary shares		
<i>Unlisted options (Share-based payment reserve)</i>		
Unlisted options exercisable at \$0.60 expiring 8 October 2025	3,650,007	3,650,007
Unlisted options exercisable at \$0.90 expiring 16 September 2024	481,260	481,260
Unlisted options exercisable at \$0.30 expiring 13 September 2024	2,000,000	-
	6,131,267	4,131,267

No unlisted options were granted to directors, executives, and employees during the year (2022: nil).

No unlisted options were exercised during the year (2022: 400,000).

2,000,000 unlisted options were granted to consultants during the year (2022: nil) in lieu of capital raising costs.

No fully vested unlisted options expired unexercised during the period (2022: Nil).

Options carry no voting rights until converted to fully paid ordinary shares. All unlisted options were granted for no cash consideration.

	30 June 2023 Consolidated No.	30 June 2022 Company No.
(c) Performance rights outstanding		
<i>Performance rights (Share-based payment reserve)</i>		
Performance Rights – Tranche A	1,083,334	1,083,334
Performance Rights – Tranche B	1,083,333	1,083,333
Performance Rights – Tranche C	1,083,333	1,083,333
	3,250,000	3,250,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. ISSUED CAPITAL (continued)

The following performance rights were granted during the previous financial year (refer note 18):

Performance Rights	Number of rights	Vesting Date	Vesting Condition	Expiry Date
- Tranche A	1,083,334	N/A	Refer below	28/2/27
- Tranche B	1,083,333	N/A	Refer below	28/2/27
- Tranche C	1,083,333	N/A	Refer below	28/2/27

The vesting conditions of each tranche are as follows:

- Tranche A performance rights vest upon the share price of the Company exceeding \$0.30 as quoted on the ASX for a period of 30 consecutive trading days.
- Tranche B performance rights vest upon the share price of the Company exceeding \$0.50 as quoted on the ASX for a period of 30 consecutive trading days.
- Tranche C performance rights vest upon the share price of the Company exceeding \$0.70 as quoted on the ASX for a period of 30 consecutive trading days.

16. RESERVES

	30 June 2023		30 June 2022	
	Consolidated		Company	
	\$	No.	\$	No.
Share-based payment reserve ⁽¹⁾				
<i>Unquoted Options</i>	169,432	6,131,267	-	4,131,267
Balance at the start of the period	-	4,131,267	-	15,300,000
Conversion of options ⁽²⁾	-	-	-	(4,350,000)
Free-attaching options to placement ⁽³⁾	-	-	-	1,443,751
Impact of share consolidation ⁽⁴⁾	-	-	-	(8,262,484)
Options issued to brokers in lieu of share issue costs (Note 18) ⁽⁵⁾	169,432	2,000,000	-	-
Balance at the end of the period	169,432	6,131,267	-	4,131,267
<i>Unquoted Performance Rights</i>	67,038	3,250,000	11,357	3,250,000
Balance at the start of the period	11,357	3,250,000	-	-
Issue of performance rights during the period (Note 18)	-	-	11,357	3,250,000
Vesting of previously issued performance rights	55,681	-	-	-
Balance at the end of the period	67,038	3,250,000	11,357	3,250,000
Total Share-based Payment Reserve	236,470	9,381,267	11,357	7,381,267

Notes

1 - The share-based payment reserve is used to record the fair value of options and rights issued to Directors and employees and consultants under various share-based payment schemes and options issued for the acquisition of assets.

2 - During the previous year, 4,350,000 options were exercised at \$0.10 each.

3 - Free-attaching options were granted on a 1 for 2 basis on the placement of 2,887,500 shares at \$0.16 noted above.

4 - During the previous year, the Company completed a consolidation of capital on a 1 for 3 basis (rounded up), reducing the total number of options from 12,393,751 to 4,131,267, a reduction of 8,262,484.

5 - During the year the Company issued 2,000,000 unquoted options exercisable at \$0.30 on or before 13 September 2024 to brokers in lieu of share issue costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17. COMMITMENTS

a) Exploration Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various State Governments within Australia. These obligations may be reset when application for a mining lease is made and at other times. As a result, exploration expenditure commitments beyond twelve months cannot be reliably determined.

