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ALMA METALS
annual report 2023

annual report 2023

ALMA METALS

DIRECTORS

Alasdair Cooke
Executive Chairman

Frazer Tabcart
Managing Director

Valentine Chitalu
Non-Executive Director

Ian Hume
Non-Executive Director

John Dean
Non-Executive Director

COMPANY SECRETARY

Daniel Davis

REGISTERED OFFICE

Granite House, La Grande Rue
St Martin, Guernsey GY1 3RS

REPRESENTATIVE

OFFICE IN AUSTRALIA

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SHARE REGISTER

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152 St Georges Terrace
Perth, Western Australia 6000

AUDITOR

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Level 9 Mia Yellagonga Tower 2
5 Spring Street
Perth, Western Australia 6000

STOCK EXCHANGE LISTING

Australian Securities Exchange
(ASX:ALM)

SOLICITORS

Fairweather Corporate Lawyers
595 Stirling Highway
Cottesloe, Western Australia 6011

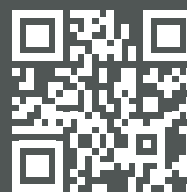
BANKERS

Westpac Banking Corporation
Level 6, 109 St Georges Terrace
Perth, Western Australia 6000

WEBSITE

almametals.com.au

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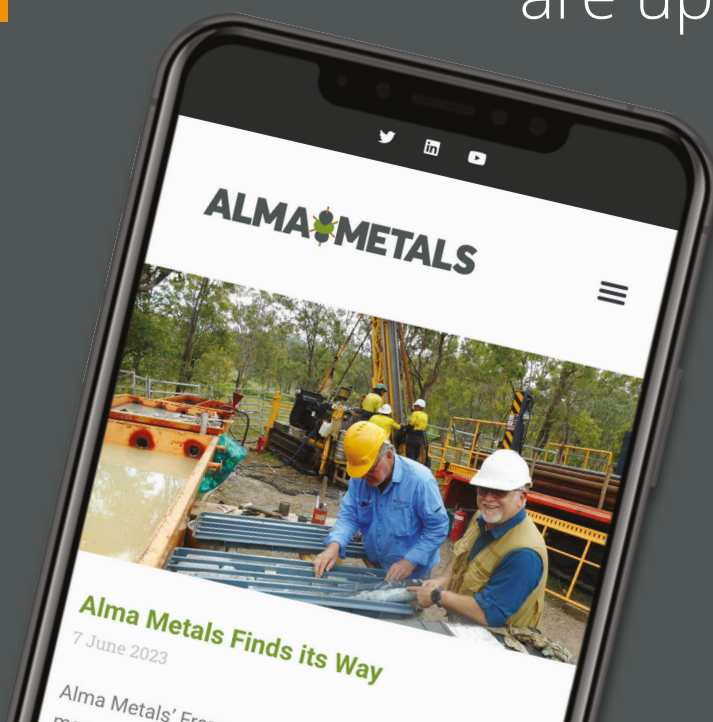


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Managing Director's Letter

Dear Shareholder,

It gives me great pleasure to present you with Alma Metals' Annual Report for 2023. Alma is exclusively focused on the discovery, evaluation, and development of large-scale, high-value copper deposits in Australia. Copper is one of the most important metals for modern life and yet there are clear signs that production will fall well short of demand over the next decade.

Sustained increases in copper production requires more discoveries of new deposits, which is becoming much more difficult, both due to maturity of the prospective areas and the increased political and social obstacles to exploration and mining. Supply shortages are expected to drive prices significantly higher, with large supply deficits forecast to begin in 2025.

Considering the very positive market outlook for copper we are delighted to report significant growth in the mineral resource estimate at the Briggs copper deposit in Queensland. Work over the past year has resulted in a near tripling of the inferred resource to 415Mt @ 0.25% Cu and 31ppm Mo (0.2% Cu cut-off grade). With over 1Mt of contained copper metal, this now ranks as one of the largest undeveloped copper deposits in Australia.

Extensive copper anomalism at surface and geological mapping indicates this large resource is likely to grow substantially with further drilling. Coupled with very good metallurgical properties, near surface mineralisation and excellent access to existing infrastructure, this project has great potential to become one of a new generation of large-scale copper producers.

Alma has now earned an initial 30% joint venture interest at Briggs from Canterbury Resources Ltd and can increase this to 51% by spending a further \$3M by 30 June 2026, ultimately reaching 70% through spending an additional \$10M by 30 June 2031. Drilling is ongoing, with a 2,000m program currently focusing on delineating higher-grade zones within the Central Porphyry. Further drilling is planned for the 2024 season, aimed at

substantial resource growth and expansion of higher-grade zones ahead of commencing a scoping study.

We are also continuing to advance our East Kimberley copper project where we have applied for seven exploration licences covering 1400km² to the west of the Cambridge Gulf in Western Australia. Two of the exploration licences were granted during the reporting period, with the remaining five still being reviewed by WA state government departments.

The Kimberley project is a first-mover opportunity exploring for sediment-hosted copper mineralization such as the world class Central African Copperbelt (best known in Zambia and the DRC). Sediment-hosted copper deposits can occur in at high-grades and offer the potential for underground mining with small surface-footprints and significantly reduced environmental impacts.

Alma and the Traditional Owners of this country, the Balanggarra, have entered into agreements under which Alma may be allowed to conduct reconnaissance level activities subject to strict cultural heritage clearance and monitoring protocols. Reconnaissance will comprise helicopter supported stream sediment sampling aimed at validating the exploration model and defining the most fertile parts of the project for more detailed evaluation. Alma is currently working to secure entry permits and cultural heritage clearances to enable these reconnaissance activities to commence.

We are highly encouraged by progress over the last twelve months and believe the next year will deliver substantial advancements in our projects and growth in our copper resources. I would like to thank you for your continued support and look forward to sharing our growth with you through 2024.

Frazer Tabeart,



Managing Director

Queensland Copper

Overview

The Briggs, Mannersley and Fig Tree Hill Porphyry Copper Project covers an area of 245 km² and contains a JORC compliant Inferred Mineral Resource estimate of 415Mt @ 0.25% copper and 31ppm molybdenum at Briggs. Briggs is now one of the largest undeveloped copper projects in Australia and contains over 1 million tonnes of copper and over 28.5Mlb molybdenum.

The Project is in a low-risk, Tier 1 jurisdiction, close to key infrastructure, including sealed roads, rail, grid power, gas pipelines and a deep-water port at Gladstone which lies only 50km to the east (Figure 1).

Previously published preliminary metallurgical test-work has shown that high copper recoveries (92-95% recovery) are possible through standard crushing, grinding and flotation to produce viable concentrate grades (see ASX release dated 12 May 2022).

Under the terms of an Option and Earn-In Joint Venture Agreement signed with owner Canterbury Resources Limited, Alma can reach 70% ownership of the Project through staged exploration and evaluation programs:

1. An initial 30% interest was recently earned through completion of \$2.25M in exploration funding.
2. A further \$3.0M in expenditure by 30 June 2026 will crystallise a 51% interest.
3. A further \$10.0M in expenditure by 30 June 2031 will crystallise a 70% interest.

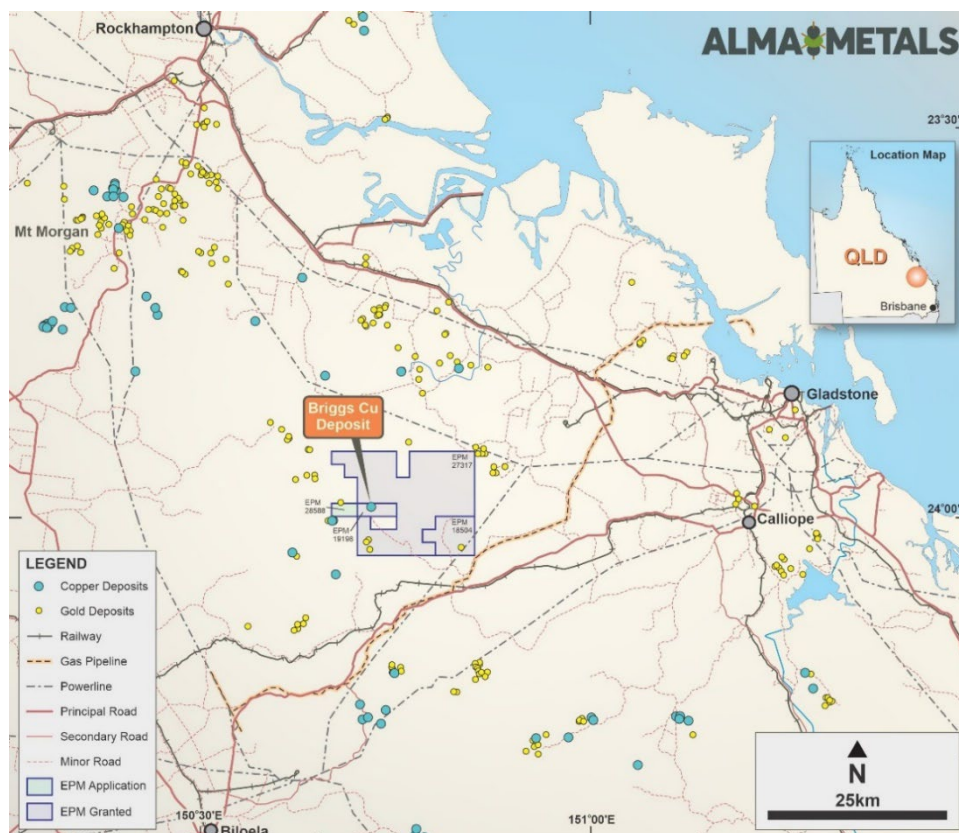


Figure 1. Location Map of the Briggs, Mannersley and Fig Tree Hill Copper Project, SE Queensland

The copper and molybdenum mineralisation at Briggs occurs in and around several porphyritic granodiorite stocks with dimensions up to 500m x 200m. These outcrop at surface and have been drilled to a depth of ~500m. Mineralisation occurs in stockworks of veins containing quartz, chalcopyrite, minor molybdenite, potassium feldspars and locally anhydrite in both the porphyritic granodiorite (Figure 2) and in the surrounding volcanic sediments (Figure 3).



Figure 2. Copper sulphides in **mineralised porphyritic granodiorite**, Briggs Central. Hole 23BRD0016 at 123.5m. Within a 2m interval of 61mm diameter core which assayed 0.31% Cu.

