Metalicity Limited
ABN: 92 086 839 992

Annual report

For the year ended 30 June 2023

Corporate Directory

Directors

Justin Barton – Managing Director and Acting Chairperson (appointed Acting Chairperson on 25 November 2022)
Roger Steinepreis – Non-Executive Director (appointed on 6 February 2023)
Steven Wood – Independent Non-Executive Director (appointed on 25 November 2022)

Company Secretary

Kate Breadmore – Joint Company Secretary (appointed on 1 December 2022)
James Doyle – Joint Company Secretary (appointed on 1 December 2022)

Auditors

Pitcher Partners BA&A Pty Ltd
Level 11
12-14 The Esplanade
PERTH WA 6000

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Bankers

ANZ Banking Group Ltd
1275 Hay Street
WEST PERTH WA 6005

Registered Office

Unit B2, 20 Tarlton Crescent,
PERTH AIRPORT WA 6105
Telephone: +61 8 6500 0202

Share Registry

Link Market Services
QV1 Building
Level 12, 250 St Georges Terrace
PERTH WA 6000
Investor Enquiries: 1300 554 474
Facsimile: (02) 9287 0303

Securities Exchange Listing

Securities of Metalicity Limited are listed on the Australian Securities Exchange (ASX).
ASX Listed Shares Code: MCT
ASX Listed Options Code: MCTOA

Web Site: www.metalicity.com.au

metalicity

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Directors' Report

The Directors of Metalicity Limited (the "Company" or "Metalicity") submit herewith the annual financial report of the Company and its subsidiaries (the "Group") for the financial year ended 30 June 2023.

Directors

The names and particulars of the Directors of the Company during or since the end of the financial year are:

Name	Particulars
Justin Barton	Managing Director and Acting Chairperson (appointed Acting Chairperson on 25 November 2022)
Roger Steinepreis	Non - Executive Director (Appointed on 6 February 2023)
Steven Wood	Independent Non-Executive Director (Appointed on 25 November 2022)
Andrew Daley	Chairperson (resigned on 25 November 2022)
Jason Livingstone	Non-Executive Director (resigned on 6 February 2023)

The above-named Directors held office during and since the financial year, except as otherwise indicated.

Principal Activities

The Group's principal activity as at the date of this report is mineral exploration and development of the Kookynie and Yundamindra Gold Projects, that the Company has an effective 65.6% joint venture interest in through direct ownership of 51% and ~25.92% indirect interest via Nex Metals Exploration Ltd ("Nex"), and the Queensland based Mt Surprise and Georgetown Projects.

Review of Operations and Results

Throughout the year, the Company continued to explore and progress the Kookynie and Yundamindra gold projects as well as the Mt Surprise and Georgetown Projects.

Kookynie Gold Project

The Kookynie Gold Project is located approximately 180km north of the town of Kalgoorlie and present an opportunity to develop a high-grade gold resource based off historic and recent exploration within the area undertaken by Metalicity and past explorers.

The Kookynie Project hosts some of Metalicity's key gold assets which include the historical mining centres of Diamantina-Cosmopolitan-Cumberland, known as the DCC trend, as well as McTavish, Leipold, Champion and Altona (Figure 1).

Metalicity has drilled 380 holes for over 34,000 metres across several deposits, prospects and exploration targets within the Kookynie Gold project since farm-in in early 2020. This volume of drilling has yielded significant intercepts with some truly spectacular gold results including, but not limited to:

Kookynie Gold Project (continued)

Leipold

- LPRC0077 – **4 metres @ 26.91 g/t Au** from 65 metres, **incl. 1 metre @ 100.77 g/t Au** from 67 metres[1]
- LPRC049 - **10 metres @ 7.44 g/t Au** from 108m**, incl. 2 metres @ 21.03 g/t Au** from 111m[2]

McTavish

- McTRC0044 - **3 metres @ 19.1 g/t Au** from 88 metres ▪ incl. **1 metre @ 52.8 g/t Au** from 89 metres[3]
- McTRC0049 - **5 metres @ 25.9 g/t Au** from 28 metres incl: ▪ **3 metres @ 41.5 g/t Au** from 30 metres, and **1 metre @ 91.2g/t Au** from 30 metres)[4]

Champion

- CPRC0041 - **28 metres @ 1.83 g/t Au** from 72 metre[5]

Cosmopolitan

- COSRC0027 - **1 metre @ 4.4 g/t Au** from 183 metres and: - **1 metre @ 7.7 g/t Au** from 208 metres[6]

Altona

- ALTRC0030 - **3 metres @ 14.9 g/t Au** from 97 metres incl. **1 metre @ 39.2g/t Au** from 97 metres[7]
- ALTRC0010 – **6 metres @ 2.03 g/t Au** from 34 metres; and – **1 metre @ 8.36 g/t** Au from 89 metres[8]

McTavish South

- MCTSAC0020 – **8 metres @ 2.61 g/t Au** from 28 metres[9]
- MCTSAC0028 – **8 metres @2.60 g/t Au** from 28 metres[9]

Results from this drilling include identification of new mineralisation at McTavish South[2], extensional and resource drilling at Champion, Leipold, McTavish, Altona and Cosmopolitan Deposits. In addition to an extensive drill program, Metalicity released a maiden JORC 2012 compliant Mineral Resource Estimate containing 83,000 ounces of gold for the Leipold, McTavish and Champion Deposits in April 2022. Metalicity has proven with its exploration activities that the Kookynie Gold Project has substantial value and the Kookynie area still retains significant mineral endowment.

Metalicity has categorised the Kookynie Gold Project into three distinct zones based on key characteristics as geographic location, mineralisation style and stage of project advancement (Figure 1).

During the financial year, Metalicity primarily focussed its activities to the Central Zone of the project completing exploration targeting from geophysical surveying and exploration drilling results from the 2022 drilling campaign, as well as soil sampling/field reconnaissance mapping at the Kookynie Gold Project.

[1] ASX Announcement "Metalicity Reports Drill Hole Intercepts Up to 100 g/t Au for the Kookynie Gold Project" dated 15 September 2020.
[2] ASX Announcement "Metalicity Continues to Deliver Spectacular Drill Hole Results for the Kookynie Gold Project" dated 25 August 2020.
[3] ASX Announcement "McTavish Returns Assays Up To 52.8 g/t Au & Executive Changes" dated 24 May 2021.
[4] ASX Announcement "McTavish Delivers Bonanza Grade Gold Results up to 91.2 g/t Au" dated 8 July 2021.
[5] ASX Announcement "Widest Intersection to Date at Kookynie as Champion & McTavish Continue to Deliver Strong Gold Results" dated 13 December 2021.
[6] ASX Announcement "Cosmopolitan Gold Mine Drilling Results" dated 28 July 2021.
[7] ASX Announcement "Further Impressive Drill Results at Altona, Kookynie Gold Project" dated 18 March 2021.
[8] ASX Announcement "Metalicity Continues to Deliver Impressive Drill Hole Results for the Kookynie Gold Project" dated 22 December 2020.
[9] ASX Announcement "Drilling Extends Significant Gold Mineralisation along McTavish Trend by a Further 400 metres" dated 2th June 2022.

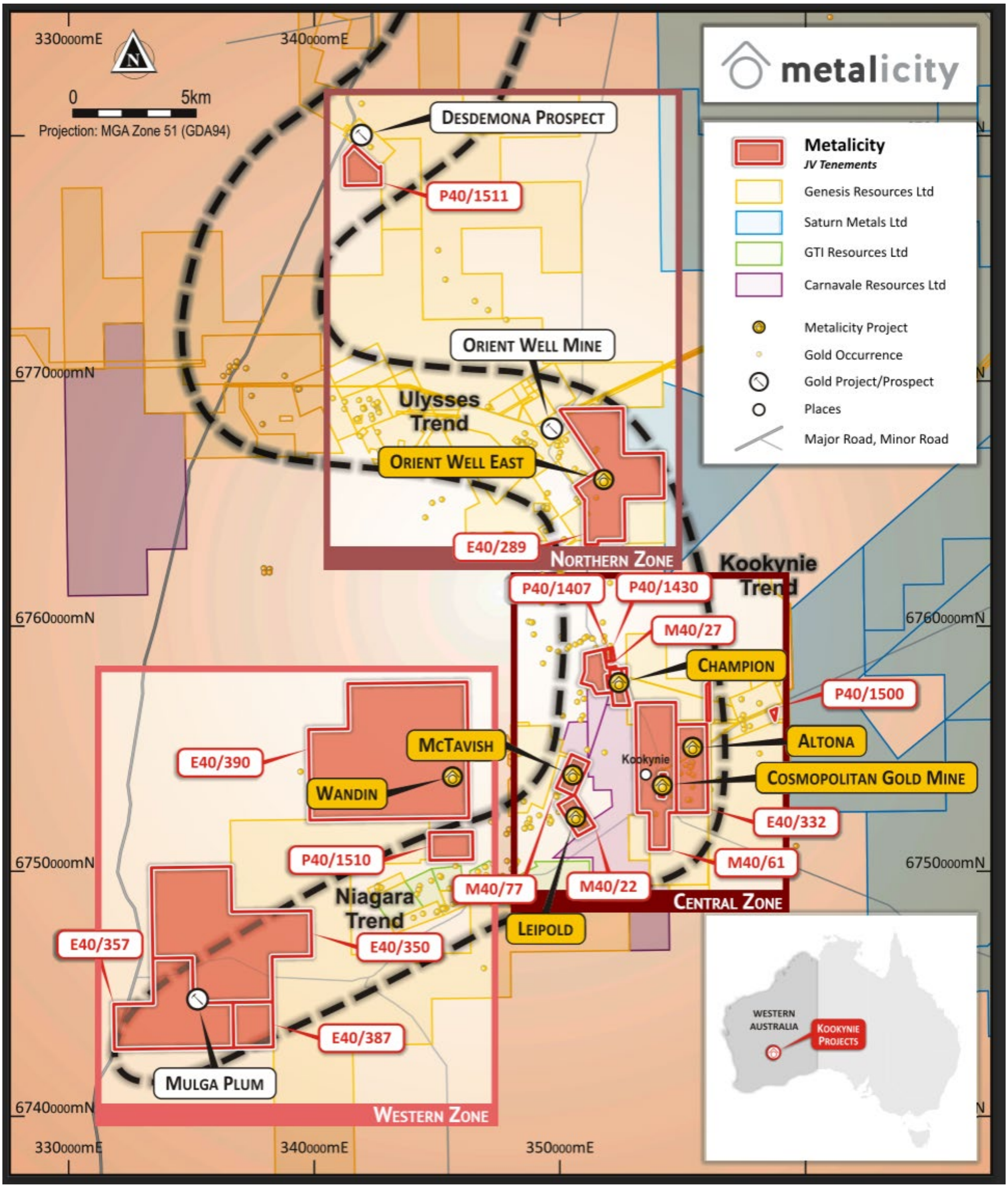

Figure 1 – Kookynie Prospect Locality Map with mineralised trends.

Central Zone

The Central Zone of the Kookynie Gold project hosts several significant gold deposits and prospects and remained the focus of exploration activities for the year.

From the successful 31 drillhole first pass Air Core programme, 10 drillholes containing 4 metre composite samples with significant and anomalous gold mineralisation were selected for resampling and re-analysis[10]. These drillholes and mineralised 4m composite intervals were re-split to 1m intervals from the first pass air-core drilling program[11]. Assay results identified internal higher-grade zones of gold mineralisation within the significant intersections, as well as provided greater definition of previous lower grade anomalous occurrences. Out of the initial programme, two additional drillholes (MCTSAC0005 and MCTSAC0008), which originally returned anomalous gold assay results, returned significant intercepts that expanded on the original mineralisation envelope (Figure 2).

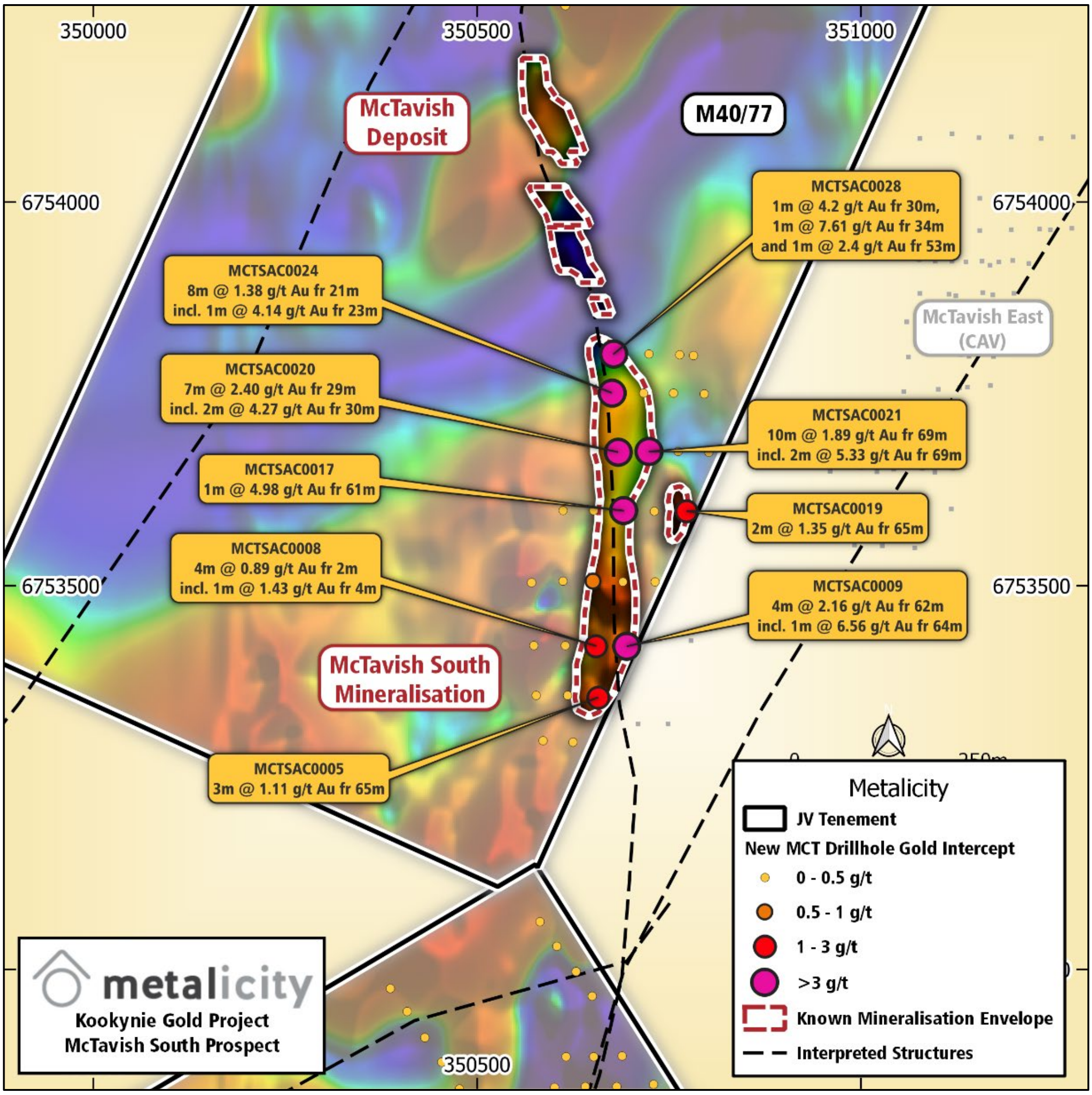

Figure 2 – McTavish South Prospect Drill Collars Plan and significant intercepts. Base map layer is a magnetic intensity first vertical derivative of the reduced to the pole pseudocolour mapping with directional sun shading from the northeast.

[10] ASX Announcement "Drilling Extends Significant Gold Mineralisation along McTavish Trend by a Further 400 metres" dated 27th June 2022.

[11] ASX Announcement "Significant High-Grade Intercepts from McTavish South Resampling" dated 4th October 2022

Gold mineralisation is situated along a north-south trending structure that was interpreted from detailed aeromagnetic surveys undertaken by the Company, as well as detailed reviews of recent and historic exploration information. This structural model of mineralisation deposition has formed a significant part of Metalicity's exploration strategy at its Kookynie gold project. This strategy has generated a number of greenfields and brownfields extensional gold targets in the area and has been extended to the Yundamindra Gold Project.