These obligations are not provided for in the financial report and are payable:

	Consolidated 30 June 2023	30 June 2023	Company 30 June 2022
	\$	\$	\$
Annual minimum exploration expenditure	367,000	347,000	357,000

18. SHARE BASED PAYMENTS

Unquoted Options

The number and weighted average exercise price of unlisted share options on issue is as follows:

	30 June 2023		30 June 2022	
	Consolidated		Company	
	No of unlisted options	Weighted average exercise price	No of unlisted options	Weighted average exercise price
Outstanding at 1 July	4,131,267	0.63	15,300,000	0.17
Granted during the period	2,000,000	0.30	1,443,751	0.30
Exercised during the period	-	-	(4,350,000)	0.10
Expired / lapsed during the period	-	-	-	-
Effect of share consolidation ⁽¹⁾	-	-	(8,262,484)	0.42
Outstanding at 30 June	<u>6,131,267</u>	<u>0.53</u>	<u>4,131,267</u>	<u>0.63</u>
Exercisable at 30 June	<u>6,131,267</u>		<u>4,131,267</u>	

The options outstanding at year end have exercise prices ranging from \$0.30 to \$0.90 and a weighted average remaining contractual life of 1.84 years.

1 – During the previous year, the Company completed a consolidation of capital on a 1 for 3 basis (rounded up), reducing the total number of options from 12,393,751 to 4,131,267, a reduction of 8,262,484. The exercise price of the options remaining was increased by a factor of 3 as a result, and accordingly, there was a net increase in the weighted average exercise price of options on issue as at the date of the consolidation of capital of \$0.42.

Granted during current financial year

The following options were granted during the year.

	Number of options granted	Date granted	% Vested	% Forfeited / Lapsed	Financial year in which grant vested / will vest
Broker Options	2,000,000	13 Sept 2022	100%	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18. SHARE BASED PAYMENTS (continued)

The fair value of the options issued during the year was determined by reference to the Black-Scholes option pricing model. The key inputs and valuations are summarised as follows:

	Broker Options
Fair value at grant date	\$0.0847
Share price at grant date	\$0.20
Exercise price	\$0.30
Expected volatility	100%
Grant date	13 September 2022
Expiry date	13 September 2024
Option life	2 years
Expected dividends	Nil
Risk-free interest rate	3.19%
Number of options issued	2,000,000
Total value	\$169,432
Expected vesting date	N/A – vest immediately
Expense recognised to date	\$169,432
Value carried forward to be recognised in future financial periods	-

These options directly relate to the issue of shares under the initial public offering and, accordingly, have been recognised as share issue costs as a reduction of issued capital. Refer note 15(a).

Granted during previous financial year

No options were granted as share-based payments during the previous financial year.

Unquoted Performance Rights

No performance rights were granted during the current financial year.

The following performance rights, which all expire on 28 February 2027, were issued to Key Management Personnel during the previous financial year:

- 1,083,334 Tranche A performance rights, vesting upon the share price of the Company exceeding \$0.30 as quoted on the ASX for a period of 30 consecutive trading days;
- 1,083,333 Tranche B performance rights, vesting upon the share price of the Company exceeding \$0.50 as quoted on the ASX for a period of 30 consecutive trading days; and
- 1,083,333 Tranche C performance rights, vesting upon the share price of the Company exceeding \$0.60 as quoted on the ASX for a period of 30 consecutive trading days;

The number of rights under each tranche on issue during the current and previous financial year are as follows:

	30 June 2023	30 June 2022
	Consolidated	Company
	No.	No.
Performance Rights – Tranche A	1,083,334	1,083,334
Performance Rights – Tranche B	1,083,333	1,083,333
Performance Rights – Tranche C	1,083,333	1,083,333
	3,250,000	3,250,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18. SHARE BASED PAYMENTS (continued)

The fair value of the performance rights issued during the year to Key Management Personnel was determined by reference to a trinomial valuation model. The key inputs into the probability models and valuations are summarised as follows:

	Tranche A	Tranche B	Tranche C
Underlying security spot price on grant date	\$0.10	\$0.10	\$0.10
Grant date	28 Feb 2022	28 Feb 2022	28 Feb 2022
Expiration date	28 Feb 2027	28 Feb 2027	28 Feb 2027
Vesting date (estimated)	28 Feb 2027	28 Feb 2027	28 Feb 2027
Life (years)	5	5	5
Number of rights	1,083,334	1,083,333	1,083,333
Expected volatility	100%	100%	100%
Risk-free rate	3.09%	3.09%	3.09%
Value per right	\$0.0850	\$0.0766	\$0.0704
Remaining life (years)	3.7	3.7	3.7
Total value	\$92,056	\$83,014	\$76,288
Value recognised to date (as at 30 June 2023)	\$24,552	\$22,140	\$20,346
Value still to be recognised (as at 30 June 2023)	\$67,504	\$60,874	\$55,942