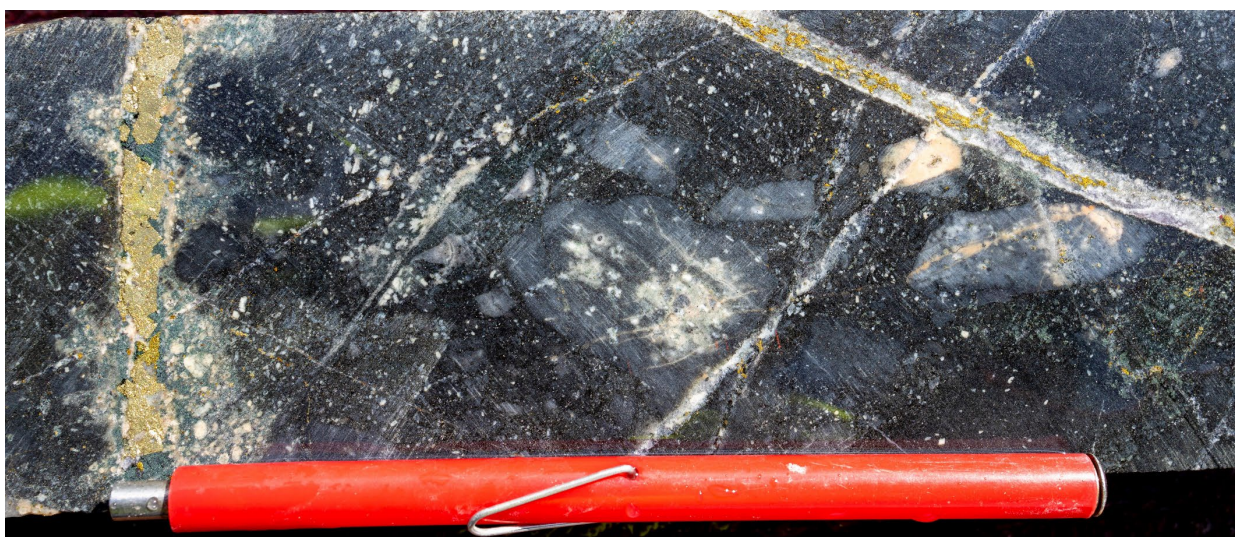


Figure 3. Copper sulphides in **mineralised volcanic sediments** surrounding the porphyritic granodiorite, Briggs Central. Hole BD019-003 at 392.1m. Within a 1m interval of 61mm diameter core which assayed 0.44% Cu.

Work undertaken by Alma on this project in the last twelve months includes:

- A deep core drilling program targeting the Northern Porphyry and Briggs Central.
- Tripling of the Inferred Resource to 415Mt @ 0.25% Cu and 31ppm Mo.
- Completion of grid-based soil sampling program, confirming multi-commodity anomalism along a strike-length of ~2,300m.
- Re-delineation of an exploration target providing significant upside potential outside the published Inferred Resource.

2023 Briggs Resource Upgrade

- Updated Mineral Resource Estimate (MRE) for the Briggs Copper Project was based on an assessment of core drilling undertaken by Canterbury Resources in 2019, RC percussion drilling by Alma in 2021 and core drilling by Alma in 2022/23, supplemented with geological mapping and surface geochemical sampling (Figure 4).
- Updated MRE comprises an Inferred Resource of 415Mt @ 0.25% Cu + 31 ppm Mo at a 0.20% Cu cut-off grade:

Table 1 Overall MRE (Inferred Resource) for the Briggs Copper Deposit

Tonnes (Mt)	Cu Grade (%)	Mo Grade (ppm)	Cut-Off Grade (Cu %)	Cu Metal (Mt)	Mo Metal (Mlb)
982.3	0.19	34	0.00	1.85	74.39
905.5	0.20	34	0.10	1.84	67.75
694.1	0.22	33	0.15	1.52	50.38
415.0	0.25	31	0.20	1.03	28.61
153.0	0.29	30	0.25	0.45	10.02
47.8	0.34	28	0.30	0.16	2.91

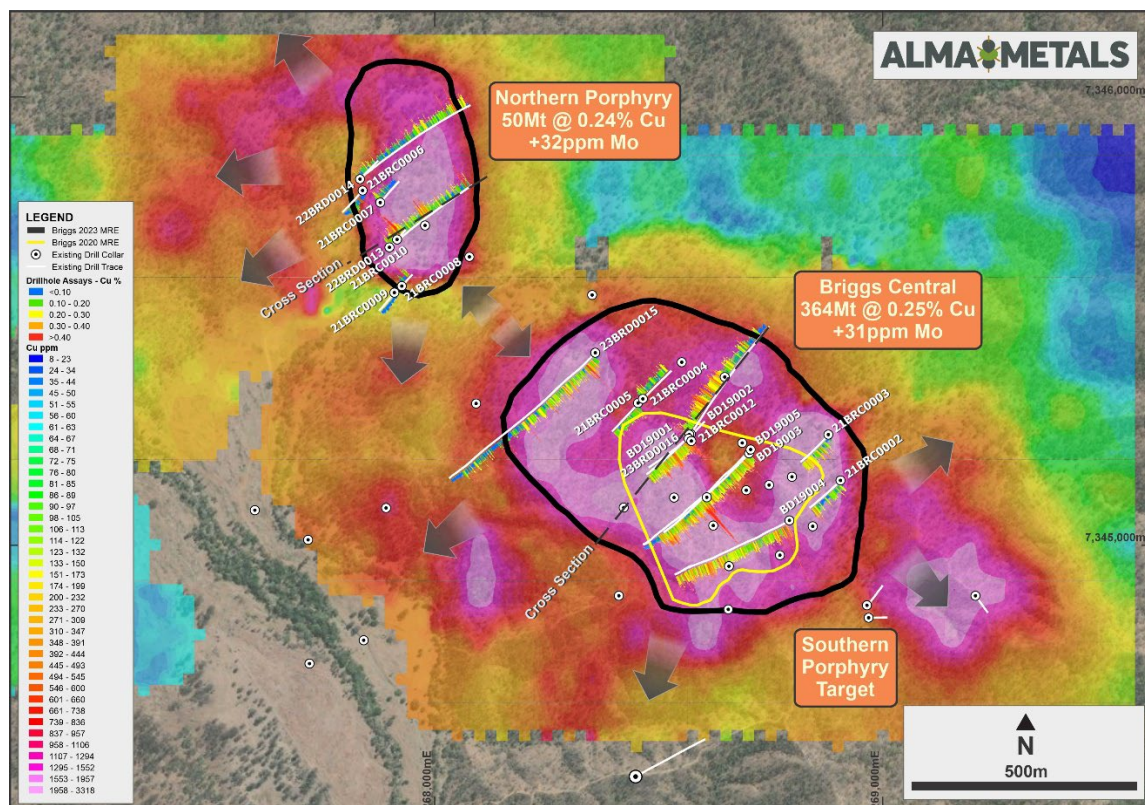


Figure 4. Plan showing Cu in soil geochemistry, the new Inferred Resource outlines (black) and previous Inferred Resource outline (yellow), plus historic and recently completed drill holes. Copper grade histograms shown for holes used in preparing the MRE. Grey arrows denote areas considered highly prospective for resource expansion.

- The MRE contains ~1 million tonnes of copper metal and over 28.6 million lbs of molybdenum and extends from surface to a depth of ~650m.
- Briggs is now in the Top 10 largest undeveloped copper projects in Australia.
- The MRE remains open in all directions.
- Extensive areas of significant copper-in-soils anomalism lie outside the MRE and are yet to be drilled.
- There are higher-grade copper zones within the MRE which requires further drill testing to determine continuity and size (see Figure 5).

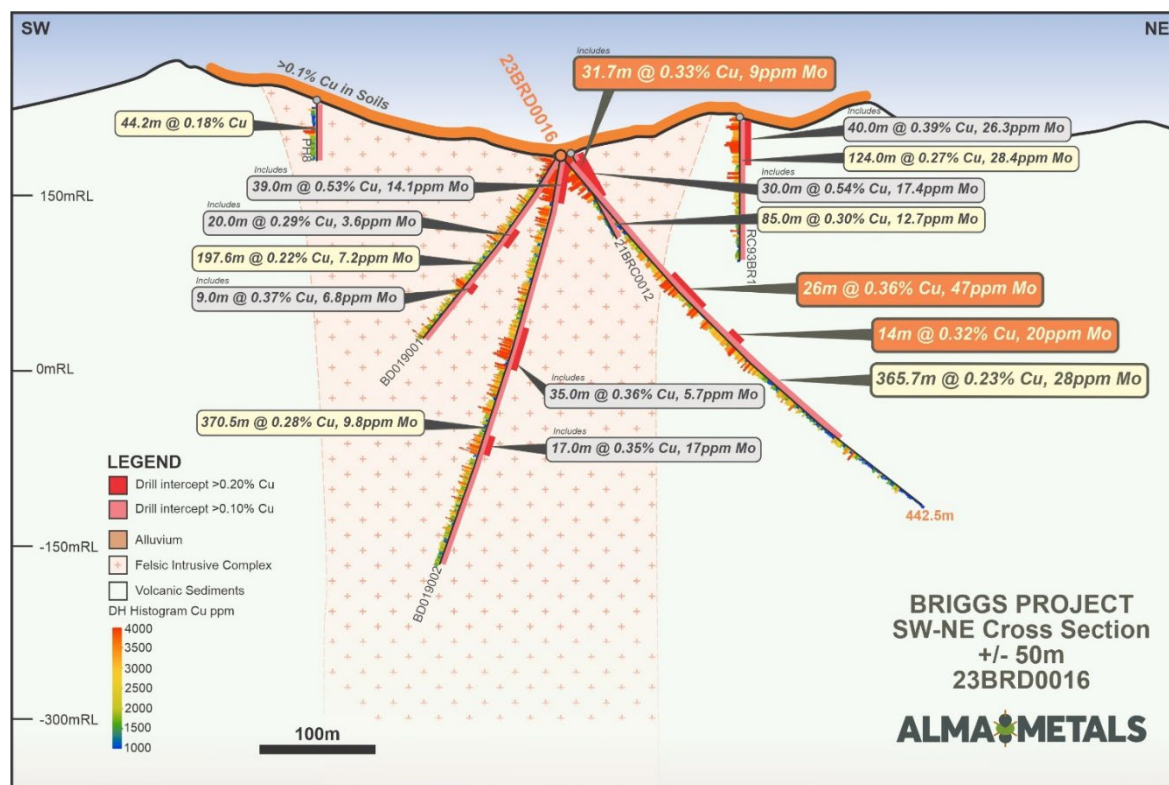


Figure 5. Drill Cross-Section through Briggs Central showing extent of thick down-hole intersections plus numerous higher-grade near-surface intersections. Location of this cross-section is depicted on Figure 4.

Completion of Soil Sampling and Updated Exploration Target

- Soil sampling was completed in 2023 and defines a large 500ppm Cu anomaly measuring >2,300m long and up to 1,000m wide (Figure 6).
- Within the 500ppm Cu anomaly there are several clusters >1,000ppm Cu (max value 4,710ppm Cu) which reflect the known mineralised centres at Briggs Central, the Northern Porphyry and the Southern Porphyry Target.
- Soil sampling also highlights anomalous molybdenum up to 84ppm Mo which is associated with the porphyry copper system. The molybdenum anomaly is not perfectly co-incident with copper anomalism, indicating a polyphase/zoned intrusive system.
- Soil sampling shows that the currently defined Inferred Resource closely correlates to drill-tested areas where copper is greater than 500ppm in the soils.
- Mapping and drilling also confirms that the copper anomalism defines outcropping mineralised granodioritic to tonalitic intrusions and adjacent volcanic sediments.