The Yundamindra Gold Project

The Yundamindra Gold Project is located 65 kms southeast of Leonora and 65 kms east of Kookynie. The project consists of nine granted mining leases, two prospecting licences and two exploration licences which the Company will hold the rights to explore.

The Yundamindra Gold Project hosts high grade historical production of 74kt @ 19.3 g/t Au for 45,000 ounces. Significant intercepts from the Prospects within the Project include[12]:

- *Bound to Rise - 2m @ 7.21 g/t Au from 30 m in HC007,*
- *Pennyweight Point - 8m @ 56.36 g/t Au from 44 m in PV095,*
- *Queen of the May - 2m @ 39.49 g/t Au from 31 m in QMN5, &*
- *Landed at Last - 2m @ 23.29 g/t Au from 30 m in LN11.*

The Yundamindra Project has only experienced shallow drilling and offers an opportunity for Metalicity to confirm and extend the known mineralisation occurrences within the area. The company has identified immediate drill targets at Penny Weight Point, Landed at Last, Maori Queen and Queen of May prospects. Field work has identified the presence of inverted paleochannels obscuring mineralised trends at the Yundamindra West line of lode[13].

During the year, Metalicity undertook a small field reconnaissance mapping and soil sampling program to identify any possible gold mineralisation anomalies. Work on the Yundamindra project has been limited to high level desk top reviews of historical exploration and recent results from third party prospecting. Metalicity has completed sufficient work to rapidly undertake exploration at Yundamindra pending a positive result from current plaint proceedings.

All Yundamindra tenure remains under plaint, however these proceedings have since been heard in the Wardens Court. The Warden reserved her decision on 10 July 2023 and Metalicity awaits the Wardens decision in the near future.

[12] Please refer to ASX Announcement "September 2019 Quarterly Activities Report" dated 30 October 2019.

[13] **Cautionary Statement Relating to Yundamindra Historical Production Data**
The Production details for the Yundamindra are referenced from publicly available data sources. The source and date of the production data for Yundamindra has been reported in the Geological Survey of Western Australia records showing the development of the Cosmopolitan Gold Mine in 1905. DMIRS digital records include open file Annual Reports and data pertaining to the exploration and development efforts of previous operators. Two documents with WAMEX reference numbers A069774 and A067918 are of particular interest. The previous operator in the early 2000's, Point Exploration Ltd, digitised these historical maps, including the channel sampling. The historical production data have not been reported in accordance with the JORC Code 2012. A Competent Person has not done sufficient work to disclose the historical production data in accordance with the JORC Code 2012. It is possible that following further evaluation and/or exploration work that the confidence in the prior reported production data may be reduced when reported under the JORC Code 2012 Nothing has come to the attention of the operator that causes it to question the accuracy or reliability of the historical production data; An assessment of the additional exploration or evaluation work that is required to report the data in accordance with JORC Code 2012 will be undertaken as part of the Company's development plan.

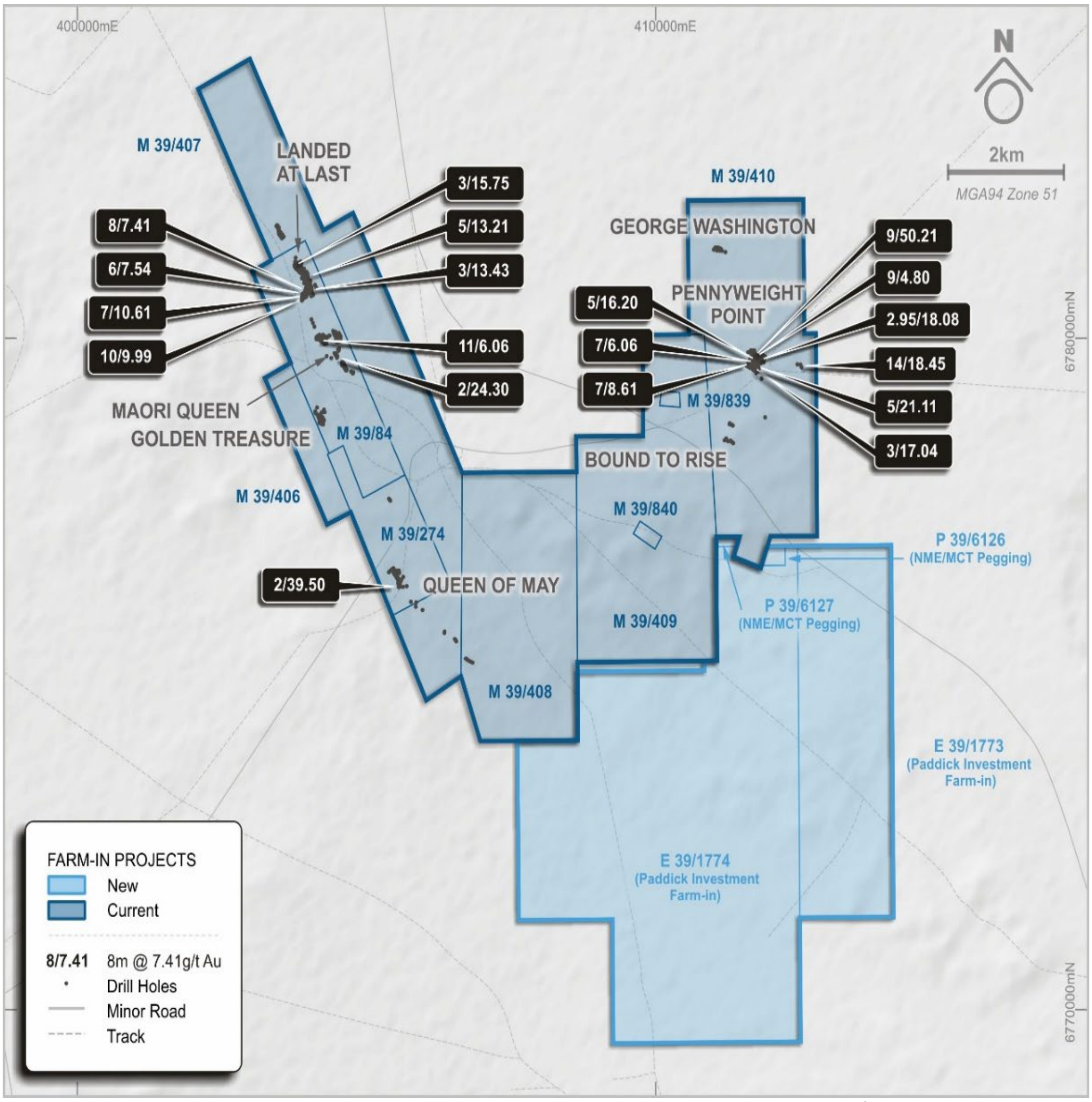

Figure 3 – Yundamindra Tenement Map with exploration prospects and historic significant intercepts.

Mt Surprise and Georgetown Projects Queensland

Mt Surprise Project

The Mount Surprise project comprises two granted exploration permits covering a large area approximately 165km from the city of Cairns, Queensland and 57 km northeast of the town of Mt Surprise (Figure 4). Mt Surprise is considered highly prospective for multiple minerals including copper, cobalt, base metals and gold. Exploration within the past year has included field reconnaissance mapping, rock chip sampling, low level detection soil sampling as well as geophysical survey data re-processing and target generation.

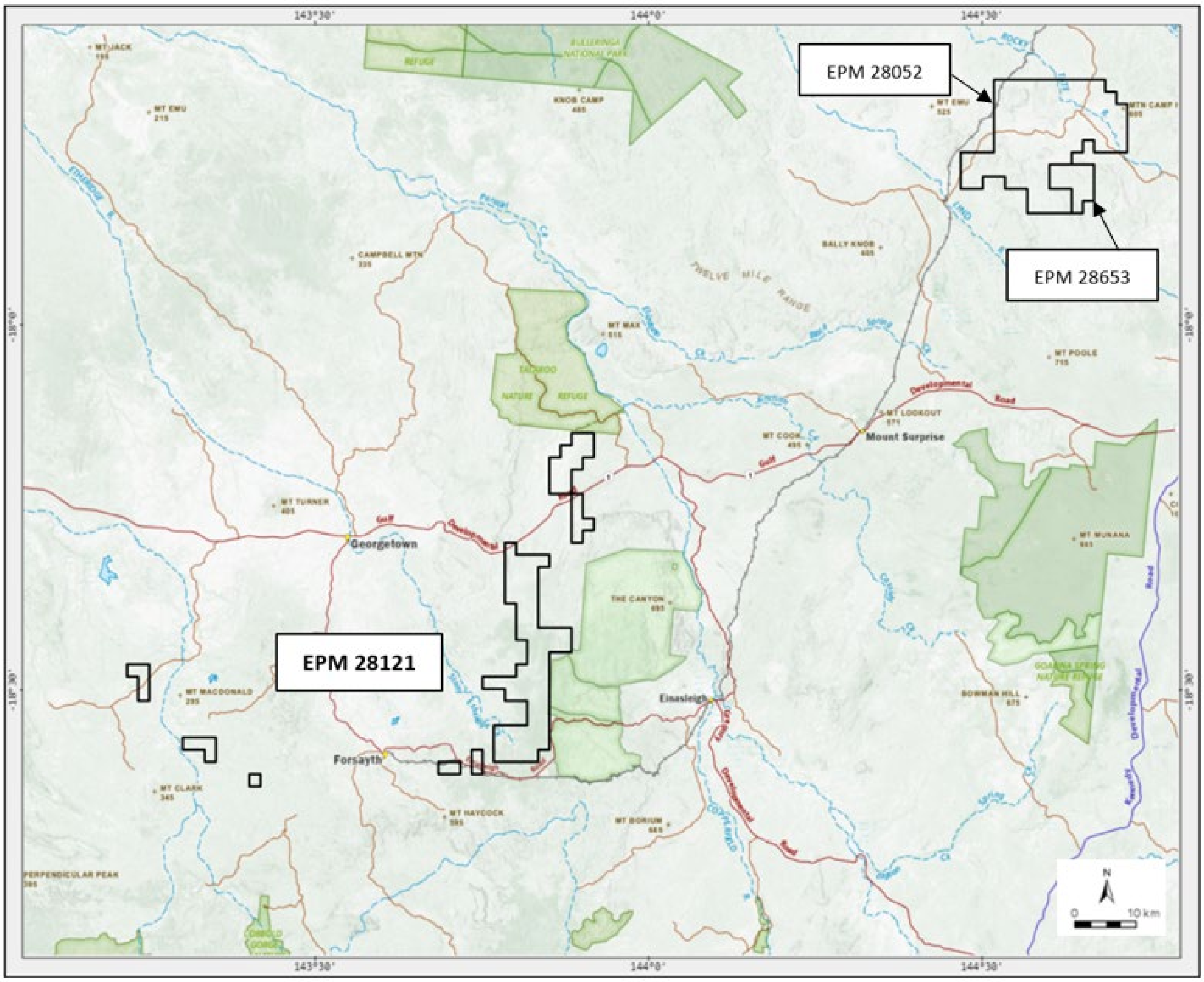

Figure 4. Granted Mt Surprise project exploration permits EPM 28052 and EPM 28653, Georgetown project EPM 28121 Locality Map.

Two field reconnaissance programs undertaken at Mt Surprise in late 2022 which included rock chip sampling, geological mapping, and a program of low-level detection soil sampling. The maiden field program identified multiple surface gossans and historic mine workings and returned significant assay results for copper and cobalt as well as base metal (silver, lead, zinc) mineralisation (Figure 5). Best rock chip assay results from this program are represented in Table 1 below[14],[15]. Some historic workings and mapped gossans included abundant copper sulphides of azurite and malachite identified at surface.

Results from the initial rock chip sampling and mapping program identified mineralised trends which guided the follow up programme of low-level detection soil sample for mineral anomalism. Significant areas of the Mt Surprise Project lack visible outcrop that, when combined with aeromagnetic survey interpretation and field observations are ideal for targeted soil sampling programs.

[14] ASX Announcement "High Grade Copper Results from Outcropping Gossan Rock Chips at Mt Surprise" dated 14 November 2022.
[15] ASX Announcement "High Grade Copper and Cobalt Assays" dated 30 January 2023.

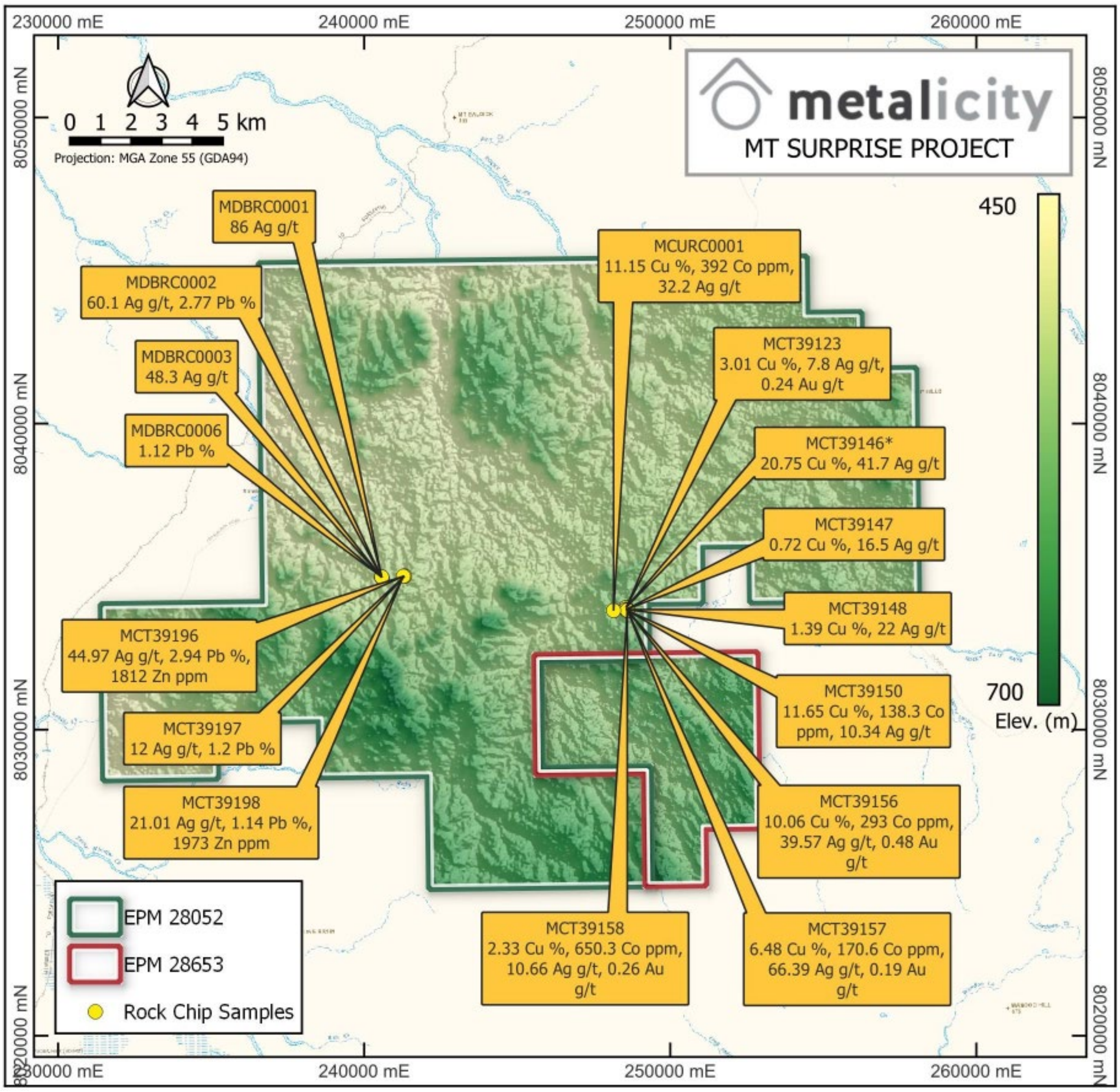

Figure 5. Location of significant rock chip samples within EPM 28052 – Mt Surprise QLD.