19. RELATED PARTIES

Key Management Personnel Compensation:

The following were key management personnel of the Group at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period:

Executive Directors

Mr B Wakelam

Non-executive Directors

Mr C Dodd

Mr D O'Meara

Mr F Qi

Executives

Mr M Pitts (Company Secretary)

	30 June 2023	30 June 2022
	Consolidated	Company
	\$	\$
The key management personnel compensation comprised:		
Short-term employee benefits	406,628	187,732
Post-employment benefits	33,708	15,000
Share-based payments	55,681	11,357
	496,017	214,089

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced Directors and executives. Remuneration packages include a mix of fixed remuneration and equity-based remuneration.

Information regarding individual Directors and executive's compensation and some equity instruments disclosures as permitted by Corporations Regulations 2M.3.03 and 2M.6.04 is provided in the remuneration report section of the Directors' report.

Certain key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Some of these entities (as detailed below) transacted with the Group during the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19. RELATED PARTIES (continued)

The aggregate value of transactions and outstanding balances relating to this entity were as follows:

	Transaction	Transaction value year ended		Balance outstanding as at	
		30 June 2023 Consolidated	30 June 2022 Company	30 June 2023 Consolidated	30 June 2022 Company
		\$	\$	\$	\$
Mr M Pitts	Accounting services	10,885	-	3,214	-

The Group paid fees to Endeavour Corporate, a company associated with Mark Pitts, for accounting and financial reporting services provided to the Group.

Furthermore, during the year the Group acquired tenements from Great Sandy Pty Ltd, an entity in which Damon O'Meara has a material interest and is the Managing Director. These tenements, comprising the Eginbah project, were acquired for the payment of 250,000 shares at \$0.20 each, totalling \$50,000, plus the payment of \$10,000 as reimbursement of costs incurred by Great Sandy Pty Ltd prior to the acquisition.

20. INTEREST IN OTHER ENTITIES

Name	Country of Incorporation	Percentage held 2023	Percentage held 2022
Parent and ultimate controlling entity			
Octava Minerals Limited			
Subsidiaries			
Rich Well Resources Pty Ltd – Note 11	Australia	100%	-

The investments held in controlled entities are included in the financial statements of the parent at cost.

Joint arrangements

The Group has the following farm-in / farm-out arrangements:

Talga Farm-In

The Group and First Au Limited (ASX:FAU, "FAU") have entered into a 'Farm-in and Joint Venture Agreement' ("Talga Agreement") under which Octava can earn up to an 80% interest in the tenements forming the Talga Gold and Base Metals Project located in the East Pilbara region of Western Australia ("Talga Project").

The Group has acquired a 50.1% undivided and unencumbered interest in the tenements as a tenant in common ("Stage 1 Interest") upon:

- (1) making payments of \$180,000, as reimbursement of expenditure incurred by FAU directly in connection with IP survey costs prior to the date of the Talga Agreement, at which time the Group was deemed to have a 10% interest in the Tenements; and
- (2) The Group incurring expenditure of not less than \$300,000 within one (1) year of the Effective Date ("Stage 1 Period"), at which time the interest of the Group in the tenements increased by 40.1%, from 10% to 50.1%. This threshold was reached during the financial year ended 30 June 2023.

Subject to the Group earning the Stage 1 Interest, FAU has granted the Group the right, but not the obligation, to acquire a further 19.9% undivided and unencumbered interest in the Tenements as a tenant in common ("Stage 2 Interest") by incurring aggregate expenditure (inclusive of expenditure incurred in connection with obtaining the Stage 1 Interest) of not less than \$600,000 within two (2) years of the Effective Date ("Stage 2 Period"). The Group may exercise its right to acquire the Stage 2 Interest by giving FAU notice in writing within 21 days from the end of the Stage 1 Period. In the event the Group elects to exercise its right to acquire the Stage 2 Interest, the Group is committed to incurring the expenditure required to acquire the Stage 2 Interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. INTEREST IN OTHER ENTITIES (continued)

In the event that the Group does not make an election to earn the Stage 2 Interest within 21 days from the end of the Stage 1 Period, the parties will operate a 'joint venture' where the Group will hold a 50.1% interest and FAU will hold a 49.9% interest.