- Recent drilling has also shown that the copper mineralisation extends well into the volcanic sediments surrounding the intrusions, at least 150m in some cases.
- Alma concludes that the Northern Porphyry, Briggs Central and Southern Porphyry centres may therefore coalesce into a single, large mineralised system with further drilling.
- A revised, single exploration target has been defined to reflect these observations:

Briggs Exploration Target:

480Mt to 880Mt at 0.20% to 0.30% Cu and 25ppm to 40ppm Mo

NOTE: The potential tonnage and grade of the exploration targets is conceptual in nature and there has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in an increase in the Mineral Resource Estimate. The Exploration Target for Briggs Central excludes the current Inferred Mineral Resource estimate (415Mt @ 0.25% Cu, 31ppm Mo).

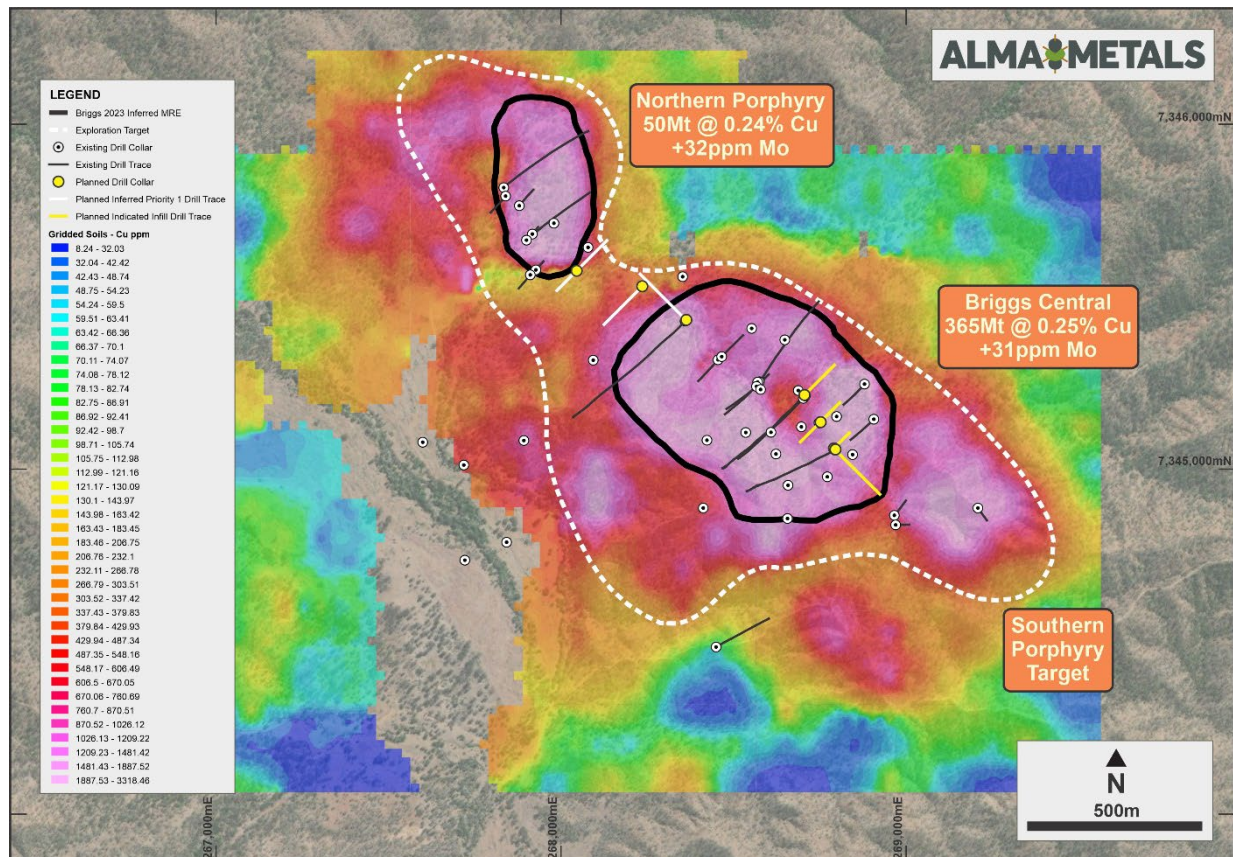


Figure 6. Exploration target outline and proposed drill collars and traces for current core drilling program

Next Steps

- Follow-up drilling to test the validity of the exploration target and to evaluate higher-grade zones within the Briggs Central position has commenced.
- This program comprises four holes for resource expansion and eleven holes for infill drilling to test the higher-grade zones (Figures 5 and 6).
- More drilling is planned for 2024 and will seek to further expand the resource and provide infill drilling that may support a scoping study.

East Kimberley Copper Project

Overview

The 1400km² East Kimberley project is situated 30-100km north of Wyndham with limited road access but good support services in Kununurra. The area is subject to travel and access restrictions requiring approval by the Traditional Owners, the Balanggarra, and the Aboriginal Lands Trust. Alma and the Balanggarra Aboriginal Corporation have entered into a Heritage Protection Agreement which sets out the protocols for Alma to seek clearance for its exploration programs. Alma is also seeking the necessary government permits required to gain access to this area which is gazetted as an Aboriginal Reserve.

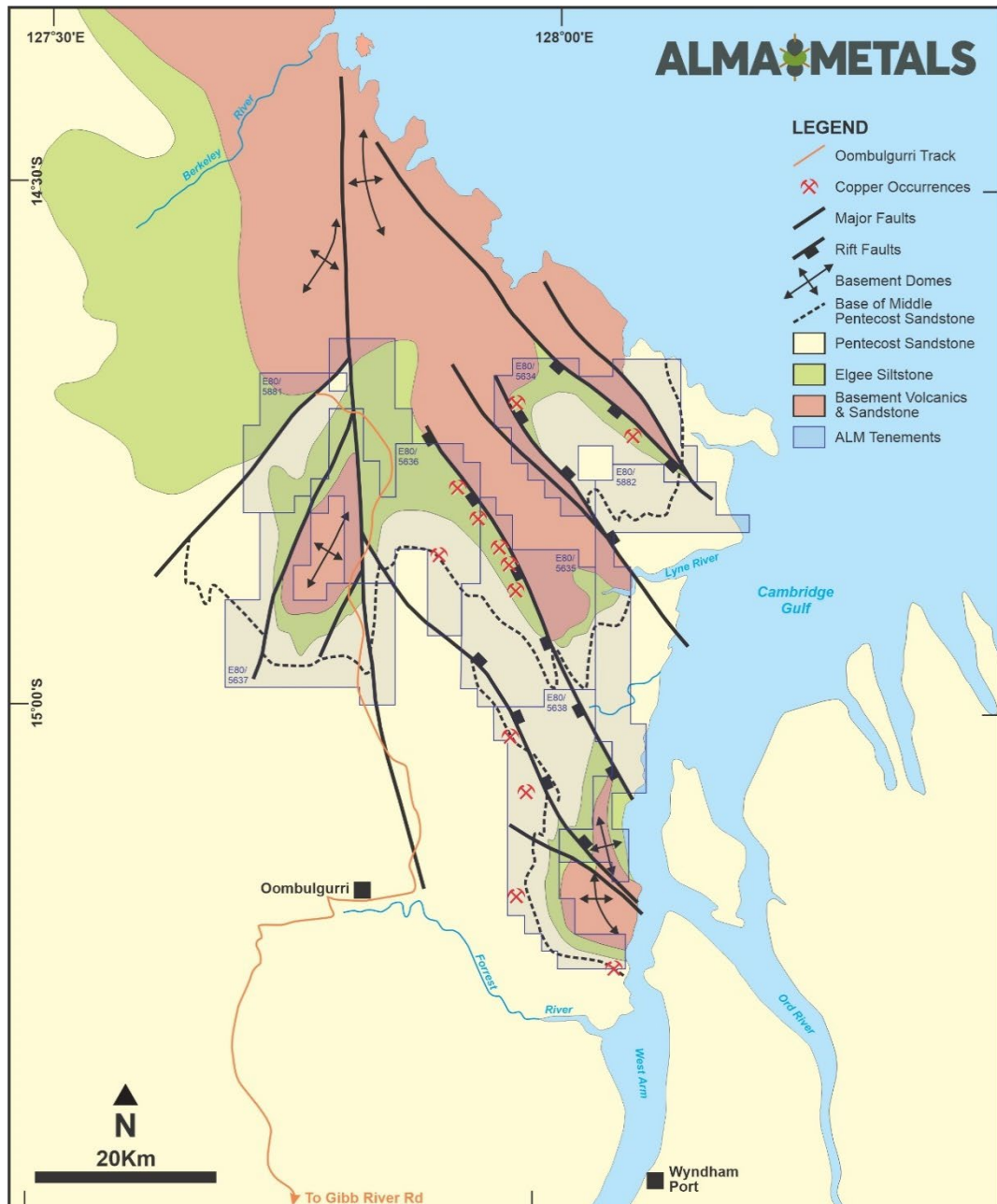


Figure 7 Geological summary of the East Kimberley Copper Project showing stratigraphic and structural control on the locations of copper occurrences.

Geological Setting

The East Kimberley plateaux comprises flat to near flat lying clastic sediments and volcanic rocks of the Kimberley Group. The lower part of the Kimberley Group contains the Wunaamin Miliwundi sandstones and the Carson Volcanics comprising massive, altered basalts and minor clastic sediments. These are overlain by the massive red siltstones and minor shales of the Elgee Siltstone, and then in turn by the Pentecost Sandstone, comprising Lower, Middle and Upper units.

Known copper occurrences have been mapped within or adjacent to the shale units of the Elgee Siltstone or associated with glauconitic sandstones at the base of the Middle Pentecost Sandstone (see Figure 7).

In both instances, these horizons represent reduced sequences which make favourable hosts for copper sulphide precipitation. Copper may have been sourced from the underlying altered basalts of the Carson Volcanics. Copper accumulation may have occurred at structural sites in the reduced host sequences such as fault margins to sub-basins and along the edges of uplifted domes.

The geology and copper occurrences fit the conceptual model for sediment-hosted copper mineralisation such as that known in the world-class Central African Copperbelt (Zambia and DRC).

Alma has two granted exploration licences and five more under application which cover known copper occurrences that represent both structural settings discussed above. There are several known copper occurrences in both the Elgee Siltstone and the base of the Middle Pentecost Sandstone in the area under application. The area shows significant sub-basin marginal faulting along dome margins, which may have acted as fluid pathways for copper-bearing solutions to move from the underlying Carson Volcanics into the stratigraphically higher trap sites.