Table 1 – Mt Surprise October/November field progamme rock chip sample signficant assay results. >0.5% Cu, >100ppm Co, >1% Pb, > 5g/t Ag, > 0.1g/t Au, >0.1% Zn.

Sample ID	East GD94 Z55	North GD94 Z55	Cu %	Co ppm	Ag g/t	Au g/t	Pb %	Zn ppm
MCT39123	248560	8033985	3.01	-	7.8	0.24	-	-
MCT39146*	248558	8033984	**20.75**	-	41.7	-	-	-
MCT39147	248557	8033921	0.72	-	16.5	-	-	-
MCT39148	248557	8033920	1.39	-	22	-	-	-
MCT39150	248598	8033895	**11.65**	**138.3**	10.34	-	-	-
MCT39156	248604	8033897	**10.06**	**293**	39.57	0.48	-	-
MCT39157	248604	8033899	**6.48**	**170.6**	66.39	0.19	-	-
MCT39158	248600	8033898	**2.33**	**650.3**	10.66	0.26	-	-
MCT39196	241311	8035015	-	-	44.97	-	2.94	1812
MCT39197	241321	8035012	-	-	12	-	1.20	-
MCT39198	241282	8035009	-	-	21.01	-	1.14	1973
MCURC0001	248152	8033889	**11.15**	**392**	32.2	-	-	-
MDBRC0001	240579	8034967	-	-	86		-	-
MDBRC0002	240574	8034970	-	-	60.1	-	2.77	-
MDBRC0003	240576	8034971	-	-	48.3	-	-	-
MDBRC0006	240574	8034982	-	-	-	-	1.12	-

* Sample collected from dominantly undiluted copper sulphide material and is not representative of in situ mineralisation.
- indicates no significant result for any element listed in JORC Code, 2012 Edition – Table 1; Section 1

A targeted programme of 317 fine fraction soil samples were collected for low-level detection analysis to identify any mineralised anomalies was undertaken at the Mt Surprise Project which followed up and was guided by field observations and assay results highlighted in table 1 above[16]. This work identified areas of copper, cobalt, base metal and important pathfinder minerals beyond the mapped extents of mapped surface mineralisation in gossans and historic workings (Figure 6 and 7). Importantly, it also identified trends indicating the direction and potential open extension of mineralisation highlighted in figures 6 and 7 with red dashed lines.

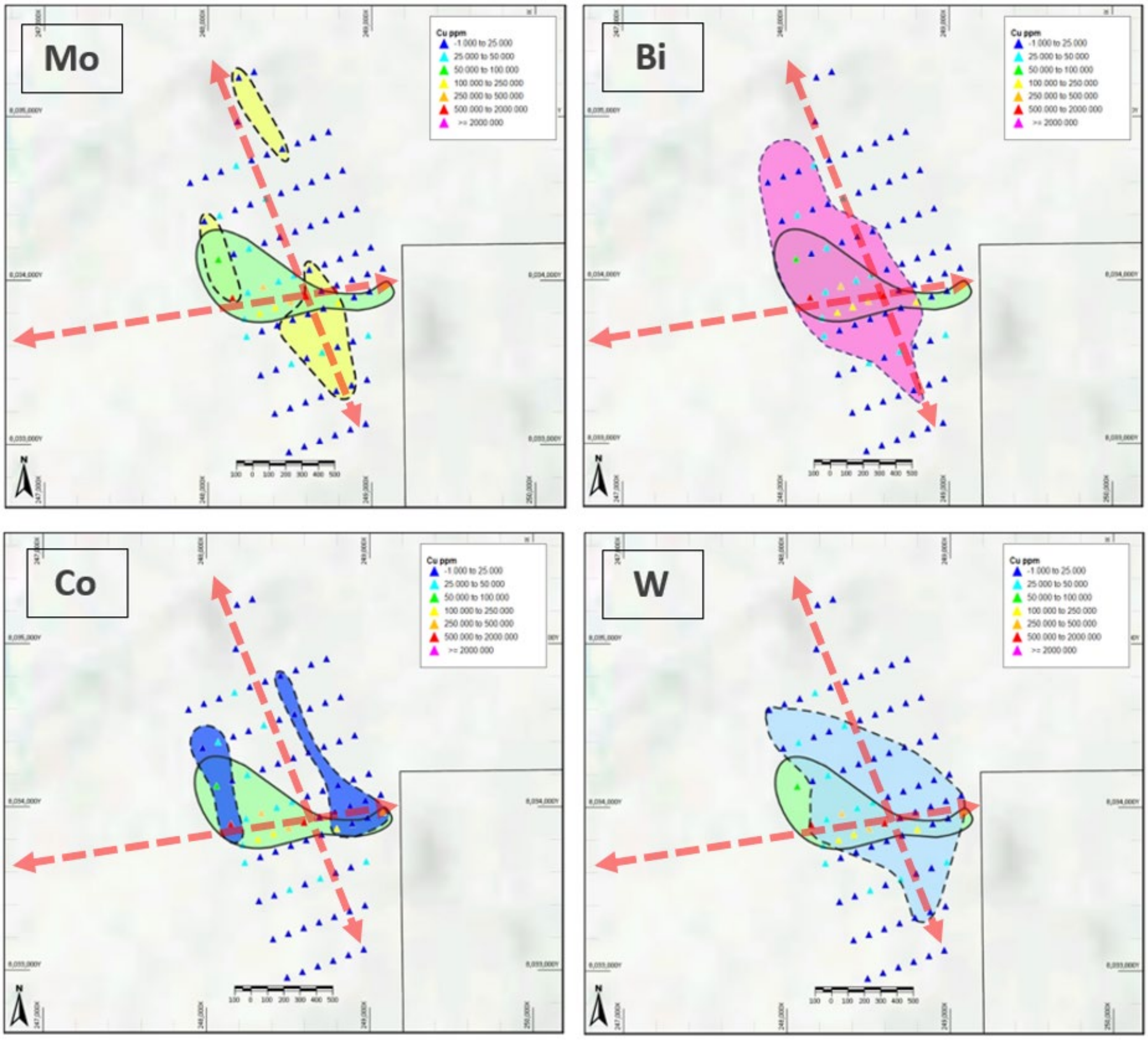

Figure 6. Copper Cap Prospect. Soil Sampling Plan showing Multi-Element Anomalies over copper soil sample results (in light green), Molybdenum (Mo), Bismuth (Bi), Cobalt (Co) and Tungsten (W). Trend in mineralisation and potential open extension in red.

[16] ASX Announcement “Soil Sampling Confirms and Extends Significant Copper and Base Metal Mineralisation” dated 3rd May 2023.

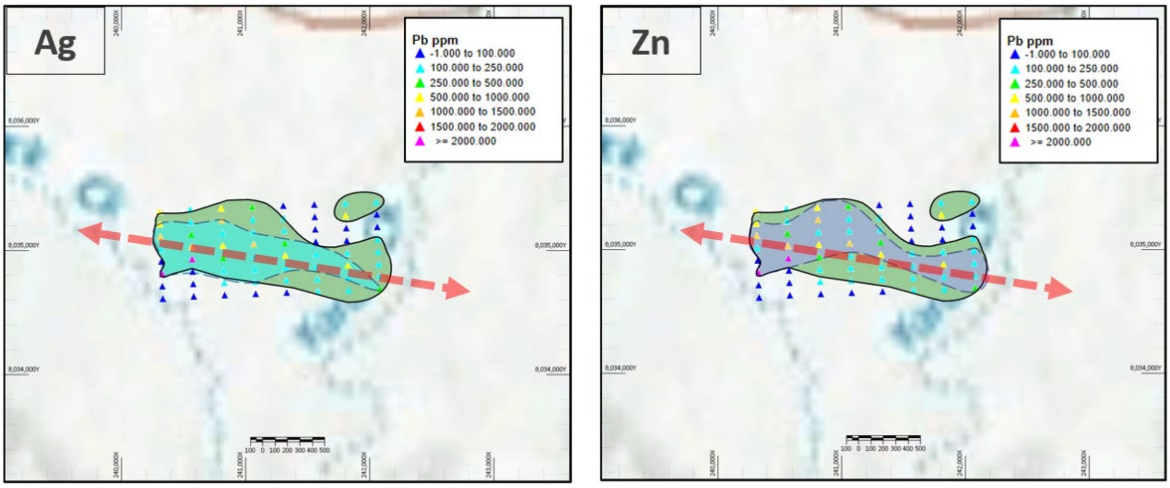

Figure 7. Double Barrel Prospect. Soil Sampling Plan showing Pb anomaly (in green) overlain by multi-element anomalies Silver (Ag), and Zinc (Zn). Trend in mineralisation and potential open extension in red.

During the year, a second exploration permit adjacent to EPM 28052 was applied for and granted based on the mineralised trends for copper and cobalt in soil sampling conducted in November 2022[17]. The application and granting of this tenure increased the exploration potential in the Mt Surprise project area (Figure 4).

Metalicity identified multiple new exploration targets derived from a recent review of all available geophysical survey data over the Mt Surprise project and surrounding areas by exploration consultants Terra Search based in Townsville[18]. Regional geophysical datasets were reprocessed and re-interpreted which resulted in several anomalous regions being delineated, some of which are coincident to the north-south and east-west mineralized zones identified from the soil sampling highlighted above associated with the Copper Cap prospect[8] (Figure 8).

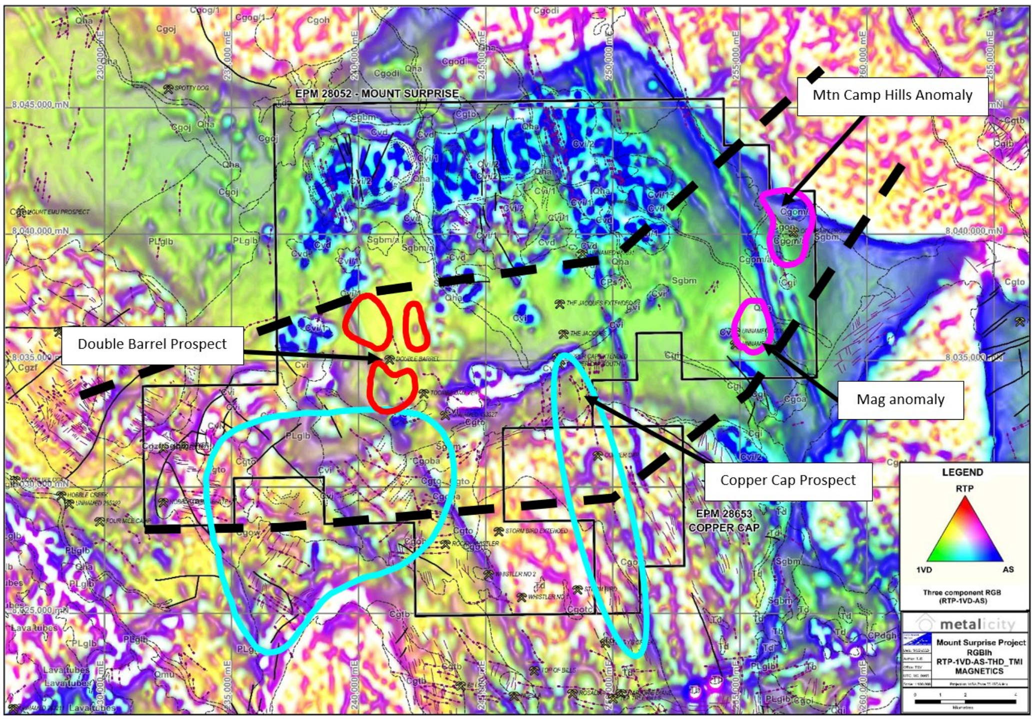

Figure 8. Magnetic Anomalies highlighted purple, radiometric anomalies highlighted red and gravity anomalies highlighted light blue. Central corridor of prospectivity as black dashed lines. Shaded Ternary RGBI Magnetic Image (RTP – 1VD – AS – THD) – Mt Surprise.

[17] ASX Announcement "New Highly Prospective Exploration Permit" dated 14 December 2022.
[18] ASX Announcement "Multiple New Priority New Exploration Targets Identified at Mt Surprise" dated 15 May 2023

Geophysical data re-processing is a cost efficient and effective method of highlighting multiple areas of interest including localised radiometric and magnetic features as well as a large central corridor of interest/prospectivity where Metalicity has focussed its exploration activities (Figure 8).

Georgetown

The Georgetown Project, consisting of granted exploration permit EPM28121[19], covers an extensive area and a wide range of prospective lithologies including the White Springs Granodiorite, Einasleigh Metamorphics as well as other intrusives, volcanic and non-volcanic metasediments (Figure 9). The regional area of the Georgetown Project is a highly mineralised system which includes numerous mineral occurrences of precious and base metals as well as Lithium Caesium Tantalum (LCT) occurrences including Buchannan pegmatite hosted lithium-tantalum deposit held by Strategic Metals Australia Buchanans LCT pegmatite discovery by Strategic Metals Australia[20] (Figure 9). The entire exploration permit will also undergo a full geophysical survey data review to assist in generating exploration targets.

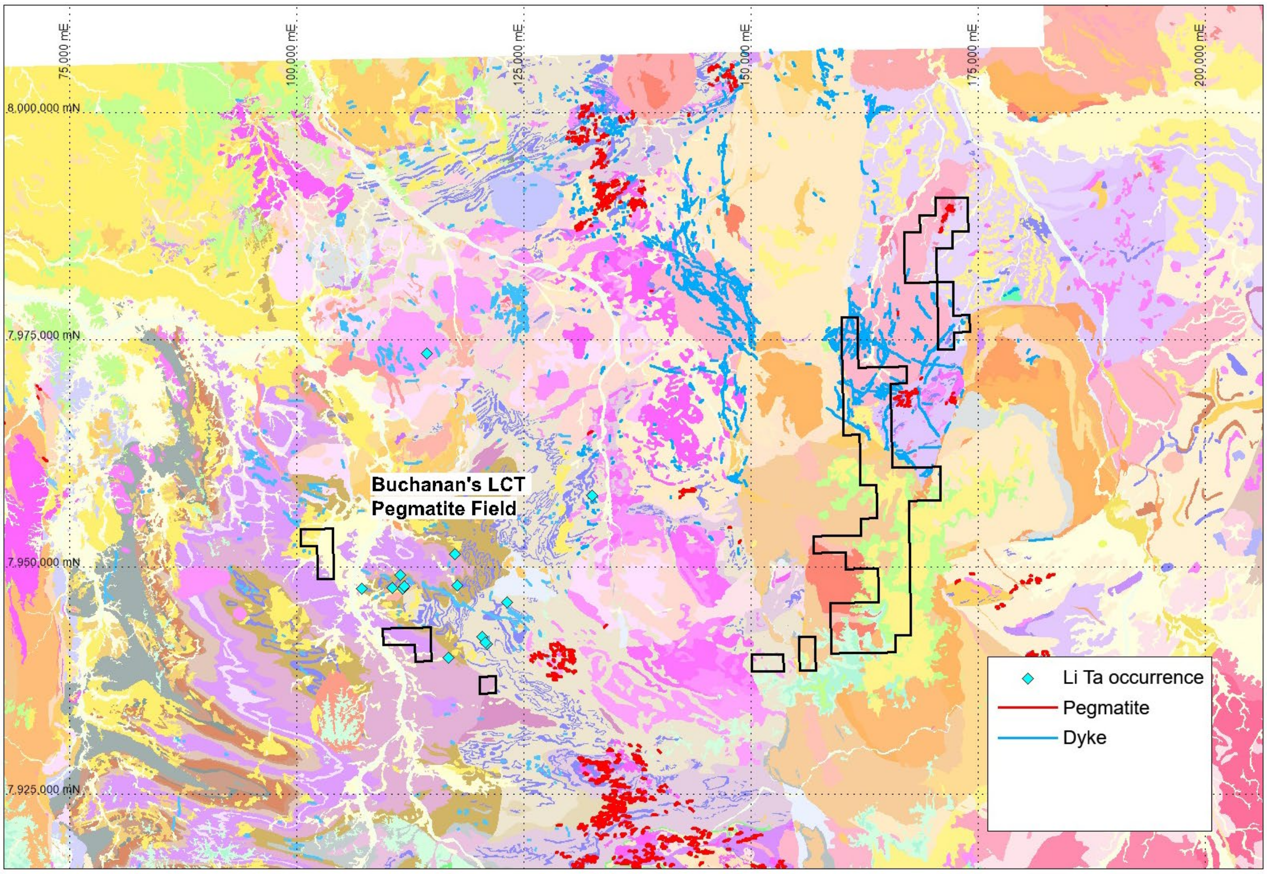

Figure 9 - Location of Application EPM 28121 Georgetown Project - North Queensland. 100,000 bedrock geology by Geological Survey of Qld.