If the Group earns the Stage 2 interest then the Group will hold a 70% interest and FAU will hold a 30% interest in the Tenements as a tenants in common.

Subject to the Group earning the Stage 2 Interest, FAU will grant the Group the right, but not the obligation, to acquire a further 10% undivided and unencumbered interest in the Tenements as a tenant in common ("Stage 3 Interest") by incurring aggregate expenditure (inclusive of aggregate expenditure incurred in connection with obtaining the Stage 1 Interest and Stage 2 Interest) of not less than \$900,000 within three years ("Stage 3 Period"). The Group may exercise its right to acquire the Stage 3 Interest by giving FAU notice in writing within 21 days from the end of the Stage 2 Period. In the event the Group elects to exercise its right to acquire the Stage 3 Interest, the Group is committed to incurring the expenditure required to acquire the Stage 3 Interest.

In the event that the Group does not make an election to earn the Stage 3 Interest within 21 days from the end of the Stage 2 Period, the parties will be in a 'joint venture' where the Group will hold a 70% interest and FAU will hold a 30% interest.

If the Group earns the Stage 3 interest then the Group will hold an 80% interest and FAU will hold a 20% interest in the Tenements as a tenants in common. From the point at which the Group earns the Stage 3 Interest, FAU will be free-carried through to a decision to mine in respect of the Talga Project.

Subsequent to the end of the year, the Company entered into an agreement to acquire the balance of the interest in Talga held by FAU (refer Note 27)

Future Metals – Panton North Farm-In Agreement

During the financial year, the Group entered into an agreement with Future Metals NL (ASX:FME, "FME"), whereby the Group has granted FME the right to acquire up to a 70% interest in the Panton North and Copernicus North tenements owned by the Group. This acquisition is through the sole expenditure by FME on the tenements of \$2 million over 4 years. Once the farm-in is completed, the Group will retain a 30% free-carried interest through to the decision to mine.

21. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES	30 June 2023 Consolidated \$	30 June 2022 Company \$
Loss for the year	(752,726)	(1,520,729)
Adjustments for:		
Exploration costs expensed	60,000	226,822
Shares issued in lieu for services rendered	-	80,950
Share based payment expense	55,681	11,357
Non-cash option fee for farm-out agreement	(400,000)	-
Fair value adjustment of financial assets	284,500	-
Movements attributable to operating activities:		
Decrease / (increase) in trade and other receivables	(24,157)	6,902
Increase / (decrease) in trade and other payables	(106,882)	228,737
Increase / (decrease) in employee entitlements	28,126	4,083
Net cash used in operating activities	<u>(855,458)</u>	<u>(961,878)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22. SEGMENT INFORMATION

The Group operates in one segment, being mineral exploration in Western Australia.

23. FINANCIAL INSTRUMENTS DISCLOSURES

Overview

The Group has exposure to the following risks from their use of financial instruments:

Credit risk

Liquidity risk

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

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

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investment securities.

Trade and other receivables

As the Group operates in the mining exploration sector it does not have significant trade receivables and is therefore not exposed to credit risk in relation to trade receivables. The Group receives advanced cash calls from its farm-in / joint arrangement partner which are classified as liabilities. The cash call amounts are reduced as and when expenditure in terms of the farm-in/ joint arrangement agreement is incurred.

Presently, the Group undertakes exploration and evaluation activities in Australia. At the balance sheet date there were no significant concentrations of credit risk.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Note	Carrying amount	
		30 June 2023 Consolidated \$	30 June 2022 Company \$
Trade and other receivables	10	27,332	3,175

Impairment losses

None of the Group's trade and other receivables are past due and impaired (2022: Nil).

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due (refer Note 2(f)). The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows. Typically, the Group ensures it has sufficient cash on demand to meet expected operational expenses for a period of 90 days, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS DISCLOSURES (continued)

The expected settlement of the Group's financial liabilities is as follows:

	Carrying Amount	Contractual Cash-Flows	< 6 months	6-12 months	1-2 years	2-5 years
Consolidated						
30 June 2023						
Trade and Other Payables	73,734	73,734	73,734	-	-	-
	<u>73,734</u>	<u>73,734</u>	<u>73,734</u>	<u>-</u>	<u>-</u>	<u>-</u>
Company						
30 June 2022						
Trade and Other Payables	565,842	565,842	565,842	-	-	-
	<u>565,842</u>	<u>565,842</u>	<u>565,842</u>	<u>-</u>	<u>-</u>	<u>-</u>

Market risk

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

Currency risk

The Group has no exposure to currency risk on investments and transactions that are denominated in a currency other than the respective functional currencies of Group entities. The Group has not entered into any derivative financial instruments to hedge such transactions and anticipated future receipts or payments that are denominated in a foreign currency.