Exploration Strategy

Virtually no modern exploration for copper has occurred in the region since regional reconnaissance level stream sediment sampling undertaken by CRA Exploration in 1971. Alma therefore considers this to be a first mover province.

Alma plans to undertake two phases of reconnaissance:

1. Preliminary helicopter-supported evaluation of the known copper occurrences to validate the exploration model.
2. Comprehensive stream sediment sampling program designed to collect approximately 1000 samples within the project. Results will be used to focus future exploration to those areas showing copper anomalism.

Future exploration may include airborne electro-magnetic (EM) surveys to directly target massive sulphide bodies, ground EM follow-up and drill testing.

Tenement Schedule

Project Name	Tenement Name	Tenement Holder	Licence Number	Equity	Area (sq km)	Date Granted	Current Expiry Date
Briggs, Mannersley and Fig Tree Hill Copper Project	Briggs	Canterbury Resources Limited	EPM19198	30% (70%)*	9.4	16-Dec-11	15-Dec-26
	Mannersley	Canterbury Resources Limited	EPM18504	30% (70%)*	31.3	13-Oct-10	12-Oct-25
	Fig Tree Hill	Canterbury Resources Limited	EPM27317	30% (70%)*	181.7	20-Aug-20	19-Aug-25
	Don River	Canterbury Resources Limited	EPM28588	30% (70%)*	6.3	Under Application	
Cambridge Gulf	Mt McMillan	Alma Metals Australia Pty Ltd	E80/5636	100%	231.5	10-Nov-22	9-Nov-27
	Mt Nicholls	Alma Metals Australia Pty Ltd	E80/5637	100%	231.4	10-Nov-22	9-Nov-27
	Helby River	Alma Metals Australia Pty Ltd	E80/5634	100%	231.6	Under Application	
	Lyne River	Alma Metals Australia Pty Ltd	E80/5635	100%	231.4	Under Application	
	Thompson River	Alma Metals Australia Pty Ltd	E80/5638	100%	231.2	Under Application	
	Mt Nicholls	Alma Metals Australia Pty Ltd	E80/5881	100%	231.4	Under Application	
	Vancouver	Alma Metals Australia Pty Ltd	E80/5882	100%	231.4	Under Application	

*Alma Metals has entered an earn-in joint venture with Canterbury Minerals (holder of the Briggs Mannersley and Fig Tree Hill Copper Project) where it may earn up to a 70% interest

Annual Statement of Mineral Resources

The Company completed an annual review of the reported Mineral Resources on 31 July 2023.

MINERAL RESOURCE INFORMATION (as at 31 July 2023)

Project	Deposit	Category	Cut-off	Mt	Cu (%)	Cu (kt)	Mo (ppm)	Mo (Mlb)
Briggs, Mannersley and Fig Tree Hill *	Briggs copper-molybdenum deposit	Inferred	0.2% Cu	415	0.25	1,030	31	28.61

*Alma Metals has entered an earn-in joint venture with Canterbury Minerals (holder of the Briggs, Mannersley and Fig Tree Hill Project) where it may earn up to a 70% interest

ASX Listing Rule 5.21 disclosure

- The Company's financial year end is 30 June 2023 and mineral resources held at 31 July 2023 are disclosed in the table above.
- Resource governance arrangements are disclosed in ALM ASX release dated 6 July 2023.

COMPETENT PERSONS STATEMENT

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The information contained in this announcement has been presented in accordance with the JORC Code (2012 edition) and references to "Measured, Indicated and Inferred Resources" are to those terms as defined in the JORC Code (2012 edition).

The information in this report relating to exploration targets, exploration activities and results is based on information reviewed by Dr Frazer Tabeart (Executive Director of Alma Metals Limited). Dr Tabeart is a member of the Australian Institute of Geoscientists. Dr Tabeart is a qualified geologist and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking, to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Tabeart consents to the inclusion in the ASX release of the matters based on their information in the form and context in which it appears.

There is information in this announcement relating to:

- *the Mineral Resource Estimate for the Briggs copper-molybdenum Deposit, which was previously announced on 6 July 2023, and*
- *Exploration results and Exploration target update previously announced on 18 July 2023.*

FORWARD LOOKING STATEMENTS:

Any forward-looking information contained in this news release is made as of the date of this news release. Except as required under applicable securities legislation, Alma Metals does not intend, and does not assume any obligation, to update this forward-looking information. Any forward-looking information contained in this news release is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in resource exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.



Alma Metals Limited

ARBN 123 316 781

Financial Report

30 June 2023

Directors' Report

Your Directors present their report on the Consolidated Entity consisting of Alma Metals Limited (Company) and its controlled entities for the financial year ended 30 June 2023.

1. Directors and Company Secretary

The Directors and the Company Secretary of the Company at any time during or since the end of the financial year are as follows.

Alasdair Cooke BSc (Hons), MAIG – Executive Chairman

Mr Cooke has served as Chairman of the Board since its incorporation. Mr Cooke is a geologist with over 30 years' experience in the resource exploration industry throughout Australia and internationally. For the past 20 years Mr Cooke has been involved in mine development through various private and public resource companies, prior to which he held senior positions in BHP Billiton plc's international new business and reconnaissance group.

Mr Cooke is a founding director of Mitchell River Group, which over the past twenty years has established a number of successful ASX listed resources companies, including Panoramic Resources, which developed the Savannah and Lanfranchi nickel projects in Australia; Albidon, which developed the Munali Nickel Mine in Zambia, Mirabela Nickel, which developed the Santa Rita nickel project in Brazil; Exco Resources, which developed the Mt Margaret copper and White Dam gold mines in Australia; and African Energy, which discovered the Njame uranium deposits in Zambia and the Sese Coal deposits in Botswana.

Other current directorships

Caravel Minerals Limited
Aurora Energy Metals Limited

Special responsibilities

Executive Chairman

Former directorships in the last three years

EVE Health Group Limited

Interests in shares and options

85,622,542 shares
13,000,000 options

Charles (Frazer) Tabeart PhD, BSc (Hons) ARSM, MAIG – Executive Director and CEO

Dr Tabeart is a graduate of the Royal School of Mines with a PhD and Honours in Mining Geology. He has over 30 years' experience in international exploration and mining projects, including 16 years with WMC Resources. Whilst at WMC, Dr Tabeart managed exploration portfolios in the Philippines, Mongolia and Africa, gaining considerable experience in a wide variety of commodities and operating with staff from diverse cultural backgrounds, and developing a particular expertise in porphyry copper mineralisation.

Dr Tabeart was appointed Managing Director of the Company in November 2007 after serving two years as General Manager. Under his stewardship the Company discovered and delineated the coal resource at the Sese Coal & Power Project. In the last two years he has led the transition to copper exploration in Australia.

Other current directorships

PolarX Limited
Arrow Minerals Ltd

Special responsibilities

Managing Director

Former directorships in the last three years

nil

Interests in shares and options

9,524,100 shares
17,750,000 options

Valentine Chitalu MPhil, BAcc, FCCA – Non-Executive Director

Mr Chitalu, a Zambian national and resident, is a Chartered Certified Accountant, Fellow of the Association of Chartered Certified Accountants (UK) and holds a practicing certificate from the Zambia Institute of Certified Accountants. He also holds a Masters Degree in Economics, Finance and Politics of Development and a Bachelor's Degree in Accounting and Finance.

Mr Chitalu has been a Non-Executive Director of Alma Metals since listing and has assisted the Company through his extensive business and Government contacts in the region.

Directors Report (continued)

Other current directorships

Minbos Resources
Arc Minerals

Special responsibilities

nil

Former directorships in the last three years

nil

Interests in shares and options

4,751,425 shares
1,250,000 options

Vincent Ian Masterton-Hume (Ian Hume) - Non-Executive Director

Mr Hume's career in the resources industry stretches back several decades, primarily in the fields of managed fund investments, capital raising and project development. He sits on the board ASX-listed Iron Road and is a former Director of Golden Minerals and Marengo Mining.

Mr Hume was a Founding Partner of The Sentient Group ("Sentient"), an independent private equity investment firm that specialises in the global resource industry. Prior to the founding of Sentient, Mr Hume was a consultant to AMP's Private Capital Division, working on the development of a number of Chilean mining investment joint ventures, as well as advising on a number of specific investments across a range of commodities and locations.

Other current directorships

Iron Road Limited

Special responsibilities

nil

Former directorships in the last three years

Golden Minerals Limited

Interests in shares and options

4,157,606 shares

John Dean - Non-Executive Director

Since joining First Quantum Minerals Ltd in 2011, John Dean has fulfilled various roles within their mining operations and development projects globally. John is now Assistant General Manager of the Cobre Panamá copper mine. He is also Manager of Project Feasibility for the Company's Taca Taca copper-gold-molybdenum pre-development project in Argentina.

John graduated with honours from the University of Louisville with a Bachelor of Science in Business Administration, and was later awarded an MBA, with distinction, from the University of Oxford.

Current directorships

nil

Special responsibilities

nil

Former directorships in the last three years

nil

Interests in shares and options

nil

Daniel Davis – Company Secretary

Mr Davis is a qualified accountant who has fifteen years-experience in senior accounting and corporate roles for resources businesses in all stages from exploration to development, construction and mining.

1.1 Directors' Meetings

There were four Director's meeting during the Year.

	Board Meetings Number Eligible to attend	Board Meetings Number attended
Alasdair Cooke	4	4
Frazer Tabcart	4	4
Valentine Chitalu	4	4
Ian Hume	4	4
John Dean	4	2

Directors Report (continued)

2. Remuneration Report - Audited

This Remuneration Report outlines the remuneration arrangements which were in place during the year and remain in place as at the date of this report, for the Directors and key management personnel ("KMP") of Alma Metals Limited.

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

3.1 Principles of Compensation

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms with market practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation;
- transparency; and
- capital management.

Alignment to shareholders' interests:

- has economic profit as a core component of plan design;
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracts and retains high calibre executives.

Alignment to program participants' interests:

- rewards capability and experience;
- reflects competitive reward for contribution to growth in shareholder wealth;
- provides a clear structure for earning rewards; and
- provides recognition for contribution.

The framework provides a mix of fixed and variable pay, and a blend of short and long-term incentives. As executives gain seniority with the Company, the balance of this mix shifts to a higher proportion of "at risk" rewards.

The following table shows key performance indicators for the group over the last five years:

	2023	2022	2021	2020	2019
Loss for the year attributable to owners (A\$)	(2,769,194)	(9,247,079)	(5,391,293)	(4,486,397)	(1,234,056)
Basic loss per share (cents)	(0.31)	(1.30)	(0.86)	(0.72)	(0.20)
Dividend payments	-	-	-	-	-
Dividend payment ratio (%)	-	-	-	-	-
Increase / (decrease) in share price (%)	10%	52%	50%	(7%)	(187%)
Total KMP incentives as percentage of profit / (loss) for the year (%)	-	-	-	-	-

3.2 Remuneration governance

The Remuneration Committee provides advice on remuneration and incentive policies and practices and specific recommendations on remuneration packages and other terms of employment for Executive Directors, other senior executives and Non-Executive Directors. The Corporate Governance Statement provides further information on the role of the Board.