Access to the Georgetown and Mt Surprise Projects was impeded by a significant and prolonged wet season this year with field work to be undertaken in the near future.

[19] ASX Announcement "Highly Prospective Georgetown Lithium Tenement Granted" dated 26 April 2023.

[20] ASX Announcement "Refer to https://strategicmetalsaustralia.com/index.php/lithium-caesium-rubidium/"

Admiral Bay

The Company currently holds an ~80.3% interest in Kimberley Mining Ltd.(KML), that in turn holds 100% of the Admiral Bay Asset. While the asset itself is on care and maintenance, the Company is continuing to look for opportunities to divest its interest in KML.

The Admiral Bay Zinc Project is located in the Kimberley region of Western Australia, approximately 140 km south of Broome. The general area in which the Project is located is characterised by low elevation and fairly flat terrain. The Project consists of 2 granted mining leases (MLs) and an exploration licence (EL).

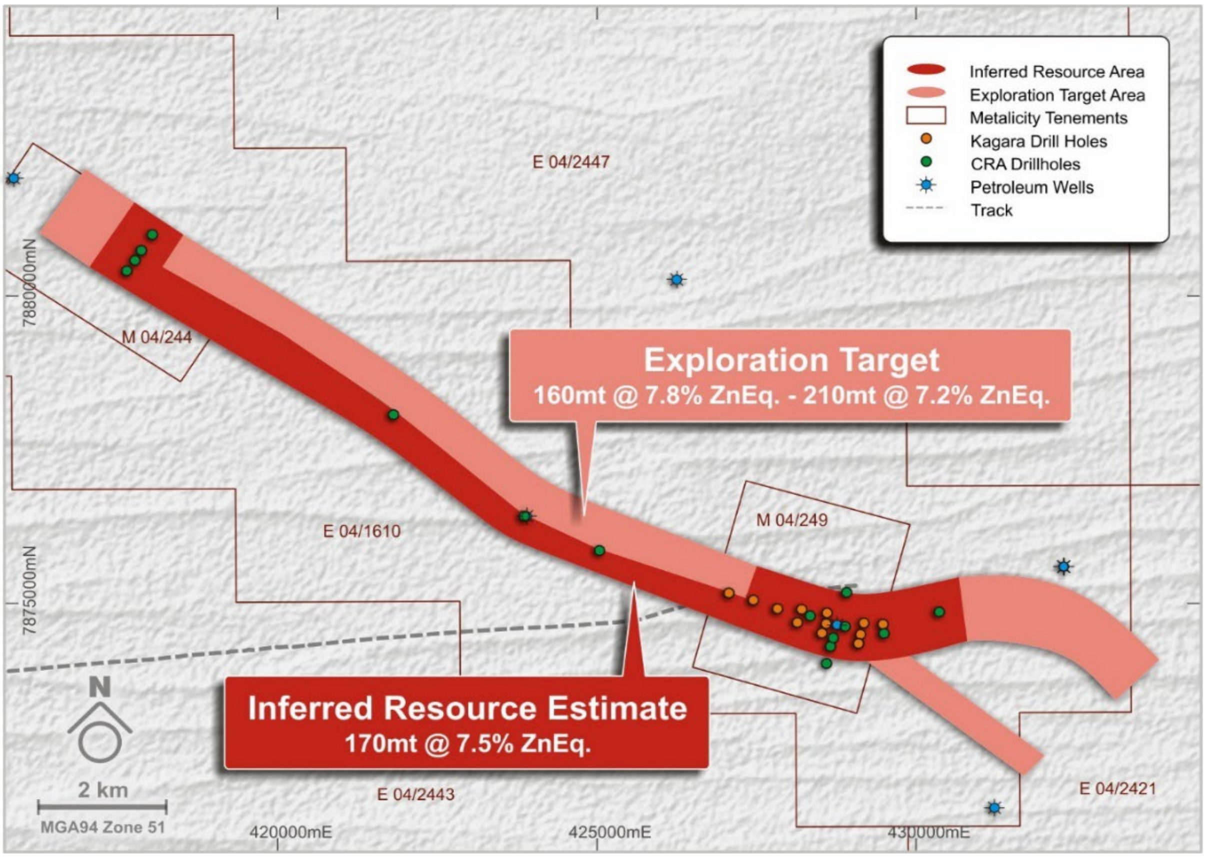

Figure 10 – Admiral Bay tenements and historical drilling

Metalicity has previously undertaken an updated Inferred Mineral Resource Estimate (MRE) of 170 Mt at 7.5% ZnEq (Figure 10), with a high-grade zone of 20Mt at 10% ZnEq (including 4.9Mt at 12.5% ZnEq)[1]. A scoping study was alco completed by SRK Consulting (July 2016) which identified the following key outcomes:

- Project development determined to be technically feasible
- Base case open stope mining method
- Flat lying deposit geometry and rock properties potentially favourable for longwall mining
- Conventional flotation processing with expected high metallurgical recoveries.

Please refer to pages 85 – 91 for all Metalicity Ltd Resource Statements, Competent Persons Statements and Disclaimer and Forward-Looking Statements.

Results
The net loss after income tax for the year ended 30 June 2023 was $3,766,704 (30 June 2022: loss $5,207,914).

Significant changes in state of affairs
There were no significant changes in the state of affairs of the Group during the financial year.

Environmental regulations
The Group is aware of its environmental obligations in Western Australia and in Queensland with regards to its exploration activities and ensures that it complies with all regulations when carrying out exploration work.

Dividends
No dividends have been paid or declared since the beginning of the financial year and none are recommended.

Subsequent events
The Directors are not aware of any significant events since the end of the reporting period which significantly affect or could significantly affect the operations of the Group in future financial years.

Likely developments and expected results of Operations
The Group will continue to explore and assess its mineral projects.

Risk Management
Risk management is defined by the Group as identifying, assessing and managing risks that have the potential to materially impact its operations, reputation, people and financial results.

An overview of the material risks facing the group is outlined below. These are not in any particular or and do not include every risk the Group could encounter while carrying out its business. They are the most significant risks, which in the Board's opinion, should be reviewed and monitored by existing and potential shareholders in the Company.

Activity levels in the Mining Industry may change

The Group's financial performance is connected to the strength of the mining industry. Mining industry activity can be volatile, cyclical, and sensitive to a number of factors beyond the control or prediction of the Group. A decrease in the mining industry may negatively affect the growth prospects, operating results and financial performance of the Group. The Group attempts to minimise this risk by locating tenements in different geographical areas that have a variety of resources.

Financing

The Group funds its activities via fund raisings, usually by either a placement or rights issue. The ability to raise funds is dependent on several factors such as, market conditions and the future potential of the Group. The Group maintains good relationships with its key stakeholders and broker to ensure fund raisings run as smoothly as possible.

Reliance on key personnel

The Group's success is dependent on the continuing efforts of its senior executives and key employees. A loss of key personnel may impact on corporate knowledge, business relationships and operational continuity. To mitigate this risk, the Board and management communicate regularly and ensure all members have access to relevant information.

Risk Management (continued)

Regulatory risk

The Group is required to maintain a "good standing" and comply with the requirements of a number of industry regulators to maintain its licences to operate. A change in regulation or a change in the Group's "standing" with regulators may adversely impact on the financial performance and /or financial position of the Group. The Group keeps up to date with proposed regulatory changes to minimise any adverse impact.

Health and safety

Health and safety are inherent in the mining industry environment. These include major safety incidents, general operational hazards, failure to comply with policies, terrorism and general health and safety. A serious site safety incident could have an adverse impact on the reputation and financial outcomes for the Group. The Group reviews health and safety requirements and ensures all steps are taken to maintain compliance.

Joint Venture Partner

The Group has experienced some ongoing issues with its Joint Venture Partner in the Kookynie and Yundamindra projects. The resources required to deal with these issue risks further delays in carrying the projects forward. The Group has obtained expert advice to ensure these issues are dealt with in the best way possible.

Remote locations

The Group holds its tenements in remote locations – outback Western Australia and Queensland. There are risks inherent in conducting business in such locations, including increased costs, labour shortage and logistical challenges.

Information on Directors

Justin Barton – Managing Director and Acting Chairperson– appointed Finance Director on 1 January 2018, Chief Executive Officer on 1 June 2021, Managing Director on 1 January 2022 and acting Chairperson on 25 November 2022.

Experience and Expertise

Mr Barton is a Chartered Accountant with over 25 years' experience in accounting, international finance, M&A and the mining industry. He worked for over 13 years in the Big 4 Accounting firms in Australia and Europe and advised many of the world's largest mining, oil & gas companies and financial institutions, including Rio Tinto, Chevron, Macquarie, Merrill Lynch, Morgan Stanley and Deutsche Bank. Justin also worked for 4 years at Paladin Energy Limited as Group Tax Manager. More recently, he has worked as the CFO and has been a Board Member of a number of junior exploration companies.

Other Current Listed Company Directorships

None

Former Listed Company Directorships in the Last Three Years

None

Interests in Shares and Options

64,599,510 ordinary shares, 1,470,409 listed options, 44,749,000 unlisted options and 50,000,000 performance rights

Information on Directors (continued)

Roger Steinepreis – Non-Executive Director– appointed as Non-Executive Director on 6 February 2023

Experience and Expertise

Mr Steinepreis is a lawyer and Executive Chairman of Perth based Steinepreis Paganin. He has practiced as a lawyer for over 35+ years, acting as legal advisor to a number of public companies, particularly in the energy and resources sector, on a wide range of corporate matters. Mr Steinepreis also brings with him a wealth of experience and expertise in highly performing and successful businesses and was recently Non-Executive Chairman of Apollo Consolidated Limited which was subject to a successful takeover by Ramelius Resources Limited in 2021, and was also recently a Non-Executive Director of ClearVue Technologies Limited and is currently a Director of Meeka Metals Limited. Mr Steinepreis has been a long-time supporter of Metalicity and is excited by the future direction of the Company. He is looking forward to bringing fresh ideas and opportunities to the Company, as well as his extensive experience and expertise.

Other Current Listed Company Directorships

Meeka Metals Limited – Director of the ASX listed company (ASX:MEK)(appointed 6 November 2012)

Former Listed Company Directorships in the Last Three Years

ClearVue Technologies Limited – Non-Executive Director (ASX:CPV and OTC:CVUEF)(appointed on 25 August 2020, resigned on 10 February 2023)

Apollo Consolidated Limited (now Ramelius Resources Limited) – Non-Executive Director (ASX:RMS) (appointed on 4 August 2009, resigned on December 2021)

Interests in Shares and Options

172,566,666 ordinary shares and 166,666,666 unlisted options

Steven Wood – Non-Executive Director– appointed as Non-Executive Director on 25 November 2022

Experience and Expertise

Mr Wood has over 15 years of corporate advisory, governance and financial compliance experience in the mining and resources sector. Mr Wood is a Director of Grange Consulting Group Pty Ltd and specialises in providing corporate advisory, governance, and financial compliance consulting services to a number of ASX listed and unlisted entities. Mr Wood is currently Chairman of Uvre Ltd (ASX:UVA) and Company Secretary for a number of ASX listed entities including Develop Global Ltd (ASX:DVP), Caspin Resources Ltd (ASX:CPN), Rumble Resources Ltd (ASX:RTR) and 92 Energy Ltd (ASX:92E).

Other Current Listed Company Directorships

Uvre Limited – Director (ASX:UVA)(appointed 12 May 2021)

Former Listed Company Directorships in the Last Three Years

None

Interests in Shares and Options

9,696,666 ordinary shares and 9,696,666 unlisted options

Information on Directors (continued)

Andrew Daley - Former Non-executive Chairman – appointed as a Non-Executive Director in August 2013, Chairman on 18 May 2021 and resigned on 25 November 2022

Experience and Expertise

Mr Daley has a Bachelor of Science (Honours), a Grad Dip in Mineral Economics and is a Fellow of the Australasian Institute of Mining and Metallurgy. He has over 50 years' experience in resources worldwide having initially worked with Anglo American Corp, Rio Tinto, Conoco Minerals and Fluor Australia in mining operations, project evaluation and mining development. Mr Daley then moved into resource project financing with National Australia Bank, Chase Manhattan Bank and from 1999 to 2003 was a Director of the Mining Team at Barclays Capital in London. Moving back to Australia, Mr Daley was a Director of Investor Resources Finance Pty Ltd, a company based in Melbourne which provided financial advisory services to the resources industry globally and for the last 20 years has also been a Director and Chairman of the Board of a number of developing public resource companies both in Australia and the UK.

Other Current Listed Company Directorships

None

Former Listed Company Directorships in the Last Three Years

None

Interests in Shares and Options (as at date of resignation)

28,425,112 ordinary shares and 1,332,666 listed options

Jason Livingstone - Former Non-Executive Director – appointed 4 July 2022, formerly Technical Director until 4 July 2022 and resigned on 6 February 2023

Experience and Expertise

Mr Livingstone is a geologist with 20 years' experience across exploration through to production environments on four continents. Mr Livingstone holds a Bachelor of Science (Geology) from the West Australian School of Mines, a Masters of Business Administration from the Curtin Graduate School of Business, is a member of the Australian Institute of Geoscientists, and has completed the Company Directors Course at the Australian Institute of Company Directors.

Other Current Listed Company Directorships

None

Former Listed Company Directorships in the Last Three Years

Managing Director of Woomera Mining Ltd (ASX:WML) from 16 August 2022 to 22 May 2023

Non-executive for Resource Mining Inc (ASX:RMI) from 4 April 2022 to 20 June 2022

Interests in Shares and Options (as at date of resignation)

23,574,348 ordinary shares

Company Secretary

Kate Breadmore – Joint Company Secretary and Chief Financial Officer – appointed CFO on 4 July 2022 and Joint Company Secretary on 1 December 2022

Ms Breadmore is a qualified Chartered Accountant (CA ANZ) with a Bachelor of Commerce from the University of Western Australia and has over 15 years of experience in a range of financial roles with Australian and international companies. Ms Breadmore holds a Graduate Diploma of Applied Corporate Governance issued by the Governance Institute of Australia. Qualifications: BCOM (UWA), CA.

Directors' meetings

The number of meetings of the Company's board held during the year ended 30 June 2023 that each Director was eligible to attend, and the number of meetings attended by each Director were:

Director	Number of Meetings	
	Eligible to attend	Attended
Justin Barton	11	11
Roger Steinepreis	5	5
Steven Wood	6	6
Andrew Daley	5	5
Jason Livingstone	6	6

The whole board undertakes the role of the Audit & Risk Committee, the Remuneration Committee and the Nomination Committee given the size and complexity of the Company.

Remuneration Report (Audited)

The information provided in this Remuneration Report has been audited as required by Section 308(3C) of the *Corporations Act 2001.*

Executive remuneration

The objective of the Group'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 to market best practice for delivery of reward. The board ensures that executive reward satisfies the following key criteria for good reward governance practices:

(i) competitiveness and reasonableness;
(ii) acceptability to shareholders;
(iii) performance linkage / alignment of executive compensation;
(iv) transparency; and
(v) capital management.

The Group has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation, which are designed to align the interests of executives with those of shareholder and costs of:

1) *Fixed remuneration*

   The fees and payments to the executive reflect the demands which are made on, and the responsibilities of the executive, and are in line with market. The executives' remuneration is reviewed annually by the board to ensure that the fees and payments remain appropriate and in line with the market, no third party consultants were used. The Company has entered into standard contracts with executive Directors.

   During the year, Justin Barton was paid $295,000 (excluding superannuation). Justin has a 6 month notice period.

2) *Variable remuneration – Long term incentives*

   Being performance shares and/or options issued under the Employees Share Plan. The performance shares and employee options issued under this plan have varying vesting and service conditions and are structured to reward performance that aligns with the creation of shareholder value and confirms to market best practice.