Interest rate risk

The Group is not exposed to interest rate risk on borrowings as it has no borrowings subject to variable interest. The Group is exposed to interest rate risk on its cash balances.

Profile

At the reporting date the interest rate profile of the Company's and the Group's interest-bearing financial instruments was:

	Carrying amount	
	30 June 2023 Consolidated \$	30 June 2022 Company \$
Fixed rate instruments		
Cash and cash equivalents	2,750,000	-
Weighted average interest rates	<u>4.00%</u>	<u>-</u>
Variable rate instruments		
Cash and cash equivalents	605,502	113,777
Weighted average interest rates	<u>1.32%</u>	<u>0.20%</u>

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss or equity (2022: Nil).

Cash flow sensitivity analysis for variable rate instruments

A sensitivity of 50 basis points has been used and considered reasonable given current interest rates. A 0.5% movement in interest rates at the reporting date would have increased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis for 2022 was performed on the same basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS DISCLOSURES (continued)

Consolidated	Loss		Equity	
	50bp increase	50bp decrease	50bp increase	50bp decrease
Consolidated				
30 June 2023				
Variable rate instruments	\$3,028	(\$3,028)	\$3,028	(\$3,028)
Company				
30 June 2022				
Variable rate instruments	\$569	(\$569)	\$569	(\$569)

Carrying amounts versus fair values

The fair values of financial assets and liabilities materially equates to the carrying amounts shown in the statement of financial position.

	30 June 2023 Consolidated \$	30 June 2022 Company \$
<i>Financial assets carried at amortised cost</i>		
Cash and cash equivalents	3,355,502	113,777
Trade and other receivables	27,332	3,175
<i>Financial liabilities carried at amortised cost</i>		
Trade and other payables	(73,734)	(565,842)
Employee entitlements	(33,185)	(5,059)

There are no off-balance sheet financial asset and liabilities at year-end.

All financial assets and liabilities were denominated in Australian dollars during the years ended 30 June 2023 and 2022.

Fair value risk

The group uses three different methods in estimating the fair value of a financial investment. The methods comprise:

- Level 1 – the fair value is calculated using quoted prices in active markets; and
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- Level 3 – the fair value is estimated using inputs other than quoted prices.

Quoted market price represents the fair value determined based on quoted prices on active markets as at the reporting date without any deduction for transaction costs.

The fair value of derivatives that do not have an active market are based on valuation techniques. Level 2 derivatives include market observable inputs whilst level 3 derivatives do not include market observable inputs.

Transfer between categories

There were no transfers between levels during the year.

Other Market Price Risk

Other Equity price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. Investments are managed on an individual basis and material buy and sell decisions are approved by the Board of Directors. The primary goal of the Group's investment strategy is to maximise investment returns.

Commodity Price Risk

The Group operates primarily in the exploration and evaluation phase and accordingly the Group's financial assets and liabilities are subject to minimal commodity price risk at this stage.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS DISCLOSURES (continued)

The fair value of financial instruments as well as the methods used to estimate the fair value are summarised in the table below.

Consolidated	Quoted Market Price Level 1 \$	Valuation Technique: Market Observable Inputs Level 2 \$	Valuation Technique: Non-market Observable Inputs Level 3 \$	Total \$
30 June 2023				
Equity securities – listed on ASX at quoted prices	115,500	-	-	115,500
	115,500	-	-	115,500
30 June 2022				
Equity securities – listed on ASX at quoted prices	-	-	-	-
	-	-	-	-

Fair value sensitivity analysis for equity securities (listed investments)

A sensitivity of 10% has been used and considered reasonable given current market rates. A 10% movement in market prices at the reporting date would have increased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis for 2022 was performed on the same basis.

Consolidated	Loss		Equity	
	10% increase	10% decrease	10% increase	10% decrease
30 June 2023				
Equity securities – listed on TSXV	\$11,550	(\$11,550)	\$11,550	(\$11,550)
30 June 2022				
Nil	-	-	-	-

Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future exploration and development of its projects. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt. The Group's focus has been to raise sufficient funds through equity to fund exploration and evaluation activities.