3.3 Non-Executive Directors

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-Executive Directors' fees and payments are reviewed annually by the Board. The current base remuneration was last reviewed with effect from 28 October 2020 and was set at \$25,000 per annum (2022: \$25,000).

Directors Report (continued)

3.4 Executive Directors

Base Pay

Base pay is structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the Remuneration Committee's discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for executives is reviewed annually to ensure the executive's pay is competitive with the market. There are no guaranteed base pay increases included in any executives' contract.

Long-term incentives

The award of options to Directors, provides an opportunity for Directors to participate in the Company's growth and an incentive to contribute to that growth. The Board determines the terms that will apply to each option issued.

The options' exercise price is determined based on an appropriate premium to the weighted average price at which the company's shares are traded on the Australian Stock Exchange during the week up to and including the date of the grant.

Options will lapse if vesting conditions are not met. Options will be forfeited on cessation of employment unless the Board determines otherwise.

Service Contracts

On appointment to the Board, Executive Directors enter into an executive service agreement with the Company. The agreement details the Board policies and terms, including compensation, relevant to the office of Director.

The Company currently has service contracts in place with Alasdair Cooke and Charles Tabear. All contracts with Executive Directors are for a two-year term but can be terminated by either party with three months' notice. Details of the service agreements are listed below.

Alasdair Campbell Cooke - Executive Chairman

- Commencement date: 1 July 2022
- Base annual salary is \$85,000
- Consulting Fee of \$2,000 per day when the executive works more than 10 hours per week
- Termination payment is the equivalent of three months consulting fees

Charles Frazer Tabear - Managing Director

- Commencement date: 1 July 2022
- Base annual salary is \$300,000
- Termination payment is the equivalent of three months consulting fees

No other key management personnel have service contracts in place with the Consolidated Entity.

3.5 Comments made at the Company's 2022 Annual General Meeting

The Company did not receive any specific feedback at the AGM held on 11 November 2022 or throughout the year on its remuneration practices.

3.6 Directors and Executive Officers' Remuneration (Consolidated Entity)

Details of the remuneration of the Directors of the Consolidated Entity (as defined in AASB 124 Related Party Disclosures) of the Consolidated Entity are set out in the following tables.

The key management personnel of the Consolidated Entity are the Directors of Alma Metals Limited.

Directors Report (continued)

The following tables set out remuneration paid to key management personnel of the Consolidated Entity during the year.

Key Management Personnel remuneration - 2023	Short term employee benefits	Post-employment benefits	Share based payments	Performance based	Total
	Cash salary & fees	Superannuation			
	\$	\$	\$	%	\$
Non-Executive Directors					
Valentine Chitalu	25,000	-	-	-	25,000
Vincent Masterton-Hume	22,624	2,376	-	-	25,000
John Dean	25,000	-	-	-	25,000
Total Non-Executive Directors	72,624	2,376	-	-	75,000
Executive Directors					
Charles Tabear	300,000	-	33,600	10%	333,600
Alasdair Cooke	85,000	-	-	-	85,000
Total Executive Directors	385,000	-	33,600	8%	418,600
Total Key Management Personnel	457,624	2,376	33,600	7%	493,600
Key Management Personnel remuneration - 2022					
Non-Executive Directors					
Valentine Chitalu	25,000	-	-	-	25,000
Vincent Masterton-Hume	22,727	2,273	-	-	25,000
John Dean	25,000	-	-	-	25,000
Total Non-Executive Directors	72,727	2,273	-	-	75,000
Executive Directors					
Charles Tabear	160,000	-	184,800	54%	344,800
Alasdair Cooke	97,000	-	184,800	66%	281,800
Total Executive Directors	257,000	-	369,600	59%	626,600
Total Key Management Personnel	329,727	2,273	369,600	53%	701,600

The Group did not engage a remuneration consultant during the year.

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Directors Report (continued)

3.7 Share-based compensation

During the year ended 30 June 2023, the Company granted 8,000,000 options to directors, as follows:

	Director Options
Date of issue	19/09/2022
Number of options	8,000,000
Dividend yield (%)	-
Expected volatility (%)	125.00%
Risk free interest rate (%)	3.9%
Expected life of the option (years)	2.00
Option exercise price (cents per option)	4.0
Vesting hurdle	nil
Vesting date	3/11/2022
Share price at grant date (cents per share)	1.10
Fair value per option (cents)	0.420
Total value at grant date (\$)	33,600
Vested during the period	8,000,000
Granted to Director	Charles Tabear

The options fully vested and were expensed during the year.

3.8 Directors' and Executives Interests

(a) Shares

	Balance at 30/06/2022	Purchases (Sales)	Balance at 30/06/2023
Non-executive Directors			
Valentine Chitalu	2,251,425	2,500,000	4,751,425
Vincent Masterton-Hume	4,157,606	-	4,157,606
John Dean	-	-	-
Executive Directors			
Alasdair Cooke	55,603,683	16,281,859	71,885,542
Charles Tabear	6,024,100	3,500,000	9,524,100
	68,036,814	22,281,859	90,318,673

There are no other equity interests held by Directors.

(b) Options

	Balance at 30/06/2022	Granted as remuneration	Non- remuneration options movement	Balance at 30/06/2023	Vested and exercisable at 30/06/2023
30 June 2023					
Non-executive Directors					
Valentine Chitalu	-	-	1,250,000	1,250,000	1,250,000
Vincent Masterton-Hume	-	-	-	-	-
John Dean	-	-	-	-	-
Executive Directors					
Alasdair Cooke	8,000,000	-	5,000,000	13,000,000	13,000,000
Charles Tabear	8,000,000	8,000,000	1,750,000	17,750,000	17,750,000
	16,000,000	8,000,000	8,000,000	32,000,000	32,000,000

Directors Report (continued)

3.9 Directors' and Executives Interests - Other related party transactions

The terms and conditions of the transactions with Directors, key executives and associates and their related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-Director related entities on an arm's length basis.

	Charges from		Charges to	
	2023 \$	2022 \$	2023 \$	2022 \$
Mitchell River Group Pty Ltd	88,648	63,506	-	-

At 30 June 2023 the company had a payable outstanding to Mitchell River Group of \$15,369 (30 June 2022: \$2,697).

No loans to key management personnel were provided during the period or up to the date of signing this report.

This is the end of the Audited remuneration report.

3. Principal Activities

The principal activity of the Consolidated Entity during the course of the financial year was the exploration of base metals and gold projects in Australia.

4. Events Subsequent to Reporting Date

No matter or circumstance, other than what has been included in this report, has arisen since 30 June 2023 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.

5. Likely Developments and Expected Results

The Group will continue to pursue activities within its corporate objectives. Further information about likely developments in the operations of the Group and the expected results of those operations in the future financial years has not been included in this report because disclosure would likely result in unreasonable prejudice to the Group.

6. Significant Changes in the State of Affairs

In the opinion of the Directors, other than stated under Review of Operations, and Events Subsequent to Reporting Date, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review and subsequent to the year end.

7. Material Business Risks

The business activities of the Company are subject to risks and there are many risks which may impact on the Company's future performance. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but many are outside of the control of the Company and cannot be mitigated.

- Exploration projects: Mineral exploration is high-risk, with no guarantee of economic ore discoveries. Various factors like geological conditions, weather patterns, water supply, and government regulations can affect exploration.
- Regulatory risks: Extensive laws and regulations affect exploration, including permits, environmental compliance, and native title issues. Obtaining permits may be time-consuming, and non-compliance can lead to fines or suspension of activities.
- Environmental risks: All mining projects are subject to scrutiny for environmental protection issues and are at risk of not being approved if the impact on the environment is significant. Whilst the Company is not aware of any significant environmental sensitivities in connection with the Briggs Copper Project, there can be no assurance that environmental approval will be obtained on acceptable terms.
- Mineral resource estimations: The mineral resource estimates for the Briggs Copper Project are estimates only and no assurances can be given that any particular levels of recovery of copper will in fact be realised. Mineral resource estimates are expressions of judgment based on knowledge, experience and resource modelling. Mineral resource estimates are inherently imprecise and rely to some extent on interpretations made. They are also influenced by the recoverability of the value component from the defined resource.
- Copper price volatility: The Company is seeking to develop the Briggs Copper Project which is reliant in part upon the price of copper. Further, in the event of any future copper production, the Company's financial performance will be sensitive to the copper price which is affected by numerous factors and events that are beyond the control of the Company.

Directors Report (continued)

- Impact of inflation on costs: Higher than expected inflation rates generally, or specific to the mining industry in particular, could be expected to increase operating and development costs and potentially reduce the value of future project developments.
- Title risk: Maintaining tenure over the Company's projects depend on meeting license conditions and the ability to fund future work programs. Tenement renewals are uncertain, and new conditions may be imposed.
- Legal proceedings: Legal proceedings may arise from time to time in the course of the Company's business. As at the date of this report, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

Environmental Regulations

The Consolidated Entity's operations are not subject to any significant environmental regulations under the legislation of countries in which it operates. However, the Board believes there are adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply.

The Company is not subject to the reporting requirements of both the Energy Efficiency Opportunities Act 2006 and the National Greenhouse and Energy Reporting Act 2007.

8. Indemnification and Insurance of Officers and Auditors

An indemnity agreement has been entered into with each of the Directors and Company Secretary of the Company named earlier in this report. Under the agreement, the Company has agreed to indemnify those officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities to the extent permitted by law. There is no monetary limit to the extent of this indemnity.

During the financial year, the Company has taken out an insurance policy in respect of Directors' and officers' liability and legal expenses for Directors and officers.

9. Corporate Structure

Alma Metals Limited is a Company limited by shares that is incorporated and domiciled in Guernsey. The Company is listed on the Australian Securities Exchange under code ALM.

10. Non-Audit Services

During the year, there were no non-Audit services provided by BDO Audit (WA) Pty Limited (2022: nil).

11. Lead Auditor's Independence Declaration

The lead Auditor's Independence Declaration is set out on page 24 and forms part of the Directors' report for the financial year ended 30 June 2023.



Charles Frazer Tabearth

Managing Director
Perth, 28 September 2023

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Directors' Declaration

Alma Metals Limited and its Controlled Entities

The Directors of the Company declare that:

- 1 The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and accompanying notes, are in accordance with the Corporations Act 2001; and
 - (a) comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Consolidated Entity.
- 2 In the Directors opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 3 The Consolidated Entity has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.
- 4 The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001.

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



Charles Frazer Tabcart

Managing Director

Perth, 28 September 2023

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INDEPENDENT AUDITOR'S REPORT

To the members of Alma Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Alma Metals Limited (the Company) and its subsidiaries (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 report, including a summary of significant accounting policies and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

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

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.