3) *Termination*

   Executive Directors currently have a 6 month notice period in ordinary course of business and a 12 month notice period in the event of Change of Control event or for 12 months after such event.

Non-executive Directors' and other KMP remuneration

Fees to the non-executive Directors are determined by the board acting as the Remuneration Committee as appropriate having regard to the market and the aggregate remuneration specified in the Company's Constitution ($500,000) and determined by the shareholders in general meeting. The fees are reviewed annually. It is the Group's policy that service contracts for non-executive Directors are unlimited in term and capable of termination by either party upon written notice.

Mr Daley was paid $75,000 per annum (including superannuation) for his role as a non-executive Director and Chairperson. Mr Livingstone was paid $60,000 per annum (excluding superannuation), Mr Steinepreis and Mr Wood are paid $60,000 per annum (including superannuation) in their role as non-executive directors. All non-executive Directors may resign or are subject to termination upon receipt of written notice.

Ms Breadmore is paid $12,000 per annum (excluding superannuation) for her role as Joint Company Secretary, in addition to $120,000 per annum for her role as CFO. Mr Day was paid $5,500 a month based on 32 hours work and anything over that was paid $200 an hour (GST to be added to both amounts), for his role as Company Secretary, as a consultant through his company 133 North Trust.

Remuneration Report (Audited) (continued)

The amount of remuneration of the Directors of the Company (as defined in AASB 124 *Related Party Disclosures*) and other key management personnel is set out in the following tables.
The Company has entered into standard contracts with Directors, the details of which are set out below.

2023	Short-term Benefit – salary & fees	Short-term Benefit - Other	Post-Employment Benefit[6]	Share-based Payments[5]	Total	Performance related %
	$	$	$	$	$	
Executive						
Justin Barton	295,000[1]	-	30,975	58,846	384,821	15.29%
Non-executive						
Roger Steinepreis	21,571[7]	-	2,265	-	23,836	0.0%
Steven Wood	32,430[2]	-	3,405	-	35,836	0.0%
Andrew Daley	36,547[3]	-	3,837	12,112	52,496	23.07%
Jason Livingstone	47,957	-	5,035	55,715	108,707	51.25%
Other executive						
Kate Breadmore	129,495	-	13,597	9,140	152,232	6.0%
Nick Day[4]	40,800	-	-	-	40,800	0.0%
Totals	603,800	-	59,114	135,813	798,728	

The fees paid to Director related entities were for the provision of services of the particular Director to the Company are as follows:
[1] $170,588 was paid in cash, $114,247 was paid in shares and $10,165 was accrued for.
[2] $4,525 was paid in cash, $9,090 was paid in shares and $18,815 was accrued for. Appointed 25 November 2022.
[3] $5,245 was paid in cash and $31,302 was paid in shares. Resigned 25 November 2022.
[4]133 North Trust was paid for Mr Day's consulting services Resigned 1 December 2022.
[5] $116,275 relates to 12 months expense of the performance rights issued in 2020 and 2021, $39,833 relates to a partial expense of Mr Barton's 40m performance rights issued during the year and the remaining $9,140 relates to a full expense of Ms Breadmore's 2m performance rights issued during the year. (Please refer to share-based payment compensation section below).
[6] Relates to Superannuation.
[7] $21,571 was accrued for. Appointed 6 February 2023.

2022	Short-term Benefit – salary & fees	Short-term Benefit - Other	Post-Employment Benefit[4]	Share-based Payments[3]	Total	Performance related %
	$	$	$	$	$	
Executive						
Justin Barton	247,314	-	24,265	132,358	403,937	32.77%
Jason Livingstone[1]	368,796	-	35,353	136,483	540,632	25.25%
Non-executive						
Andrew Daley	65,138	-	6,383	29,670	101,191	29.32%
Other executive						
Nick Day[2]	86,690	-	-	-	86,690	0.0%
Totals	767,938	-	66,001	298,511	1,132,450	

The fees paid to Director related entities were for the provision of services of the particular Director to the Company are as follows:
[1] Jason Livingstone was paid $60,000 as a director's fee and per day for technical work performed.
[2] 133 North Trust, an associate of Nick Day, was paid $86,690 for company secretarial services. Nick Day was appointed company secretary on 24 September 2020.
[3] $13,677 relates to the 2022 year and if approved at the November 2022 AGM, performance rights will be issued to Justin Barton, vesting on 1 July 2022 or such later date when the share price exceeds 150% and 250% of closing price on the first business day of 2022 for 5 consecutive days. (Please refer to share based payment compensation below). The remaining $284,834 relates to 12 months expense of the performance rights issued in 2021.
[4] Relates to Superannuation.

Remuneration Report (Audited) (continued)

Share-based compensation

The grant of each tranche of the following performance rights in the current and prior financial years, represent a conditional right for the holder to acquire one fully paid ordinary share in the Company, and are subject to meeting specified vesting conditions as set out below:

During the financial year, the following performance rights for key management personnel were recognised:

2023

Name	Share price hurdle	No. granted	Grant date	Expiry Date	Value of Performance Rights granted at grant date
Kate Breadmore	$0.0075	1,000,000[1]	15/02/2023	15/02/2026	$4,713
Kate Breadmore	$0.0100	1,000,000[2]	15/02/2023	15/02/2026	$4,427
Justin Barton	$0.0100	20,000,000[3]	05/05/2023	31/05/2024	$17,657
Justin Barton	$0.0200	20,000,000[4]	05/05/2023	31/05/2025	$18,140
		42,000,000			$44,937

[1] 1 million performance rights will vest on 15 February 2023 or such later date, when the closing share price of the Company's ordinary shares listed on the ASX has exceeded $0.0075.
[2] 1 million performance rights will vest on 15 February 2023 or such later date, when the closing share price of the Company's ordinary shares listed on the ASX has exceeded $0.01.
[3] 20 million performance rights will vest on 31 May 2023 or such later date, when the closing share price of the Company's ordinary shares listed on the ASX has exceeded $0.01 for at least one trading day.
[4] 20 million performance rights will vest on 31 May 2023 or such later date, when the closing share price of the Company's ordinary shares listed on the ASX has exceeded $0.02 for at least one trading day.

These instruments have been issued during the year, in addition to Mr Barton's 10m performance rights accrued in the prior period.

2022

Name	Share price hurdle	No. granted	Grant date	Expiry Date	Value of Performance Rights granted at grant date
Justin Barton	$0.015	5,000,000[1]	25/11/2022	19/12/2025	$15,000
Justin Barton	$0.025	5,000,000[2]	25/11/2022	19/12/2025	$17,500
		10,000,000			$32,500

[1] 5 million performance rights will vest on 1 July 2022 or such later date, when the share price of the Company's ordinary shares listed on the ASX have exceeded 150% of the closing price on the first business day of 2022, for 5 consecutive business days.

[2] 5 million performance rights will vest on 1 July 2022 or such later date, when the share price of the Company's ordinary shares listed on the ASX have exceeded 250% of the closing price on the first business day of 2022, for 5 consecutive business days.

These instruments were accrued as at 30 June 2022 and subsequently issued following shareholder approval at the AGM.

Remuneration Report (Audited) (continued)

Share-based compensation (continued)

In addition, during the financial year the following shares and free attaching options were issued to certain key management personnel as payment in lieu of fees, as approved at the General Meeting held on 5 May 2023:

2023

Name	Unpaid Fees	No. Shares Issued	Issue price
Justin Barton	$114,247	38,082,334	$0.003
Steven Wood	$9,090	3,030,000	$0.003
Andrew Daley	$31,302	10,434,134	$0.003
	$154,639	51,546,468	

2022 – None

2023

Name	Unpaid Fees	No. Options Issued	Exercise price	Expiry date
Justin Barton	$57,123.50	19,041,167	$0.006	23/05/2026
Justin Barton	$57,123.50	19,041,167	$0.009	23/05/2026
Steven Wood	$4,545.00	1,515,000	$0.006	23/05/2026
Steven Wood	$4,545.00	1,515,000	$0.009	23/05/2026
	$123,337.00	41,112,334		

2022 – None

Share and option holdings of Key Management Personnel (KMP)

(i) Option and performance right holdings

Options

The numbers of options over ordinary shares in the Company held during the financial year by each KMP, including their personally related parties, are set out below:

2023

	Balance at the start of the year	Granted during the year	Exercised during the year	Expired/ cancelled during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year	Vested but not exercisable at end of year
Options								
Directors								
Justin Barton	1,470,409	44,749,000[a]	-	-	-	46,219,409	46,219,409	-
Roger Steinepreis	-	166,666,666[a]	-	-	-	166,666,666	166,666,666	-
Steven Wood	-	9,696,666[a]	-	-	-	9,696,666	9,696,666	-
Andrew Daley[c]	1,332,666[a]	-	-	-	(1,332,666)	-	-	-
Jason Livingstone[c]	-	-	-	-	-	-	-	-
Other executives								
Kate Breadmore	-	-	-	-	-	-	-	-
Nick Day	-	-	-	-	-	-	-	-
	2,803,075	221,112,332	-	-	(1,332,666)	222,582,741	222,582,741	-

[a] Options obtained as part of June 2022 Rights Issue (1 option for every 3 shares). Exercisable at $0.01 on or before 1 June 2024.

[b] Options obtained as part of payment in lieu of fees or via private placement as approved at the general meeting held on 5 May 2023. 110,556,166 exercisable at $0.006 and 110,556,166 exercisable at $0.009 on or before 23 May 2026.

[c] Andrew Daley and Jason Livingstone resigned as directors on 25 November 2022 and 6 February 2023 respectively.

2022

	Balance at the start of the year	Granted during the year	Exercised during the year	Expired/ cancelled during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year	Vested but not exercisable at end of year
Options								
Directors								
Jason Livingstone	4,000,000	-	-	(4,000,000)	-	-	-	-
Andrew Daley	-	1,332,666[a]	-	-	-	1,332,666	1,332,666	-
Justin Barton	-	1,470,409[a]	-	-	-	1,470,409	1,470,409	-
Other executives								
Nick Day	-	-	-	-	-	-	-	-
	4,000,000	2,803,075	-	(4,000,000)	-	2,803,075	2,803,075	-

[a] Options obtained as part of June 2022 Rights Issue, where 1 option was provided for every 3 shares purchased. Exercisable at $0.01 on or before 1 June 2024.

Remuneration Report (Audited) (continued)

Performance rights

The numbers of performance rights over ordinary shares in the Company held during the financial year by each KMP, including their personally related parties, are set out below:

2023

	Balance at the start of the year	Granted as remuneration during the year	Expired/ Cancelled during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable at the end of the year	Vested but not exercisable at end of year
Performance Rights							
Directors							
Justin Barton	39,590,220	50,000,000	(39,590,220)	-	50,000,000	-	-
Roger Steinepreis	-	-	-	-	-	-	-
Steven Wood	-	-	-	-	-	-	-
Andrew Daley [(a)]	5,985,055	-	-	(5,985,055)	-	-	-
Jason Livingstone [(a)]	37,531,253	-	(37,531,253)	-	-	-	-
Other executives							
Kate Breadmore	-	2,000,000	-	-	2,000,000	-	-
Nick Day	-	-	-	-	-	-	-
	83,106,528	52,000,000	(77,121,473)	(5,985,055)	52,000,000	-	-

[(a)] Andrew Daley and Jason Livingstone resigned as directors on 25 November 2022 and 6 February 2023 respectively.

2022

	Balance at the start of the year	Granted as remuneration during the year	Exercised during the year	Balance at the end of the year	Vested and exercisable at the end of the year	Vested but not exercisable at end of year
Performance Rights						
Directors						
Jason Livingstone	37,531,253	-	-	37,531,253	-	-
Justin Barton	29,590,220	10,000,000[(a)]	-	39,590,220	-	-
Andrew Daley	5,985,055	-	-	5,985,055	-	-
Other executives						
Nick Day	-	-	-	-	-	-
	73,106,528	10,000,000	-	83,106,528	-	-

[(a)] These vest and are able to be issued from 1 July 2022.

Remuneration Report (Audited) (continued)

Share and option holdings of Key Management Personnel (KMP) (continued)

(ii) Share holdings

The numbers of shares in the Company held during the financial year by each KMP, including their personally related parties, are set out below:

2023

	Balance at the start of the year	Acquired during the year[(a)]	Other changes during the year	Balance at the end of the year
Directors				
Justin Barton	19,850,510	44,749,000	-	64,599,510
Roger Steinepreis[(c)]	-	166,666,666	5,900,000	172,566,666
Steven Wood[(c)]	-	9,696,666	-	9,696,666
Jason Livingstone[(b)]	23,574,348	-	(23,574,348)	-
Andrew Daley[(b)]	17,990,978	10,434,134	(28,425,112)	-
Other executives				
Kate Breadmore	-	-	-	-
Nick Day[(b)]	-	-	-	-
	61,415,836	231,556,466	(46,099,460)	246,862,842

[(a)] Shares acquired as part of May 2023 private placement or paid in lieu of fees as approved at the general meeting held on 5 May 2023.
[(b)] Mr Livingstone, Mr Daley and Mr Day resigned 6 February 2023, 25 November 2022 and 1 December 2022 respectively.
[(c)] Mr Steinepreis and Mr Wood were appointed on 6 February 2023 and 25 November 2022 respectively.

2022

	Balance at the start of the year	Acquired on the exercise of options/vesting of performance	Other changes during the year[(a)]	Balance at the end of the year
Directors				
Jason Livingstone	23,574,348	-	-	23,574,348
Andrew Daley	13,992,982	-	3,997,996	17,990,978
Justin Barton	15,439,284	-	4,411,226	19,850,510
Other executives				
Nick Day	-	-	-	-
	53,006,614	-	8,409,222	61,415,836

[(a)] Shares acquired as part of June 2022 rights issue.

Remuneration Report (Audited) (continued)

Link between Company performance and Remuneration policy

	2023	2022	2021	2020	2019
	$	$	$	$	$
Loss after income tax	(3,766,704)	(5,207,914)	(3,170,895)	(1,340,757)	(4,410,376)
Share price at 30 June	0.003	0.003	0.01	0.037	0.007
Total dividends declared (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	(0.10)	(0.22)	(0.19)	(0.17)	(0.74)

There is no direct link between the Company performance and Remuneration policy.

(End of Remuneration Report)

Additional Information

(a) Unissued shares

At the date of this report, the Company had 540,495,949 options and 56,000,000 performance rights over ordinary shares under issue. Each instrument converts into one fully paid ordinary share on exercise. These instruments are exercisable as follows:

Details	No of Options	Grant Date	Date of Expiry	Conversion Price $
Options	35,000,000	12/10/2020	13/10/2023	0.0300
	21,000,000	21/06/2021	22/06/2024	0.0150
	20,000,000	01/06/2022	01/06/2024	0.0100
	243,383,617	01/06/2022	01/06/2024	0.0100
	110,556,166	23/05/2023	23/05/2026	0.0060
	110,556,166	23/05/2023	23/05/2026	0.0090
	540,495,949			

Details	No of Options	Grant Date	Date of Expiry	Hurdle Price $	Fair Value per Right $
Performance Rights	2,000,000	15/02/2023	15/02/2026	0.0135	0.00840
	2,000,000	15/02/2023	15/02/2026	0.0180	0.00790
	5,000,000	25/11/2022	19/12/2025	0.0150	0.00300
	5,000,000	25/11/2022	19/12/2025	0.0250	0.00350
	1,000,000	15/02/2023	15/02/2026	0.0075	0.00470
	1,000,000	15/02/2023	15/02/2026	0.0100	0.00440
	20,000,000	05/05/2023	31/05/2024	0.0100	0.00090
	20,000,000	05/05/2023	31/05/2025	0.0200	0.00907
	56,000,000				

During the financial year, the Company granted 52 million performance rights for remuneration to select KMPs (refer to the Remuneration Report forming part of this Directors' Report) and issued 221,112,332 free attaching options (one option for every two shares) to select KMPs as part of a private placement for $540,000 and payment in lieu of fees. Refer to Note 16 for details.