There were no changes in the Group's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24. PARENT ENTITY DISCLOSURES

	30 June 2023
	Company
	\$
Financial Position	
Assets	
Current assets	3,382,834
Non-current assets	2,458,820
Total assets	5,841,654
Liabilities	
Current liabilities	106,919
Non-current liabilities	-
Total liabilities	106,919
Net assets	5,734,735
Equity	
Issued capital	8,293,927
Reserves	236,470
Accumulated losses	(2,795,662)
Total equity	5,734,735
	30 June 2023
	Company
	\$
Financial Performance	
Loss for the year	(752,726)
Other comprehensive income	-
Total comprehensive loss	(752,726)

There were no contingent liabilities of the parent entity at 30 June 2023 (2022: N/A).

The commitments of the parent entity are set out in Note 17.

Comparative financial information is not shown for the parent entity as the entity was a single company as at 30 June 2022.

	30 June 2023	30 June 2022
	Consolidated	Company
	\$	\$
25. AUDITORS' REMUNERATION		
Auditors of the Company – McLean Delmo Bentleys Audit Pty Ltd (resigned 8 June 2023)		
Audit services:		
Audit and review of financial reports	12,550	16,550
Auditors of the Company – HLB Mann Judd (appointed 8 June 2023)		
Audit services:		
Audit and review of financial reports	-	-
	12,550	16,550

26. CONTINGENCIES

The Group has no contingencies as at 30 June 2023 (2022: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27. EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to the end of the year the Company and First Au Ltd (ASX:FAU) ("FAU") entered into an agreement whereby the Company purchased the remaining 30% interest in the Talga JV, which includes the 20% free carried interest to a decision to mine, held by FAU. Consideration for the acquisition comprised a cash payment of \$200,000; the issue of 1.25million ordinary shares in Octava (subject to 6 months voluntary escrow) and a 0.75% net smelter royalty ("NSR").

Other than the above matter, there has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

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DIRECTORS' DECLARATION

1. In the opinion of the Directors of Octava Minerals Limited ("the Company"):
 - (a) the consolidated financial statements and notes and the remuneration report in the Directors' report, are in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
 - ii. complying with Australian Accounting Standards and the Corporations Regulations 2001;
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The Directors have been given the declarations by the managing director and company secretary for the financial year ended 30 June 2023 pursuant to Section 295A of the Corporation Act 2001.
3. The Directors draw attention to Note 2(a) to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:



C Dodd
Chairman

Perth

Dated 28 September 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of Octava Minerals Limited

Report on the Audit of the Financial Report

Opinion

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

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

We 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
<p>Exploration and evaluation expenditure Note 11</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, the Group capitalises all exploration and evaluation expenditure and as at 30 June 2023 had a deferred exploration and evaluation expenditure balance of \$2,343,320.</p> <p>Accounting for exploration and evaluation assets was determined to be a key audit matter as it is important to the users' understanding of the financial statements as a whole and was an area that involved the most audit effort and communication with those charged with governance.</p>	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> - Obtained an understanding of the key processes associated with management's review of the carrying value of exploration and evaluation expenditure; - Considered the Directors' assessment of potential indicators of impairment in addition to making our own assessment; - Obtained evidence that the Group has current rights to tenure of its areas of interest; - Considered the nature and extent of planned ongoing activities; - Substantiated a sample of expenditure by agreeing to supporting documentation; and - Examined the disclosures made in the financial report.
<p>Acquisition of Rich Well Resources Pty Ltd and Eginbah project Note 11</p> <p>During the year the Group acquired 100% of the issued capital of Rich Well Resources Pty Ltd and also acquired the Eginbah project.</p> <p>We considered the asset acquisitions to be a key audit matter as it involved the most communication with management and is important for the users' understanding of the financial report.</p>	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> - Reviewed the acquisition agreements to understand the key terms of the acquisitions; - Ensured that management has correctly applied relevant accounting standards in the accounting for the acquisitions; - Ensured the consideration and acquired assets had been correctly accounted for; and - Assessed the adequacy of the Group's disclosures in respect of the transactions.

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

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

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

We 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, actions taken to eliminate threats or safeguards applied.

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

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

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

In our opinion, the Remuneration Report of Octava Minerals Limited for the year ended 30 June 2023 complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

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



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
28 September 2023



D B Healy
Partner