Accuracy & Validity of Exploration and Evaluation Expenditure

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
During the year ended 30 June 2023, the Group incurred significant expenditure in relation to its exploration and evaluation activities as recognised within the consolidated statement of comprehensive income. Note 2.4 includes related disclosure and associated accounting policies. This is a key audit matter due to the volume of transactions and the significance of the exploration and evaluation expenditure incurred during the year.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and testing on a sample basis whether the rights to tenure of those areas of interest to which expenditure relates, remained in good standing; • Testing on a sample basis, exploration and evaluation expenditure to supporting documentation considering the accuracy and validity of expenditure; and • Assessing the adequacy of related disclosures within the financial report.

Other information

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

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

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

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

Responsibilities of the directors for the Financial Report

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

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

Auditor's responsibilities for the audit of the Financial Report

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

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

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

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 20 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Alma Metals 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.

BDO Audit (WA) Pty Ltd



Phillip Murdoch

Director

Perth

28 September 2023

DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF ALMA METALS LIMITED

As lead auditor of Alma Metals Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Alma Metals Limited and the entities it controlled during the period.



Phillip Murdoch
Director

BDO Audit (WA) Pty Ltd
Perth
28 September 2023

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Interest received	3.2	2,054	1,778
Personnel expenses	3.3	(384,111)	(725,633)
Professional & administration expense	3.3	(484,694)	(528,605)
Exploration & evaluation expensed	2.4	(1,902,111)	(1,004,017)
Foreign currency gain / (loss)		(332)	(77,879)
Loss before tax		(2,769,194)	(2,334,356)
Income tax expense	3.4	-	-
Loss from continuing operations		(2,769,194)	(2,334,356)
Loss from discontinued operations	2.1	-	(6,912,723)
Loss for the year		(2,769,194)	(9,247,079)
Other comprehensive items that will not be reclassified to profit or loss			
Changes in the fair value of financial assets at fair value through other comprehensive income (FVOCI)	2.2	593,978	(4,917,756)
Total other comprehensive loss for the year		(2,175,216)	(14,164,835)
Total comprehensive income (loss) attributable to the ordinary equity holders of the Company:			
Loss from continuing operations		(2,175,216)	(7,252,112)
Loss from discontinued operations		-	(6,912,723)
Comprehensive loss attributable to the shareholders of the Company		(2,175,216)	(14,164,835)
Loss per share for loss attributable to the ordinary equity holders of the Company:			
Basic and diluted loss per share (cents per share)	3.5	(0.31)	(1.30)
Basic and diluted loss per share from continuing operations (cents per share)	3.5	(0.31)	(0.33)
Basic and diluted loss per share from discontinued operations (cents per share)	3.5	-	(0.97)

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

Consolidated Statement of Financial Position As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash & cash equivalents	4.1	2,474,434	1,632,586
Trade & other receivables	4.3	174,323	26,296
Total current assets		2,648,757	1,658,882
Non-current assets			
Financial assets at FVOCI	2.2	3,542,624	3,124,298
Property, plant and equipment	2.3	69,440	23,000
Total non-current assets		3,612,064	3,147,298
Total assets		6,260,821	4,806,180
Liabilities			
Current liabilities			
Trade & other payables	4.4	246,794	105,622
Total current liabilities		246,794	105,622
Total liabilities		246,794	105,622
Net assets		6,014,027	4,700,558
Equity			
Contributed equity	5.1	87,032,461	83,729,876
Reserves	4.5	2,887,004	2,267,012
Retained earnings (Accumulated losses)		(83,905,438)	(81,296,330)
Total equity attributable to shareholders of the Company		6,014,027	4,700,558

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity for the year ended 30 June 2023

For the twelve months ended 30 June 2023	Contributed equity	Accumulated losses	Foreign Currency Translation Reserve	Other Comprehensive Income Reserve (FVOCI)	Share- Based Payments Reserve	Total equity
	\$	\$	\$	\$	\$	\$
At 30 June 2022	83,729,876	(81,296,330)	-	1,747,312	519,700	4,700,558
Loss from continuing operations	-	(2,769,194)	-	-	-	(2,769,194)
Loss from discontinued operations	-	-	-	-	-	-
Net loss for the year	-	(2,769,194)	-	-	-	(2,769,194)
Other comprehensive income/(loss)						
Movement in fair value of financial assets at FVOCI	-	-	-	593,978	-	593,978
Reclassification of gain on disposal of listed investments	-	160,086	-	(160,086)	-	-
Total comprehensive income for the year	-	(2,609,108)	-	433,892	-	(2,175,216)
Issue of new shares net of cost	3,302,585	-	-	-	-	3,302,585
Share-based payments	-	-	-	-	186,100	186,100
	3,302,585	-	-	-	186,100	3,488,685
At 30 June 2023	87,032,461	(83,905,438)	-	2,181,204	705,800	6,014,027
For the twelve months ended 30 June 2022						
At 30 June 2021	85,305,933	(72,049,251)	(6,802,650)	6,665,068	-	13,119,100
Loss from continuing operations	-	(2,334,356)	-	-	-	(2,334,356)
Loss from discontinued operations	-	(6,912,723)	-	-	-	(6,912,723)
Net loss for the year	-	(9,247,079)	-	-	-	(9,247,079)
Other comprehensive income/(loss)						
Movement in fair value of financial assets at FVOCI	-	-	-	(4,917,756)	-	(4,917,756)
Total comprehensive income for the year	-	(9,247,079)	-	(4,917,756)	-	(14,164,835)
Transactions with owners in their capacity as owners:						
Issue of new shares net of cost	3,264,248	-	-	-	-	3,264,248
In specie distribution	(4,840,305)	-	6,802,650	-	-	1,962,345
Share-based payments	-	-	-	-	519,700	519,700
	(1,576,057)	-	6,802,650	-	519,700	5,746,293
At 30 June 2022	83,729,876	(81,296,330)	-	1,747,312	519,700	4,700,558

The Consolidated Statements of Changes in Equity are to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows for the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Interest received		1,096	1,816
Payment for exploration and evaluation		(1,866,666)	(1,096,434)
Payment to suppliers and employees		(780,067)	(683,382)
Net cash (outflow) from operating activities	4.2	(2,645,637)	(1,778,000)
Cash flows from investing activities			
Investment in Sese JV		-	(5,948)
In-specie distribution	2.1	-	(300,000)
Acquisition of listed investments	2.2	(30,000)	(1,000,000)
Acquisition of property, plant and equipment		(56,346)	(23,000)
Receipts from sale of listed investments		205,652	-
Term deposits		(86,906)	-
Net cash (outflow)/inflow from investing activities		32,400	(1,328,948)
Cash flows from financing activities			
Proceeds from issue of shares		3,645,285	3,400,000
Share issue costs		(190,200)	(135,752)
Net cash inflow from financing activities		3,455,085	3,264,248
Cash and cash equivalents at the beginning of the year	4.1	1,632,586	1,475,286
Net increase in cash and cash equivalents		841,848	157,300
Cash and cash equivalents at the end of the year	4.1	2,474,434	1,632,586

The Consolidated Statements of Cash Flows are to be read in conjunction with the accompanying notes

Notes to the Financial Statements

1. Basis of Preparation

1.1 Statement of Compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian Interpretations) adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The financial report of the Consolidated Entity also complies with IFRSs and interpretations as issued by the International Accounting Standards Board. Alma Metals Limited is a for-profit entity for the purposes of preparing financial statements.

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

1.2 Basis of measurement

The financial report is prepared under the historical cost convention.

1.3 Going concern

This report is prepared on the going concern basis which assumes the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

1.4 Reporting entity

Alma Metals Limited (referred to as the 'Parent Entity' or the 'Company') is a Guernsey registered company domiciled in Australia. The consolidated financial statements of the Company as at and for the year ended 30 June 2023 comprise the Company and its subsidiaries (together referred to as the 'Consolidated Entity' or the 'Group').

1.5 Use of estimates and judgments

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the Consolidated Entity.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Share-based payments arrangements (Note 8) - The Group values options issued at fair value at the grant date using the binomial option pricing model taking into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, the expected volatility of the underlying share, the expected dividend yield and risk-free interest rate for the term of the option. Performance rights are valued at face value of the share on the date of issue. At each reporting period management assess the probability of the vesting of options and performance rights where applicable in accordance with AASB 2 – Share based payments (non-market conditions). The probability is assessed to either be less likely or more likely (0% or 100%) and a vesting expense is recorded accordingly.

Notes to the Financial Statements (continued)

2. Non-Current Assets

2.1 Subsidiaries and Associates

Associates are entities over which the Group has significant influence but not control or joint control. Associates are accounted for in the parent entity financial statements at cost and the consolidated financial statements using the equity method of accounting. Under the equity method of accounting, the group's share of post-acquisition profits or losses of associates is recognised in consolidated profit or loss and the group's share of post-acquisition other comprehensive income of associates is recognised in consolidated other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends received from associates are recognised in the parent entity's profit or loss, while they reduce the carrying amount of the investment in the consolidated financial statements.

Subsidiaries are all entities over which the group has control. Control is determined with reference to whether the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Where the group loses control of a subsidiary but retains significant influence, the retained interest is re-measured to fair value at the date that control is lost and the difference between fair value and the carrying amount is recognised in profit or loss. There is judgement involved in determining whether control has been lost and determining the fair value of the investment held.

(a) Investment in Associates

During the year ended 30 June 2022, the Consolidated entity disposed of its 33.3% interest in Sese JV, as part of the in-specie distribution.

In-specie distribution

On 1 November 2021 the Company completed in-specie distribution ('Distribution') of subsidiary entity African Energy Limited ('AEL') under a Restructure Agreement with the following terms:

- AEL owns 33.3% interest in the Sese Coal Project joint venture company and 100% interest in both the Mmamabula West and Mmamantswe Coal Projects
- the Company affected the Distribution by issuing all the AEL shares it holds as an in specie distribution to the shareholders of the Company, where each shareholder will receive 1 AEL share for each 1 share held in the Company; and
- The Company transferred A\$300,000 to AEL for working capital

The effect of the Distribution on the Group was as follows: \$4,840,305 reduction of the share capital of the Company and release of \$6,802,650 from reserves to the profit or loss as a result of the discontinued operations.

(b) Discontinued operation

The effect of discontinued operation on the consolidated financial statements is set out in the table below.