In addition, at the date of this report, Kimberly Mining Limited, a Canadian subsidiary of the Company, had the following warrants on issue that are exercisable at the date of this report as follows:

Details	No of Options	Grant Date	Date of Expiry	Conversion Price $
Founder Warrants	5,317,250	29/08/2018	None	0.05
Founder Warrants – Tranche 2	3,143,250	28/09/2018	None	0.05
	8,461,000			

Refer to Note 16 for details of options, performance rights and warrants cancelled/exercised during the year.

(b) Insurance of officers

During the financial year, the Group paid a premium in respect of a contract insuring the Directors of the Company, the Company Secretary, and any executive officers of the Company and of any related body corporate against a liability incurred as such a Director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Additional Information (continued)

(c) Agreement to indemnify officers

The Group has entered into agreements with the Directors to provide access to Group records and to indemnify them. The indemnity relates to any liability as a result of being, or acting in their capacity as, an officer of the Company and or its subsidiaries to the maximum extent permitted by law; and for legal costs incurred in successfully defending civil or criminal proceedings. No liability has arisen under these indemnities as at the date of this report.

(d) Proceedings on behalf of the Group

No person has applied to the court under Section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the Group with leave of the court under Section 237.

(e) Non-audit services

The non-audit services provided by the auditor or any entity associated with the auditor for the year ended 30 June 2023 is $33,500 (2022: $4,500).

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise with the Company is important. Non-audit services were provided by the Company's current auditors, Pitcher Partners BA&A Pty Ltd. The Directors are satisfied that the provision of the non-audit services during the year by the auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. Non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards), as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company or any of its related entities, acting as an advocate for the Company or any of its related entities, or jointly sharing risks and rewards in relation to the operations or activities of the Company or any of its related entities.

(f) Corporate Governance

The Company and its Board are committed to achieving and demonstrating the highest standards of corporate governance. The Group has reviewed its Corporate Governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2023 Corporate Governance Statement was approved by the Board on 29 August 2023 and is current at this time. A copy of the Company's current Corporate Governance Statement and Plan adopted during the year ended 30 June 2023 can be viewed at https://www.metalicity.com.au/corporate/corporate-governance/.

(g) Environmental Liabilities

The Group's operations are subject to environmental regulation in respect of mineral tenements relating to exploration activities on those tenements. No breaches of any environmental requirements were recorded during the financial year.

Auditor's independence declaration

The auditor's independence declaration is included on page 31 of the annual report.

Additional Information (continued)

Rounding amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the Director's Report. Amounts in the Director's Report have been rounded off to the nearest dollar.

This Directors' report is signed in accordance with a resolution of Directors made pursuant to s.298 (2) of the *Corporations Act 2001*.

On behalf of the Directors

Justin Barton
Managing Director, Perth, Western Australia

28 September 2023

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF METALICITY LIMITED AND ITS CONTROLLED ENTITIES

In relation to the independent audit for the year ended 30 June 2023, to the best of my knowledge and belief there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards).*

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

PITCHER PARTNERS BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD

MICHAEL LIPRINO
Executive Director
Perth, 28 September 2023

PITCHER PARTNERS

METALICITY LIMITED
ABN 92 086 839 992

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
METALICITY LIMITED

Report on the Audit of the Financial Report

Opinion

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

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

(a) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2(a) in the financial report for the year ended 30 June 2023 which indicates that the Group incurred a loss after tax of $3,766,704 (2022: $5,207,914) and a net cash outflow from operating and investing activities of $2,851,976 (2022: $5,063,357). At 30 June 2023, the Group has working capital surplus of $1,895,560 (2022: working capital of $5,280,473) and current cash holding was $680,553 (2022: $3,060,817).

These conditions, along with other matters as set forth in Note 2(a) indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Pitcher Partners BA&A Pty Ltd
An independent Western Australian Company ABN 76 601 361 095.
Level 11, 12-14 The Esplanade, Perth WA 6000
Registered Audit Company Number 467435.

PITCHER PARTNERS

METALICITY LIMITED
ABN 92 086 839 992

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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.

Key Audit Matter	How our audit addressed the key audit matter
Carrying value of exploration and evaluation assets *Refer to Note 2(r), 2(s), 10*	
As disclosed in Note 10 of the financial report, as at 30 June 2023, the Group held capitalised exploration and evaluation assets of $7,012,546. The carrying value of exploration and evaluation expenditure is assessed for impairment by the Group when facts and circumstances indicate that the exploration and evaluation expenditure may exceed its recoverable amount. The determination as to whether there are any indicators to require an exploration and evaluation asset to be assessed for impairment, involves a number of management judgments including but not limited to: • Whether the Group has tenure of the tenements; • Whether the Group has sufficient funds to meet the tenement minimum expenditure requirements; and • Whether there is sufficient information for a decision to be made that the area of interest is not commercially viable.	Our procedures included, amongst others: Obtaining an understanding of and evaluating the design and implementation of the processes and controls associated with the capitalisation of exploration and evaluation expenditure, and those associated with the assessment of impairment indicators. Examining the Group's right to explore in the relevant area of interest, which included obtaining and assessing supporting documentation. We also considered the status of the exploration licences as it related to tenure and whether the minimum expenditure of the tenements have been met. Considering and reviewing the Group's intention to carry out significant exploration and evaluation activity in the relevant are of interest, including assessing the Group's cash-flow forecast models, discussions with management and directors as to the intentions and strategy of the Group. Reviewing management's evaluation and judgement as to whether the exploration activities within each relevant area of interest have reached a stage where the commercial viability of extracting the resource could be determined. Assessing the adequacy of the disclosures included within the financial report.

Share Based Payments *Refer to Note 2(n), 2(s) & 18*	
Share based payments represent $165,247 of the Group's expenditure. Share based payments must be recorded at fair value of the service provided, or in the absence of such, at the fair value of the underlying equity instrument granted. Under Australian Accounting Standards, equity settled awards are measured at fair value on the measurement date taking into consideration the probability of the vesting conditions (if any) attached. This amount is recognised as an expense either immediately if there are no vesting conditions, or over the vesting period if there are vesting conditions. In calculating the fair value there are a number of judgements management must make, including but not limited to: • Estimating the likelihood that the equity instruments will vest; • Estimating expected future share price volatility; • Expected dividend yield; and • Risk-free rate of interest. Due to the significance to the Group's financial report and the level of judgment involved in determining the valuation of the share based payments, we consider the Group's calculation of the share based payment expense to be a key audit matter.	Our procedures included, amongst others: Obtaining an understanding of the relevant controls and evaluating the design and implementation of the relevant controls associated with the preparation of the valuation model used to assess the fair value of share based payments, including those relating to volatility of the underlying security and the appropriateness of the model used for valuation. Critically evaluating and challenging the methodology and assumptions of management in their preparation of valuation model, including management's assessment of likelihood of vesting, agreeing inputs to internal and external sources of information including but not limited to: • Estimating the likelihood that the equity instruments will vest; • Estimating expected future share price volatility; • Expected dividend yield; and • Risk-free rate of interest. Assessing the Group's accounting policy as set out within Note 2(n) for compliance with the requirements of AASB 2 *Share-based Payment.* Assessing the adequacy of the disclosures included in the financial report.

Other Information

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

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

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

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

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or 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.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2023. In our opinion, the Remuneration Report of Metalicity Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

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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.

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MICHAEL LIPRINO
Executive Director
Perth, 28 September 2023

Directors' declaration

In the Directors' opinion:

1. the financial statements and notes set out on pages 39 to 80 are in accordance with the *Corporations Act 2001*, including:

    (a) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

    (b) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and

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

3. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board; and

4. the audited remuneration disclosures set out on pages 20 to 27 of the Directors' Report comply with accounting standard AASB 124 *Related Party Disclosures* and the *Corporations Regulations 2001*.

The Directors have been given the declarations required by Section 295(A) of the *Corporations Act 2001* from the Chief Financial Officer and the Company Secretary for the year ended 30 June 2023.

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

Justin Barton
Managing Director
Perth, Western Australia

28 September 2023

Consolidated statement of profit or loss and other comprehensive income for the financial year ended 30 June 2023

	Note	Consolidated Group 2023 $	2022 $
Continuing operations			
Other Income	4	42,273	101,483
Expenses	5	(3,681,562)	(5,194,672)
Loss from continuing operations before income tax		(3,639,289)	(5,093,189)
Income tax expense	6	-	-
Loss after income tax from continuing operations		**(3,639,289)**	**(5,093,189)**
Discontinued operations			
Net loss from discontinued operations	12	(127,415)	(114,725)
Net Loss		**(3,766,704)**	**(5,207,914)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		-	-
Other comprehensive loss for the period, net of tax		-	-
Total comprehensive loss for the year		**(3,766,704)**	**(5,207,914)**
Loss attributable to:			
Owners of the parent		(3,741,618)	(5,182,556)
Non-controlling interest		(25,086)	(25,358)
		(3,766,704)	**(5,207,914)**
Loss attributable to equity holders of the parent entity:			
Loss from continuing operations, net of tax		(3,639,289)	(5,093,189)
Loss from discontinued operations, net of tax		(102,329)	(89,367)
		(3,741,618)	**(5,182,556)**
Loss attributable to non-controlling interest relates to:			
Loss from continuing operations, net of tax		-	-
Loss from discontinued operations, net of tax		(25,086)	(25,358)
		(25,086)	**(25,358)**
Total comprehensive loss attributable to:			
Owners of the parent		(3,741,618)	(5,182,556)
Non-controlling interest		(25,086)	(25,358)
		(3,766,704)	**(5,207,914)**
Total comprehensive loss attributable to equity holders of the parent entity:			
Total comprehensive loss from continuing operations, net of tax		(3,639,289)	(5,093,189)
Total comprehensive loss from discontinued operations, net of tax		(102,329)	(89,367)
		(3,741,618)	**(5,182,556)**

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Consolidated statement of profit or loss and other comprehensive income for the financial year ended 30 June 2023

		Consolidated Group	
		2023	2022
	Note	$	$
Total comprehensive loss attributable to non-controlling interest relates to:			
Total comprehensive loss from continuing operations, net of tax		-	-
Total comprehensive loss from discontinued operations, net of tax		(25,086)	(25,358)
		(25,086)	**(25,358)**
Loss per share from continuing operations attributable to the equity holders of the parent entity:			
Basic loss per share (cents)	24(a)	(0.10)	(0.21)
Diluted loss per share (cents)	24(a)	(0.10)	(0.21)
Loss per share from discontinued operations attributable to the equity holders of the parent entity:			
Basic loss per share (cents)		(0.00)	(0.01)
Diluted loss per share (cents)		(0.00)	(0.01)
Loss per share attributable to the equity holders of the parent entity:			
Basic loss per share (cents)	24(a)	(0.10)	(0.22)
Diluted loss per share (cents)	24(a)	(0.10)	(0.22)

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

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Consolidated statement of Financial Position
for the financial year ended 30 June 2023

	Note	Consolidated Group 2023 $	Consolidated Group 2022 $
Current assets			
Cash and cash equivalents	7(a)	702,519	3,060,817
Trade and other receivables	8	48,341	156,784
Financial assets at fair value through profit & loss	11	1,735,948	2,838,053
Prepayments		-	47,380
Other financial assets	9	10,908	20,723
Total current assets		2,497,716	6,123,757
Non-current assets			
Exploration and evaluation expenditure	10	7,012,544	6,426,763
Right of use asset		7,769	7,557
Plant and equipment		19,527	24,353
Total non-current assets		7,039,840	6,458,673
Total assets		9,537,556	12,582,430
Current liabilities			
Trade and other payables	13	440,152	757,314
Provisions	14	132,475	78,758
Bank Overdraft	7(a)	21,966	-
Lease liability		7,563	7,212
Total current liabilities, representing total liabilities		602,156	843,284
Net assets		8,935,400	11,739,146
Equity			
Issued capital	15(a)	64,561,230	63,725,507
Shares to be issued		-	8,578
Reserves	17	6,056,558	5,920,745
Accumulated losses		(61,547,765)	(57,806,147)
Parent Entity Interest		9,070,023	11,848,683
Non Controlling Interest	25	(134,623)	(109,537)
Total equity		8,935,400	11,739,146

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity for the financial year ended 30 June 2023

	Issued capital	Share Based Payments Reserve	Accumulated losses	Non Controlling Interest	Total
	$	$	$	$	$
Balance at 1 July 2022	63,734,085	5,920,745	(57,806,147)	(109,537)	11,739,146
	-	-			
(Loss) for the year	-	-	(3,741,618)	(25,086)	(3,766,704)
Total comprehensive loss for the year	-	-	(3,741,618)	(25,086)	(3,766,704)
Issue of shares (placement)	540,000	-	-	-	540,000
Issue of shares (in lieu of fees)	154,639	-	-	-	154,639
Issue of shares for tenements	137,500	-	-	-	137,500
Issue of performance rights	-	135,813	-	-	135,813
Issue costs	(4,994)	-	-	-	(4,994)
	827,145	135,813	-	-	962,958
Balance at 30 June 2023	64,561,230	6,056,558	(61,547,765)	(134,623)	8,935,400

	Issued capital	Share Based Payments Reserve	Accumulated losses	Non Controlling Interest	Total
	$	$	$	$	$
Balance at 1 July 2021	56,023,942	5,485,343	(52,623,591)	(84,179)	8,801,515
(Loss) for the year	-	-	(5,182,556)	(25,358)	(5,207,914)
Total comprehensive loss for the year	-	-	(5,182,556)	(25,358)	(5,207,914)
Shares to be issued	8,578	-	-	-	8,578
Issue of performance rights	-	393,749	-	-	393,749
Issue of broker options	-	41,653	-	-	41,653
Conversion of options	730,823	-	-	-	730,823
Issue of shares (Rights Issue)	3,650,751	-	-	-	3,650,751
Issue of shares (Nex takeover)	3,655,810	-	-	-	3,655,810
Issue costs	(335,819)	-	-	-	(335,819)
	7,710,143	435,402	-	-	8,145,545
Balance at 30 June 2022	63,734,085	5,920,745	(57,806,147)	(109,537)	11,739,146

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows
for the financial year ended 30 June 2023

		Consolidated Group	
		2023	2022
	Note	$	$
Cash flows from operating activities			
Payments to suppliers and employees		(2,140,089)	(3,909,100)
Interest received		9,342	586
Other income		-	1,436
Interest expense		(6,765)	-
Net cash used in operating activities	**7(b)**	(2,137,512)	(3,907,078)
Cash flows from investing activities			
Payment for exploration and in relation to tenements		(713,364)	(1,150,425)
Payments for acquisition of tenements		-	-
Payments for plant and equipment		(1,100)	(5,854)
Net cash used in investing activities		(714,464)	(1,156,279)
Cash flows from financing activities			
Proceeds from shares issued		538,244	3,650,751
Proceeds from option conversions		-	730,823
Proceeds from option conversions to be issued		-	8,578
Principal amount paid on lease		(20,050)	(20,404)
Transaction costs		(46,482)	(294,166)
Net cash provided by financing activities		471,712	4,075,582
Net (decrease)/increase in cash and cash equivalents		(2,380,264)	(987,775)
Cash and cash equivalents at the beginning of the financial year		3,060,817	4,048,592
Cash and cash equivalents at the end of the financial year	**7(a)**	680,553	3,060,817

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. General information

Metalicity Limited ("the Company") is a company limited by shares, incorporated and domiciled in Australia. Its shares are listed on the Australian Securities Exchange. The Company and its wholly owned subsidiaries, Metalicity Energy Pty Ltd and KYM Mining Pty Ltd and its approximate 80.3% interest in Kimberly Mining Limited, Kimberly Mining Australia Pty Ltd, Kimberly Mining Holdings Pty Ltd and Ridgecape Holdings Pty Ltd, are referred to as the 'Group'.

The Financial Report of the Company for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the Board of Directors on 28 September 2023.

2. Significant accounting policies

The principal accounting policies adopted in the preparation of the Financial Report are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

(a) Basis of preparation

This general purpose Financial Report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), Australian Accounting Interpretations and the *Corporations Act 2001* as appropriate for for-profit oriented entities.

Compliance with IFRS

The financial report also complies with International Financial Reporting Standards issued by the International Accounting Standards Board.

Historical cost convention
These financial statements have been prepared under the historical cost convention, with exception to the financial assets carried at fair value through profit and loss.

Critical accounting estimates
The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Where these are areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, these are disclosed in Note 2(s).

Comparative figures
When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current year. When the Group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

Going concern basis
The financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. For the year ended 30 June 2023 the Group incurred a loss after tax of $3,766,704 (2022: $5,207,914) and a net cash outflow from operating and investing activities of $2,851,976 (2022: $5,063,357). At 30 June 2023, the Group has working capital surplus of $1,895,560 (2022: working capital of $5,280,473) and current cash holding was $680,553 (2022: $3,060,817).

2. Significant accounting policies (continued)

(a) Basis of preparation (continued)

In the view of the Directors that the Group has sufficient funds to meet its commitments as and when they fall due in the next 12 months. The Directors will continue to monitor case reserves and reduce exploration and evaluation expenditure accordingly should the need arise.

In forming this view, the Directors have taken into consideration the following:

- On 27 September 2023, a Director agreed to provide a short term funding facility to the Group, if required, of up to $150,000. The funding may be drawn on 2 business days notice, and is to be repaid out of the proceeds of any capital raising. Alternatively the amount provided under the short term funding facility, at the election of the provider, can be converted to fully paid ordinary shares on the same terms and conditions as any capital raising event undertaken (subject to shareholder approval, if required);
- The Group's ability to reduce expenditure as and when required including, but not limited to, reviewing all expenditure for deferral or elimination, until the Group has sufficient funds;
- Asset sales, including sale of tenure; and
- Ability of the Group to raise further funds through subsequent capital raisings as evidenced during the current financial year.

On this basis no adjustments have been made to the financial report relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might be necessary should the Group not continue as a going concern.

Should the Group be unsuccessful with the initiatives detailed above then, there is an uncertainty as to whether the Group will be able to continue as a going concern and may therefore be required to realise assets and extinguish liabilities other than in the ordinary course of business with the amount realised being different from those shown in the financial statements.

(b) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of subsidiaries of the Company as at 30 June 2023 and the results of the subsidiaries for the year then ended.

Metalicity Energy Pty Ltd, KYM Mining Pty Ltd, Kimberly Mining Australia Pty Ltd, Kimberly Mining Holdings Pty Ltd and Kimberly Mining Limited are the subsidiaries over which the Company has the power to govern the financial and operating policies as the holder of all of the voting rights. The subsidiaries are fully consolidated from the date of acquisition of the subsidiary. Consolidation will cease from the date that control of the subsidiary ceases. Any and all intercompany transactions and balances between the Company and the subsidiary are eliminated on consolidation.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interest". The Group initially recognises non-controlling interests that are present ownership interest in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

2. Significant accounting policies (continued)

(c) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets less liabilities transferred to the Group, liabilities incurred by the
Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with AASB 112 'Income Taxes' and AASB 119 'Employee Benefits' respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with AASB 2 'Share-based Payment' at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with AASB 5 'Noncurrent Assets Held for Sale and Discontinued Operations' are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Management Income

Revenue from is recorded monthly in Metalicity's accounts from the JV management fee, which comprises of 10% of JV expenses for the month.

2. Significant accounting policies (continued)

(d) Revenue recognition (continued)

Interest Income

Interest revenue is recognised on a time proportionate basis using the effective interest method.

Sale of tenement income

Revenue from the sale of tenements accounted during the year due to disposal of tenements to third party.

(e) Cash and Cash Equivalents

For statement of cash flow presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(f) Income Tax

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

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and tax losses.

(g) Exploration Expenditure

Exploration and evaluation expenditure incurred on granted exploration licences is accumulated in respect of each identifiable area of interest. These costs are carried forward where the rights to tenure of the area of interest are current and to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to any abandoned area will be written off in full against profit in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest will be amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review will be undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

2. Significant accounting policies (continued)

(h) Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised costs using the effective interest method, less provision for impairment. Trade and other receivables are generally receivable within 30 days. Collectability of trade receivables is reviewed on an ongoing basis. Amounts that are known to be uncollectible are written off by reducing the carrying amount directly.

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition.

(j) Contributed equity

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 from the proceeds.

(k) Earnings per share

Basic earnings per share (“EPS”) is calculated by dividing the result attributable to equity holders of the Company by the weighted number of shares outstanding during the year. Diluted EPS adjusts the figures used in the calculation of basic EPS to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed or known to have been issued in relation to dilutive potential ordinary shares.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flow on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(m) Employee Benefits

Provision is made for the Group’s liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data.

2. Significant accounting policies (continued)

(n) Share-based Payments

The Group operates equity-settled share-based payment share and option schemes to Directors, employees and service providers. The fair value of the equity to which parties become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black - Scholes pricing model which incorporates all market vesting conditions and the fair value of performance rights is ascertained using a Monte Carlo pricing model where instruments issued have market conditions

(o) Financial Instruments

Recognition, initial measurement and derecognition

The Group's financial assets include receivables, listed shares and receivables from its joint operation partner, Nex Metals Exploration Ltd ("Nex").

The listed shares held by the Group in Nex have been designated as fair value through profit and loss on initial recognition.

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

Trade receivables are initially measured at the transaction price if the receivables do not contain a significant financing component in accordance with AASB 15.

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

Classification and subsequent measurement

Financial assets

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

2. Significant accounting policies (continued)

(o) Financial Instruments (continued)

Classification and subsequent measurement (continued)

Financial assets (continued)

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

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:

- The contractual cash flow characteristics of the financial assets; and
- The entities business model for managing the financial asset.

Financial assets at amortised cost

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

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

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

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

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

2. Significant accounting policies (continued)

(o) Financial Instruments (continued)

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

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

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

Impairment of financial assets at amortised cost

For trade receivables, the Group applies the simplified approach permitted by AASB, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset eing measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

- Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

2. Significant accounting policies (continued)

(o) Financial Instruments (continued)

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

(i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or
(ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

2. Significant accounting policies (continued)

(p) Foreign Currency Transactions and Balances

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional currency. The functional currency of the Canadian subsidiary is Canadian Dollars. Other entities that are part of the Group have an AUD functional currency.

Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end.

exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non- monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity when the exchange difference arises on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation).

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income, otherwise the exchange difference is recognised in the profit or loss.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- Income and expenses are translated at average exchange rates for the period; and
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than the Australian dollar are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is discontinued.

2. Significant accounting policies (continued)

(q) Interests in joint arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposures to each liability of the arrangement. The Group's interests in the assets, liabilities, revenue and expenses of the joint operations are included in the respective line items of the financial statements. Information about the joint arrangements is set out in Note 10.

(r) Impairment of Non-financial Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash generating units).

(s) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assumed a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

<u>Impairment</u>

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to an impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Fair value less costs to sell ("FVLCTS") and Value-in-use ("VIU") calculations performed in assessing recoverable amounts incorporate a number of key estimates. This includes an assessment of the carrying values of capitalised exploration and evaluation costs.

The write-off and carrying forward of exploration acquisition costs is based on an assessment of an area of interest's viability and/or the existence of economically recoverable reserves.

The recoverability of the carrying amount of the exploration development expenditure is dependent on successful development and commercial exploitation, or alternatively sale of the respective areas of land.

<u>Expected credit loss</u>

Under the AASB 9 simplified approach, the group determines the allowance for credit losses for receivables from contracts with customers and contract assets on the basis of the lifetime expected credit losses of the financial asset. Judgement is required in determining the lifetime expected credit loss, and the group uses information from a range of sources in determining the amount, including publicly available financial information.

2. Significant accounting policies (continued)

(s) Critical Accounting Estimates and Judgements (continued)

Share based payment transactions

The Group measures the cost of equity-settled transactions with employees (including the Directors) by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Monte Carlo option pricing model, using the assumptions detailed in Note 18.

Joint control

The Group's accounting policy for Joint Arrangements is set out in Note 2(q). AASB 11 Joint Arrangements requires an investor to have contractually agreed the sharing of control when making decisions about the relevant activities (in other words requiring the unanimous consent of the parties sharing control). However, what these activities are is a matter of judgement. The Yundamindra and Kookynie projects are under joint control with Nex – see note 10 for further information.

Deferred taxation

Deferred tax assets in respect of tax losses have not been brought to account as it is not considered probable that future taxable profits will be available against which they could be utilised.

(t) Application of new and revised Accounting Standards

Application of new and revised Accounting Standards effective

In the year ended 30 June 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to the Group and effective for the current annual reporting period. It has been determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group.

Application of new and revised Accounting Standards not yet effective

The Australian Accounting Standards Board (AASB) has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group has decided not to early adopt any of these new and amended pronouncements. The Group's assessment of the new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below. The likely impact of these accounting standards on the financial statements of the Group have not been determined.

AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

AASB 2021-5 amends AASB 112 Income Taxes to clarify the accounting for deferred tax transactions that, at the time of the transaction, give rise to equal taxable and deductible temporary differences. In specified circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply to transactions for which entities recognise both an asset and a liability and that give rise to equal taxable and deductible temporary differences.

2. Significant accounting policies (continued)

(t) Application of new and revised Accounting Standards not yet effective (continued)

AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (continued)

This amending standard mandatorily apply to annual reporting periods commencing on or after 1 January 2023 and will be first applied by the Group in the financial year commencing 1 July 2023.

AASB 2021-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

AASB 2021-2 amends AASB 7 Financial Instruments: Disclosures, AASB 101 Presentation of Financial Statements, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, AASB 134 Interim Financial Reporting and AASB Practice Statement 2 Making Materiality Judgements. The main amendments relate to:

(a) AASB 7 – clarifies that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;

(b) AASB 101 – requires entities to disclose their material accounting policy information rather than their significant accounting policies;

(c) AASB 108 – clarifies how entities should distinguish changes in accounting policies and changes in accounting estimates;

(d) AASB 134 – to identify material accounting policy information as a component of a complete set of financial statements; and

(e) AASB Practice Statement 2 – to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

AASB 2021-2 mandatorily applies to annual reporting periods commencing on or after 1 January 2023 and will be first applied by the Group in the financial year commencing 1 July 2023.

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

AASB 2020-1 amends AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.

A liability will be classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. Meaning of settlement of a liability is also clarified.

AASB 2020-1 mandatorily applies to annual reporting periods beginning on or after 1 January 2024 (as amended by AASB 2022-6 and AASB 2020-6) and will first be applied by the Group in the financial year commencing 1 July 2024.

2. Significant accounting policies (continued)

(t) Application of new and revised Accounting Standards not yet effective (continued)

AASB 2014-10: Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and AASB 2021-7c Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]

AASB 2014-10 amends AASB 10: Consolidated Financial Statements and AASB 128: Investments in Associates and Joint Ventures to clarify the accounting for the sale or contribution of assets between an investor and its associate or joint venture by requiring:

(a) a full gain or loss to be recognised when a transaction involves a business, whether it is housed in a subsidiary or not; and

(b) a partial gain or loss to be recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

These amending standards mandatorily apply to annual reporting periods commencing on or after 1 January 2025 and will be first applied by the Group in the financial year commencing 1 January 2025.

Other standards not yet applicable

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future periods and on foreseeable future transactions.

3. Segment information

Identification of reportable segments

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

The Group has two geographic segment being Australia and Canada and operates in one industry being the exploration of minerals. The Canada operation has been discontinued and is reflected in Note 12.

4. Other Income

An analysis of the Group's other income for the year is as follows:

	Consolidated Group	
	2023 $	2022 $
Joint arrangement management fee	32,931	99,461
Finance income	9,342	586
Other	-	1,436
	42,273	101,483

5. Expenses

	Consolidated Group	
	2023 $	2022 $
Accounting & audit	100,154	100,506
ASX	55,809	85,505
Company secretarial fees	69,575	86,690
Consulting fees	60,697	403,504
Depreciation	26,115	27,930
Employee benefits	709,556	528,314
Other receivables written off	-	21,172
Expected credit loss[1]	306,836	1,279,794
Exploration expenses (excl those capitalised)	25,324	87,157
Investor relations	40,250	49,210
Legal fees	698,759	600,731
Business development expenses	294	119,069
Rent & office expenses	1,012	22,760
Share based payments	135,813	393,749
Share registry fees	81,974	192,034
Superannuation expenses	81,988	56,171
Fair value movement on financial instruments at fair value through profit and loss [2]	1,097,233	923,679
Other	190,173	260,467
Total expenses	3,681,562	5,194,672

[1] Refer to Note 9.
[2] Refer to Note 11.

6. Income tax expense

	Consolidated Group 2023 $	2022 $
a) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss from continuing operations before income tax expense	(3,639,289)	(5,093,189)
Loss from discontinued operations before income tax expense	(127,415)	(114,725)
	(3,766,704)	(5,207,914)
Tax at the Australian tax rate of 25% (2022: 25%)	(941,676)	(1,301,979)
Tax effect of amounts which are not deductible in calculating taxable income	34,741	99,054
Tax effect of amounts which are non (taxable) in calculating taxable income	-	-
Tax losses not recognised	906,935	1,202,925
Prior year losses not recognised, now recognised		
Income tax expense	-	-

	Consolidated Group 2023 $	2022 $
b) Deferred tax assets/liabilities		
Unused tax losses for which no deferred tax asset has been recognised	23,067,771	21,258,474
Temporary Differences	(1,338,668)	(2,853,770)
Potential tax benefit at 25% (2022: 25%)	5,432,276	4,601,176

Tax losses and other temporary differences have not been recognised as a deferred tax asset as recoupment is dependent on, amongst other matters, sufficient future assessable income being earned. That is not considered certain in the foreseeable future and accordingly there is uncertainty that the losses can be utilised. There is a net deferred tax liability of approximately $334,667 relating to capitalised exploration costs and other minor temporary differences. These are offset with the deferred tax assets that have been recognised to the extent of the deferred tax liabilities.

7. Cash and cash equivalents

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments. Cash and cash equivalents at the end of the financial year as shown in the consolidated statement of cash flows are reconciled to the related items in the consolidated statement of financial position as follows:

	Consolidated Group	
	2023 $	2022 $
Cash and cash equivalents	702,519	3,060,817
Less: Bank overdraft	(21,966)	-
Cash and cash equivalents as reported in the statement of cash flows	680,553	3,060,817

(b) Reconciliation of loss for the year to net cash flows from operating activities

	Consolidated Group	
	2023 $	2022 $
Loss for the year	(3,766,704)	(5,207,914)
Share based payments	135,813	393,749
Foreign exchange gain	(168)	(1,305)
Depreciation	26,115	27,930
Exploration impaired	127,583	116,030
Exploration written off	-	8,391
Expected credit losses	306,836	1,279,794
Receivables written-off	-	21,172
Fair value movement on financial instruments at fair value through profit and loss	1,097,233	923,679
Increase in trade and other receivables and other assets	(1,950)	(1,257,947)
(Decrease) in trade and other payables	(115,987)	(233,080)
Increase in provisions	53,717	22,423
Net cash (used in) operating activities	(2,137,512)	(3,907,078)

(c) Non-cash investing and financing activities

During the year, 51,546,468 shares (at $0.003 a share) were issued to certain KMPs as payment in lieu of fees, with 41,112,334 free attaching options being granted (half exercisable at $0.006 and the other half at $0.009, both expiring 23 May 2026). In addition, 33,333,334 shares (at $0.003 a share) were issued for the purchase of the Mt Surprise project (EPM28052) and 12,500,000 shares were issued (at $0.003) as the initial instalment for the purchase of the Georgetown Project (EPM28121).

7. Cash and cash equivalents (continued)

(c) Non-cash investing and financing activities (continued)

In the prior year, 20,000,000 advisor options were granted to Canaccord for assisting with the June 2022 Rights issue and 243,383,617 options were issued to shareholders as part of the same rights issue, both on the same conditions (expiring 1 June 2024 and exercisable at $0.01).

8. Trade and other receivables

	Consolidated Group	
	2023 $	2022 $
GST Receivable	48,341	156,784

None of these receivables are past due or impaired.

9. Other financial assets

	Consolidated Group	
	2023 $	2022 $
Nex receivable(1)	-	-
Rental security bond	10,908	20,723
	10,908	20,723

(1) The Nex receivable comprises $1,586,629 (2022: $1,279,794) being 49% of joint operation billings raised to Nex under the Joint Venture Agreement ("JV Agreement") less an expected credit loss ("ECL") allowance for the full amount, following a prudent assessment by the Board as to the recoverability of the amount based on publicly available information regarding Nex's financial position. Refer to Note 2(s) critical accounting estimates and judgements. An additional $127,904 in interest is due and payable on the receivable, however it is not recognised in the financial statements as the ECL against the receivable is classified as a stage 3 (credit impaired) ECL under AASB 9.