	2023 \$	2022 \$
<i>Statement of Profit or Loss and Other Comprehensive Income</i>		
Share of Loss in Sese JV	-	(86,956)
Other exploration expenses	-	(23,117)
	-	(110,073)
Releasing Foreign currency reserves to profit or loss	-	(6,802,650)
Loss from discontinued operation	-	(6,912,723)
<i>Statement of financial position</i>		
Net assets of divested subsidiaries	-	(4,540,305)
Cash contribution	-	(300,000)
Reduction in share capital	-	(4,840,305)

Notes to the Financial Statements (continued)

2.2 Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

	2023 \$	2022 \$
Balance at the beginning of year	3,124,298	7,042,054
Additions	30,000	1,000,000
Movement in Fair Value of Financial assets at FVOCI	593,978	(4,917,756)
Disposals	(205,652)	-
Carrying amount at 30 June	3,542,624	3,124,298

At the balance date the Consolidated Entity held 14,533,872 ordinary shares in Caravel Minerals (ASX: CVV) and 9,083,333 ordinary shares in Canterbury Resources Limited (ASX: CBY).

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

2.3 Property, plant and equipment

	2023 \$	2022 \$
Computer Equipment - Cost	3,767	3,767
Accumulated depreciation	(3,767)	(3,767)
Net carrying amount at 30 June	-	-
Exploration Equipment - Cost	24,991	23,000
Accumulated depreciation	(1,588)	-
Net carrying amount at 30 June	23,403	23,000
Total Cost	83,113	26,767
Total accumulated depreciation	(13,673)	(3,767)
Net carrying amount at 30 June	69,440	23,000

2.4 Exploration and evaluation expenditure

The Group expenses exploration and evaluation expenditure as incurred in respect of each identifiable area of interest until a time where an asset is in development.

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

Restoration, rehabilitation and environmental costs necessitated by exploration and evaluation activities are expensed as incurred and treated as exploration and evaluation expenditure.

Exploration expenditure expensed during the year ended 30 June 2023 was \$1,902,111 (2022: \$1,004,017).

3. Financial Performance

3.1 Segment information

AASB 8 Operating Segments requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker.

During the year ended 30 June 2023 the Company's Board received financial information presented as a single segment, being the Copper Exploration. During the comparative period, until the disposal of its African subsidiaries in November 2021, financial information was presented across two reportable segments: Power Investments and Copper Exploration.

Notes to the Financial Statements (continued)

	Power Investments \$	Copper Exploration \$	Consolidated \$
For the year ended 30 June 2023			
Total segment revenue	-	-	-
Profit (loss) before income tax	-	(2,769,194)	(2,769,194)
<i>Segment Assets</i>			
Financial assets at FVOCI	-	3,542,624	3,542,624
Cash and short term receivable	-	2,648,757	2,648,757
Property, plant and equipment	-	69,440	69,440
Total Segment Assets	-	6,260,821	6,260,821
<i>Segment Liabilities</i>			
Trade & other payables	-	246,794	246,794
Total Segment Liabilities	-	246,794	246,794
For the year ended 30 June 2022			
Total segment revenue	-	1,778	1,778
Profit (loss) before income tax	(6,912,723)	(7,252,112)	(14,164,835)
<i>Segment Assets</i>			
Financial assets at FVOCI	-	3,124,298	3,124,298
Cash and short term receivable	-	1,658,882	1,658,882
Property, plant and equipment	-	23,000	23,000
Total Segment Assets	-	4,806,180	4,806,180
<i>Segment Liabilities</i>			
Trade & other payables	-	105,622	105,622
Total Segment Liabilities	-	105,622	105,622

3.2 Revenue

(a) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

(b) Net financial income

Net financial income comprises interest payable on borrowings calculated using the effective interest method, interest receivable on funds invested, dividend income and foreign exchange gains and losses.

Interest income is recognised in the profit or loss as it accrues, using the effective interest method. Management fees are recognised in the profit or loss as the right to a fee accrues, in accordance with contractual rights.

	2023 \$	2022 \$
Interest received	2,054	1,778

Notes to the Financial Statements (continued)

3.3 Expenses

Personnel expenses

Employee salaries
Superannuation
Directors' fees
Share-based payments
Personnel costs transferred to exploration expense

2023	2022
\$	\$
33,236	31,097
3,359	3,000
460,000	332,000
33,600	405,200
(146,084)	(45,664)
384,111	725,633
181,785	262,343
120,605	166,976
26,539	24,826
6,949	3,311
99,706	52,018
39,204	19,131
484,694	528,605

Professional & administration expense

Audit Tax and Accounting
Compliance & Insurance
Occupancy
Travel
Marketing
Other

3.4 Income Taxes

(a) Income tax expense:

Current tax
Deferred tax
Overprovision in respect to prior years

2023	2022
\$	\$
-	-
-	-
-	-
-	-

(b) Reconciliation of income tax expense to prima facie tax payable:

Profit/(Loss) before income tax from continuing operations
Profit/(Loss) before income tax from discontinued operations
Prima facie income tax at 25% (2022: 25%)
Tax effect of amounts not deductible in calculating taxable income:
Sundry items
Other

(2,769,194)	(2,334,356)
-	(6,912,723)
(2,769,194)	(9,247,079)
(692,299)	(2,311,770)
74	106
10,480	95,741
(681,745)	(2,215,923)

Difference in overseas tax rates
Tax-effect of non-deductible loss on in-specie distribution/discontinued operations
Tax losses and other deferred tax balances not recognised
Income tax expense/(benefit)

-	(977)
-	1,728,181
681,745	488,719
-	-

(c) Tax losses

Unused tax losses for which no deferred tax asset has been recognised
Potential tax benefit @ 25% (2021: 25%)
Difference in overseas tax rates
Potential tax benefit

(2,741,087)	(1,913,795)
(685,271)	(478,449)
-	(977)
(685,271)	(479,425)

(d) Unrecognised deferred tax assets arising on timing differences and losses @ 25% (2022: 25%)

Timing
Losses - Revenue

71,414	38,560
3,203,741	2,504,540
3,275,155	2,543,100

(e) Unrecognised deferred tax liabilities arising on timing differences @ 25% (2022: 25%)

Timing

422,595	313,266
422,595	313,266

Notes to the Financial Statements (continued)

(f) Change in future corporate tax rate

There has been a legislated change in the corporate tax rate that will apply to income years. The impact of this reduction in the corporate tax rate has been in the unrecognised deferred tax positions and the prima face income tax reconciliation above.

The tax benefits of the above deferred tax assets will only be obtained if:

- The Consolidated Entity derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- The Consolidated Entity continues to comply with the conditions for deductibility imposed by law;
- No changes in income tax legislation adversely affect the Consolidated Entity from utilising the benefits.

Income tax on the Statement of Profit or Loss and other Comprehensive Income for the periods presented comprises current and deferred tax. Income tax is recognised in the Statement of Profit or 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.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided using the 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.

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, or to the extent that the Group has deferred tax liabilities with the same taxation authority. Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

3.5 Loss per share

The calculation of basic loss per share at 30 June 2023 was based on the losses attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2023 of 884,171,291 (2022: 709,818,785) calculated as follows:

	2023 \$	2022 \$
Gain (Loss) attributable to ordinary shareholders	(2,769,194)	(9,247,079)
Issued number of ordinary shares at 1 July	739,472,257	622,960,630
Effect of shares issued during the year	144,699,034	86,858,155
Weighted average number of shares for year to 30 June	884,171,291	709,818,785
Basic loss per share (cents per share)	(0.31)	(1.30)
Loss from continuing operations	(2,769,194)	(2,344,356)
Basic loss per share from continuing operations (cents per share)	(0.31)	(0.33)
Loss from discontinued operations	-	(6,912,723)
Basic loss per share from discontinued operations (cents per share)	-	(0.97)

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

(a) Diluted loss per share

Potential ordinary shares are not considered dilutive, thus diluted loss per share is the same as basic loss per share.

Notes to the Financial Statements (continued)

4. Working Capital Management

4.1 Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances, short term bills and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Consolidated Entity's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. Refer to Note 5.2 for risk exposure analysis.

	2023 \$	2022 \$
Cash at bank and in hand	2,474,434	1,545,679
Short-term deposits	-	86,907
	<u>2,474,434</u>	<u>1,632,586</u>

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

	2023 \$	2022 \$
Cash flows from operating activities		
(Loss) for the year	(2,769,194)	(9,247,079)
Adjustments for:		
Equity-settled share-based payment expenses	33,600	519,700
Gain on disposal of equity investments	-	-
Foreign exchange losses	-	77,879
Depreciation	9,906	-
Discontinued operations	-	6,912,723
Change in operating assets & liabilities		
(Increase)/Decrease in trade and other receivables	(61,121)	55,947
Increase/(Decrease) in trade and other payables	141,172	(97,170)
Net cash used in operating activities	<u>(2,645,637)</u>	<u>(1,778,000)</u>

There was no non-cash investing and financing activities during the year.

4.3 Trade and other receivables

The fair value of trade and other receivables, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

	2023 \$	2022 \$
Trade debtors	2,192	198
GST and VAT receivable	84,166	25,998
Interest receivable	1,059	100
Term deposits	86,906	-
	<u>174,323</u>	<u>26,296</u>

Trade and other receivables are recorded at amounts due less any allowance for any expected credit losses.

Notes to the Financial Statements (continued)

4.4 Trade and other payables

Trade and other payables are recognised when the related goods or services are received, at the amount of cash or cash equivalent that will be required to discharge the obligation, gross of any settlement discount offered. Trade payables are non-interest bearing and are settled on normal terms and conditions.

	2023 \$	2022 \$
Trade creditors	192,729	96,377
Accrued expenses	52,041	7,380
Payroll liabilities	2,026	1,865
	<u>246,794</u>	<u>105,622</u>

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Consolidated Entity expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

4.5 Reserves

	2023 \$	2022 \$
Other Comprehensive Income Reserve	2,181,204	1,747,312
Share-based payments reserve	705,800	519,700
	<u>2,887,004</u>	<u>2,267,012</u>

Other Comprehensive Income Reserve is used to record gains or losses on a financial asset measured at fair value through other comprehensive income.

5. Funding and Risk Management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in the proportion to the number and amount paid on the shares held. Ordinary shares are classified as equity.

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

If the entity reacquires its own equity instruments, for example as a result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

5.1 Contributed equity

	30-Jun-23 Number of shares	30-Jun-22 Number of shares	30-Jun-23 \$	30-Jun-22 \$
Contributed equity	1,104,000,787	739,472,257	92,200,625	88,555,340
Cost of share issue	-	-	(5,168,164)	(4,825,464)
	<u>1,104,000,787</u>	<u>739,472,257</u>	<u>87,032,461</u>	<u>83,729,876</u>

Notes to the Financial Statements (continued)

<i>Movement in share capital</i>	<i>Date</i>	<i>Number of shares</i>	<i>Issue price cents</i>	<i>\$</i>
Balance at 30 June 2021		622,960,630		85,305,933
Share placement	18 Aug 2021	63,750,000	2.0	1,275,000
Shares issue	20 Oct 2021	5,000,000	2.0	100,000
Shares issue	20 Oct 2021	1,250,000	2.0	25,000
Share placement	30 Nov 2021	46,511,627	4.3	2,000,000
Capital reduction - Inspecie distribution	1 Nov 2021			(4,840,305)
Less Transaction costs				(135,752)
Balance at 30 June 2022		739,472,257		83,729,876
Share placement	21 Sep 2022	125,200,000	1.0	1,252,000
Share placement	10 Nov 2022	49,328,530	1.0	493,285
Shares issue	31 May 2023	190,000,000	1.0	1,900,000
Less Transaction costs				(342,700)
Balance at 30 June 2023		1,104,000,787		87,032,461

5.2 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed.

Risk management is carried out by the Audit & Risk Committee under a charter approved by the Board of Directors. The Audit & Risk Committee identifies, evaluates and hedges foreign currency risks by holding cash in the currency that it is budgeted to be spent in.

(a) Market risk

i. Price risk

The Group is exposed to equity securities price risk in respect to shares it holds in Caravel Minerals Limited and Canterbury Resources Limited.

	Carrying Amount	Price Risk	
	\$	+10% Equity	-10% Equity
	\$	\$	\$
30 June 2023			
Financial assets at FVOCI	3,542,624	354,262	(354,262)
30 June 2022			
Financial assets at FVOCI	3,124,298	312,430	(312,430)

ii. Interest rate risk

The Group has significant interest-bearing assets; however, a change in interest rates would not have a material impact on the results.

	Carrying Amount	Interest Rate Risk-1%		Interest Rate Risk +1%	
	\$	Net Loss	Equity	Net Gain	Equity
	\$	\$	\$	\$	\$
30 June 2023					
Cash and cash equivalents	2,474,434	(24,744)	(24,744)	24,744	24,744
Other current assets	174,323	(1,743)	(1,743)	1,743	1,743
30 June 2022					
Cash and cash equivalents	1,632,586	(16,326)	(16,326)	16,326	16,326
Other current assets	26,296	(263)	(263)	263	263

- Interest rate volatility was chosen to reflect expected short term fluctuations in market interest rates.

Notes to the Financial Statements (continued)

iii. Credit risk

The carrying amount of cash and cash equivalents, trade and other receivables (excluding prepayments), represent the Group's maximum exposure to credit risk in relation to financial assets. Cash and short term liquid investment are placed with reputable banks, so no significant credit risk is expected. The Group does not have any material exposure to any single debtor or group of debtors, so no significant credit risk is expected. The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit rates.

iv. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the dynamic nature of the underlying businesses, management aims at maintaining flexibility in funding by keeping committed credit lines available with a variety of counterparties. Surplus funds are only invested in instruments that are tradeable in highly liquid markets.

The Company's trade payables are due within the next six months.

(b) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

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

5.3 Fair value measurement

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
30 June 2023				
Financial assets at FVOCI	3,542,624	-	-	3,542,624
Total assets	3,542,624	-	-	3,542,624
30 June 2022				
Financial assets at FVOCI	3,124,298	-	-	3,124,298
Total assets	3,124,298	-	-	3,124,298

Notes to the Financial Statements (continued)

There were no transfers between levels during the financial year.

Accounting policy for fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Fair value in active market (Level 1)

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and listed equity securities) are based on quoted market prices at the close of trading at the end of the reporting period without any deduction for estimated future selling costs.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Fair value in an inactive or unquoted market (Level 2 and Level 3)

The fair value of financial assets that are not traded in an active market is determined using valuation techniques. These include the use of recent share price from capital raising and option pricing models that provides a reliable estimate of prices obtained in actual market transactions.

For option pricing models, inputs are based on available market data. Fair values for unquoted equity investments are estimated, using the latest share price from capital raising. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

6. Group Structure

6.1 Basis of consolidation

(a) Subsidiaries

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

Investments in subsidiaries are carried at their cost of acquisition in the Company's financial statements. The Company's ownership interest in principal subsidiaries at 30 June 2023 is set out in the table below:

	Country of incorporation	Ownership interest	
		2023	2022
Alma Metals Australia Pty Ltd	Australia	100%	100%

Notes to the Financial Statements (continued)

(b) 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.

(c) Comparatives

Prior period comparatives are for the year from 1 July 2021 to 30 June 2022.

6.2 Parent Entity Disclosures

The parent entity within the Group is Alma Metals Limited.

	2023 \$	2022 \$
Current Assets	-	-
Non-Current Assets	6,055,738	4,700,558
Total Assets	6,070,736	4,700,558
Current Liabilities	41,711	-
Total Liabilities	41,711	-
Contributed equity	87,032,461	83,729,876
Reserves	1,308,713	1,066,370
Accumulated losses	(82,327,147)	(80,095,688)
Total Equity	6,014,027	4,700,558
Gain (loss) for the year	(2,231,459)	(6,916,837)
Other comprehensive income / (loss) for the year	-	-
Total comprehensive income / (loss) for the year	(2,231,459)	(6,916,837)

There were no commitments, contingent liabilities, guarantees or contingent assets at the parent level at 30 June 2023.

7. Related parties

7.1 Key Management Personnel

	2023 \$	2022 \$
Short-term employee benefits	457,624	329,727
Post-employment benefits	2,376	2,273
Equity compensation benefits	33,600	369,600
	493,600	701,600

7.2 Other related party transactions

The terms and conditions of the transactions with Directors, key executives and associates and their related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-Director related entities on an arm's length basis.

Notes to the Financial Statements (continued)

During the year, Mitchell River Group Pty Ltd of which Mr Cooke, Mr Fry and Dr Tabearr are directors, charged the Group for provision of a service office and administrative support services.

	2023 \$	2022 \$
Mitchell River Group Pty Ltd		
Service charged during the year	88,648	63,506
<i>Assets and liabilities at 30 June arising from transactions with related parties</i>		
Trade and other receivables	-	-
Trade and other payables	15,369	2,697

8. Share based payments

8.1 Options

Options granted during the year have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the option. See below for the assumptions used for grants made during the year.

On 19 September 2022, the Company issued 8 million options to a Director ('Director Options') at an exercise price of \$0.04. On 31 May 2023 the Company issued 25 million options to a consultant ('Consultant Options') exercisable at \$0.02.

The Consultant Options were issued as a fee for capital raising advisory services. The expense for the year arising from Consultant Options of \$152,500 is included in the share capital in the Balance Sheet.

The expense for the year arising from Director and Employee Options of \$33,600 is recognised in the Statement of Profit or Loss and Other Comprehensive Income and is included in Salaries and employee benefits expense.

Terms of options granted during the year ended 30 June 2023 were as follows:

	Director Options	Consultant Options
Date of issue	19/09/2022	31/05/2023
Number of options	8,000,000	25,000,000
Dividend yield (%)	-	-
Expected volatility (%)	125.00%	125.00%
Risk free interest rate (%)	3.9%	3.9%
Expected life of the option (years)	2	2
Option exercise price (cents per option)	4.0	3.00
Vesting hurdle	nil	nil
Likely vesting date	3/11/2022	31/5/2023
Share price at grant date (cents per share)	1.10	1.30
Fair value per option (cents)	0.420	0.610
Total value at grant date (\$)	33,600	152,500
Vested during the period	8,000,000	25,000,000

Director Options were granted to Mr Frazer Tabearr (Tranche 7). The options fully vested and were expensed during the year.

Notes to the Financial Statements (continued)

9. Other

9.1 Events occurring after the reporting period

No other matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations, results or state of affairs of the Group in future financial years which have not been disclosed publicly at the date of this report.

9.2 Contingencies and Commitments

There were no contingent assets or liabilities in the Group at 30 June 2023. There were no commitments at 30 June 2023.

9.3 Remuneration of Auditors

	2023	2022
	\$	\$
BDO Audit (WA) Pty Ltd: Audit and review of financial reports	41,597	31,071
	41,597	31,071

9.4 New standards and interpretations not yet adopted

Early adoption of accounting standards

The Group has not elected to apply any pronouncements before their operative date in the annual reporting year beginning 1 July 2022.

New or amended Accounting Standards and Interpretations adopted

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.

Standards and Interpretations in use not yet adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2023. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

Additional Shareholder Information

The following additional information required by the ASX Listing Rules is current as at 20 September 2023.

Alma Metals Limited shares are listed on the Australian Securities Exchange (ASX:ALM).

Distribution of Shareholders

Range	Securities	%	No. of holders	%
100,001 and Over	1,082,792,900	97.20	558	23.31
10,001 to 100,000	27,821,190	2.50	684	28.57
5,001 to 10,000	1,930,726	0.17	251	10.48
1,001 to 5,000	1,353,664	0.12	458	19.13
1 to 1,000	102,303	0.01	443	18.50
Total	1,114,000,783	100.00	2,394	100.00
Unmarketable Parcels	14,066,981	1.26	1,595	66.62

Largest 20 shareholders

Rank	Name	Number of Shares Held	%IC
1	African Energy Limited	86,692,308	7.8%
2	Alasdair Cooke	85,622,542	7.7%
3	PS Consulting Pty Ltd	60,000,000	5.4%
4	Julian Kinnear Ludowici	44,701,549	4.0%
5	Reid Jon Zulpo	20,000,000	1.8%
6	Wimalex Pty Ltd	20,000,000	1.8%
7	Ponderosa Investments (WA) Pty Ltd	19,558,351	1.8%
8	JBBM Pty Ltd	16,000,000	1.4%
9	Helmet Nominees Pty Ltd	15,275,095	1.4%
10	Terra Metallica Nominees Pty Ltd	13,028,530	1.2%
11	723 Pty Ltd	11,500,000	1.0%
12	SAF Management Pty Ltd	10,350,000	0.9%
13	The Stephens Group Super Fund Pty Ltd	10,000,000	0.9%
14	Bonanza Nominees Pty Ltd	10,000,000	0.9%
15	Kevin Gerard Doyle	10,000,000	0.9%
16	A Santamaria Pty Ltd	10,000,000	0.9%
17	Raejan Pty Ltd	9,700,000	0.9%
18	STL Super Pty Ltd	9,693,148	0.9%
19	Frazer Tabear	9,524,100	0.9%
20	Doric Wealth Pty Ltd	9,116,194	0.8%
		480,761,817	43.2%

The voting rights attaching to the ordinary shares are in accordance with the Company's Memorandum & Articles of Association being that:

Class of shares and voting rights

- each shareholder entitled to vote may vote in person or by proxy, attorney or Representative;
- on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- on a poll, every person present who is a shareholder or a proxy, attorney or Representative of a shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or Representative, have one vote for the Share, but in respect of partly paid Shares, shall, have such number of votes as bears the proportion which the paid amount (not credited) is of the total amounts paid and payable (excluding amounts credited)."

Additional Shareholder Information (continued)

Substantial Holders

As notified to the Company

Name	Number Of Shares Held	%IC
African Energy Limited	86,692,308	7.8%
Alasdair Cooke	85,622,542	7.7%
PS Consulting Pty Ltd	60,000,000	5.4%

Other information

The company has not utilised a share buyback in the past 12 months.



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