	Consolidated Group	
	2023 $	2022 $
Nex receivable	1,586,629	1,279,794
Less: Expected credit loss	(1,586,629)	(1,279,794)
	-	-

	Consolidated Group	
	2023 $	2022 $
Nex receivable at the beginning of the period	1,279,794	-
Plus: 49% of joint operation billings for the period	306,835	1,279,794
Nex receivable at the end of the period	1,586,629	1,279,794

10. Exploration and evaluation expenditure

	Consolidated Group	
	2023 $	2022 $
Exploration at cost at the beginning of the period	6,426,763	5,466,860
Acquisition costs[3]	137,500	-
Exploration and evaluation expenditure[2]	127,583	116,030
Impairment of exploration expenditure (refer note 12)	(127,583)	(116,030)
Written off of exploration expenditure	-	(8,391)
Exploration and evaluation expenditure - Interest in joint operation [1]	342,603	1,034,395
Exploration and evaluation expenditure - QLD interest	105,678	-
Transfer to financial assets upon billing of cash calls	-	(66,101)
Closing balance	7,012,544	6,426,763
Total expenditure incurred and carried forward in respect of specific projects		
- Kookynie/Yundamindra Area of interests Assets	6,769,365	6,426,763
- Other	243,179	-
Total carried forward exploration expenditure	7,012,544	6,426,763

(1) On 6 May 2019, the Company announced that it had entered into a farm-in agreement with Nex for the Kookynie and Yundamindra projects in the Eastern Goldfields, Western Australia. On 20 May 2021, MCT announced that it had met the required $5 million spend to achieve a 51% earn-in on the Kookynie and Yundamindra tenements. The Joint arrangement is classified as a joint operation. Metalicity is the Manager of the JV, as such the principle place of business for the joint operation is from Metalcity's office.

(2) In the prior year, included in expenditure incurred during the period is an amount of $66,895, representing unbilled cash calls to Nex.

(3) During the year 33,333,334 shares (at $0.003 a share) were issued for the purchase of the Mt Surprise project (EPM28052) and 12,500,000 shares were issued (at $0.003) as the initial instalment for the purchase of the Georgetown Project (EPM28121). Refer note 7(c).

Metalicity's share of joint operations in its joint venture with Nex is as follows:

	Joint Operation	
	2023 $	2022 $
Current assets		
Cash and cash equivalents	571	100,442
Cash calls receivable from Nex	1,586,630	1,279,794
Total current assets	1,587,201	1,380,236
Current liabilities		
Loan payable to Metalicity	1,454,259	1,134,515
Total current liabilities	1,454,259	1,134,515
Joint Venture net assets	132,942	245,721
51% share of Joint Venture net assets	67,800	125,317

10. Exploration and evaluation expenditure (continued)

The Group's share of exploration and evaluation in its joint operation is $1,445,794 as at 30 June 2023 (2022: $1,103,193). The recoverability of the carrying amount of the exploration development expenditure is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

11. Financial Assets at Fair Value through Profit & Loss

	Consolidated Group	
	2023	2022
	$	$
Shares in listed Corporations	1,735,948	2,838,053

The Group held 91,365,685 shares in Nex at 30 June 2023. This financial asset is carried at fair value through profit and loss for year ended 30 June 2023 (30 June 2022: 91,550,106 shares in Nex).

	Consolidated Group	
	2023	2022
	$	$
Opening balance – at fair value	2,838,053	105,922
(Subtractions)/Additions – at fair value	(4,872)	3,655,810
Fair value adjustment	(1,097,233)	(923,679)
Closing balance – at fair value	1,735,948	2,838,053

The revaluation of the shares to the above value resulted in a $1,097,233 loss that flowed through the P&L as a "Fair Value movement on financial instruments at fair value through profit and loss".

12. Discontinued operations

	Consolidated Group	
	2023	2022
	$	$
Kimberley Mining Limited – Admiral Bay Project	127,583	116,030
Transfer of foreign currency translation reserve to profit and loss (discontinued operation)	(168)	(1,305)
	127,415	114,725

During the year ended 30 June 2021, following an extensive process to divest the Admiral Bay project, which is currently held by the ~80.3% owned subsidiary, Kimberley Mining Limited, the Board elected to put the Admiral Bay project on care and maintenance and impair the carrying value of the Project to nil.

12. Discontinued operations (continued)

(i) Financial performance information

	Consolidated Group 2023 $	Consolidated Group 2022 $
Exploration and evaluation expenses	-	-
Impairment of exploration and expenditure assets	(127,583)	(116,030)
Gain on transfer of foreign currency translation reserve	168	1,305
	(127,415)	(114,725)
Income tax expense	-	-
Loss after income tax of discontinued operations	(127,415)	(114,725)

(ii) Cash flow information

	Consolidated Group 2023 $	Consolidated Group 2022 $
Net cash used in operating activities	-	-
Net cash used in investing activities	(127,583)	(116,030)
Net cash used in financing activities	-	-
Net cash outflow	(127,583)	(116,030)

(iii) Carrying amount of assets and liabilities

	Consolidated Group 2023 $	Consolidated Group 2022 $
Other receivables	22,273	22,105
Asset classified as held for sale	22,273	22,105
Liabilities held for sale*	(706,044)	(578,462)
Net liabilities attributable to discontinued operations	(683,771)	(556,357)

* Intercompany payables that are eliminated on consolidation.

13. Trade and other payables

	Consolidated Group 2023 $	Consolidated Group 2022 $
Trade payables and accruals	315,450	690,857
Superannuation	3,038	-
PAYG payable	56,719	22,668
JV Payable – MCT shortfall	64,945	-
	440,152	991,699

14. Provisions

	Consolidated Group 2023 $	Consolidated Group 2022 $
Employee benefits – annual leave	132,475	78,758

15. Issued capital

(a) Issued share capital

	2023 $	2022 $
3,736,085,806 (2022: 3,458,393,356) fully paid ordinary shares	64,561,230	63,725,507
Shares to be issued (2022: 2,144,500)	-	8,578
	64,561,230	63,734,085

(b) Movement in ordinary share capital

Date	Details	Number of shares	$
01/07/2022	Opening balance	3,458,393,356	63,725,507
Various*	Nex takeover (65,000 Nex shares)	312,650	1,950
20/10/2022	Issued to Astralis for Mt Surprise Purchase (EPM 28052)	33,333,334	100,000
22/02/2023	Initial consideration for Georgetown purchase	12,500,000	37,500
May 2023	Private placement and payment in lieu of fees	231,546,466	694,639
June 2023	Share issue costs (offset by prior period adjustment)		1,634
30/06/2023	**Balance at the end of the year**	**3,736,085,806**	**64,561,230**

Date	Details	Number of shares	$
01/07/2021	Opening balance	2,124,777,033	56,023,942
March 2022	Option exercise at $0.004	182,705,631	730,823
Various*	Nex takeover (87,476,177 Nex shares)	420,760,411	3,655,810
01/06/2022	Rights Issue at $0.005	730,150,281	3,650,751
	Share issue costs	-	(335,819)
30/06/2022	**Balance at the end of the year**	**3,458,393,356**	**63,725,507**

15. Issued capital

(b) Movement in ordinary share capital (continued)

* As part of the takeover bid of Nex Metals Explorations Pty Ltd ("Nex"), the Company offered Nex shareholders, 4.81 Metalicity shares for every 1 share held in Nex.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a poll every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote.

16. Options, Performance Rights and Warrants

(a) (i) Options

At year end 30 June 2023, the Company had 540,495,949 options over ordinary shares under issue (30 June 2022: 370,093,084). These options are exercisable as follows:

30 June 2023

Details	No of Options	Grant Date	Date of Expiry	Conversion Price $
Management Incentive Options	110,556,166	24/05/2023	24/05/2026	0.006
	110,556,166	24/05/2023	24/05/2023	0.009
Other Options	35,000,000	12/10/2020	13/10/2023	0.030
	21,000,000	21/06/2021	22/06/2024	0.015
	263,383,617	01/06/2022	01/06/2024	0.010
	540,495,949			

30 June 2022

Details	No of Options	Grant Date	Date of Expiry	Conversion Price $
Other Options	25,709,467	21/02/2018	14/02/2023	0.080
	25,000,000	13/08/2020	14/08/2022	0.003
	35,000,000	12/10/2020	13/10/2023	0.030
	21,000,000	21/06/2021	22/06/2024	0.015
	263,383,617 (1)	01/06/2022	01/06/2024	0.010
	370,093,084 (2)			

(1) Included in this amount are 243,383,617 free attaching options (one option for every three shares) as part of a capital raising for $3,650,751. No fair value attributable to these options are these were listed options issued during the prior year as free attaching to the June 2022 Rights Issue and available to all shareholders (no implicit service).

(2) Represents number of instruments vested and exercisable as at 30 June 2022.

(a) (ii) Free attaching options

Included in the tables in 18(a)(i) are the following free attaching options. These are not recognised in the share based payment reserve as they do not constitute a share based payment under accounting standards.

30 June 2023

Free attaching options	Number	Grant Date	Expiry Date	Exercise Price	Fair Value at Grant Date
Issued 23/05/2023	110,556,166	23/05/2023	23/05/2026	$0.006	$173,714
Issued 23/05/2023	110,556,166	23/05/2023	23/06/2026	$0.009	$156,043

16. Options, Performance Rights and Warrants (continued)

(a) (ii) Free attaching options (continued)

30 June 2022

Free attaching options	Number	Grant Date	Expiry Date	Exercise Price	Fair Value at Grant Date
Issued 01/06/2022	243,383,617	01/06/2022	01/06/2024	$0.01	$0.00

Movements in options during the financial year are as follows:

	2023 No.	2022 No.
Balance at beginning of the year	370,093,084	373,665,570
Granted during the year (note 19)	221,112,332	263,383,617
Exercised during the year	-	(182,705,631)
Forfeited/expired/cancelled during the year	(50,709,467)	(56,371,713)
Balance at the end of the year	540,495,949	370,093,084

(b) Performance Rights

At year ended 30 June 2023, the Company had 56,000,000 performance rights over ordinary shares under issue (30 June 2022: 96,084,110). Each represent a conditional right for the holder to acquire one fully paid ordinary share in the Company, and are subject to meeting specified vesting conditions.

These performance rights are exercisable as follows:

30 June 2023

Details	No of Options	Grant Date	Date of Expiry	Hurdle Price $
Performance Rights	2,000,000	15/02/2023	15/02/2026	0.0135
	2,000,000	15/02/2023	15/02/2026	0.0180
	5,000,000	25/11/2022	19/12/2025	0.0150
	5,000,000	25/11/2022	19/12/2025	0.0250
	1,000,000	15/02/2023	15/02/2026	0.0075
	1,000,000	15/02/2023	15/02/2026	0.0100
	20,000,000	05/05/2023	31/05/2024	0.0100
	20,000,000	05/05/2023	31/05/2025	0.0200
Total	56,000,000			

30 June 2022

Details	No of Options	Grant Date	Date of Expiry	Hurdle Price $
Performance Rights	15,650,000	25/11/2019	30/01/2023	0.0500
	29,679,144	26/11/2020	18/12/2022	0.0400
	36,754,966	26/11/2020	18/12/2022	0.0600
Sub-total - on issue	82,084,110			
Performance Rights – to be issued	2,000,000	20/09/2021	11/04/2025	0.0135
	2,000,000	20/09/2021	11/04/2025	0.0180
	5,000,000	30/06/2022	30/06/2025	0.0150
	5,000,000	30/06/2022	30/06/2025	0.0250
Sub-total – to be issued	14,000,000			
Total	96,084,110			

16. Options, Performance Rights and Warrants (continued)

(b) Performance Rights (continued)

Movements in performance rights during the financial year are as follows:

	2023 No.	2022 No.
Balance at beginning of the year	96,084,110	82,084,110
Prior year adjustment	-	-
Granted during the year	42,000,000	14,000,000
Exercised during the year	-	-
Forfeited/expired/cancelled during the year	(82,084,110)	-
Balance at the end of the year	56,000,000	96,084,110

(c) Kimberly Mining Limited Warrants

As at 30 June 2023, there were 31,128,738 in issued common shares in Kimberly Mining Limited and 8,461,000 under warrants (30 June 2022: 31,128,738 common shares and 8,461,000 warrants). These warrants are exercisable/convertible as follows:

Details	No of Warrants	Date of Expiry	Conversion Price $
Founder Warrants	5,317,250	None	0.05
Founder Warrants – Tranche 2	3,143,750	None	0.05
	8,461,000		

Founder warrants are convertible to 1 ordinary share in Kimberly Mining Limited upon exercise.

	2023 No.	2022 No.
Balance at beginning/end of the period	8,461,000	8,461,000

(d) Capital Management

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern. The Group's debt and capital include ordinary share capital and financial liabilities, supported by financial assets.

The Group is not subject to any externally imposed capital requirements. Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

17. Reserves

	Consolidated	
	2023 $	2022 $
Shared based payment reserve	6,056,558	5,920,745
Foreign currency translation reserve	-	-
Total	6,056,558	5,920,745

Movement of Shared based payment reserve	**30 June $**
Balance at 30 June 2021	5,485,343
Performance rights and options issued in the 2022 year (note 18b)	87,893
Performance rights and options issued in the 2021 year	347,509
Balance at 30 June 2022	5,920,745
Issue of performance rights in the 2023 year	19,537
Issue of performance rights in the 2022 year	116,275
Balance at 30 June 2023	**6,056,558**

Movement of Foreign currency translation reserve	**30 June $**
Balance at 30 June 2021/1 July 2022	-
Foreign currency translation reserve movement during the period	(30,583)
Transfer of foreign currency translation reserve to profit and loss (discontinued operation)	30,583
Balance at 30 June 2023	-

The nature and purpose of the foreign currency translation reserve is to record movements in foreign exchange rates against the Group's denominated and functional currency balances and the presentation currency. Upon the decision to transfer the previously recognised Canadian segment to Discontinued Operations and to write down the asset group to nil, all foreign exchange movements are transferred to the profit and loss at balance date.

17. Reserves (continued)

(a) Share based payment reserve

The following new options, performance rights and warrants were recognised in the Share based payment reserve during the current and prior reporting periods:

30 June 2023

At 30 June 2023, the Company recognised an expense of $135,813, comprising $19,538 for 42,000,000 performance rights provided to employees during the period and part expense of $116,275 for performance rights issued an prior periods.

Options/Performance Rights	Number	Grant Date	Expiry Date	Exercise Price	Fair Value at Grant Date
Performance rights	1,000,000	09/05/2022	21/02/2026	$0.0075	$0.04700
	1,000,000	09/05/2022	21/02/2026	$0.0100	$0.04400
	20,000,000	05/02/2023	31/05/2024	$0.0100	$0.0009
	20,000,000	05/02/2023	31/05/2025	$0.0200	$0.000907
	42,000,000				

Refer to note 18(b)(i) for further details.

30 June 2022

At 30 June 2022, the Company recognised an expense of $87,893, comprising $46,240 for 14,000,000 unissued performance rights provided to employees for which service vesting conditions have already been met and $41,653 for 20,000,000 options issued to the lead manager in connection with the June 2022 Rights Issue.

Options/Performance Rights	Number	Grant Date	Expiry Date	Exercise Price	Fair Value at Grant Date
Performance rights					
Not issued yet	2,000,000	20/09/2021	11/04/2025	$0.0135	$0.00840
Not issued yet	2,000,000	20/09/2021	11/04/2025	$0.0180	$0.00790
Not issued yet	5,000,000	25/11/2022	19/12/2025	$0.0150	$0.003
Not issued yet	5,000,000	25/11/2022	19/12/2025	$0.0250	$0.0035
	14,000,000				
Options					
Issued on 01/06/2022	20,000,000	01/06/2022	01/06/2024	$0.0100	$0.00208

Refer to note 18(b)(ii) for further details.

17. Reserves (continued)

(b) Types of share-based payment plans

(i) Performance rights

The following tables list the inputs to the Monte Carlo model used to value the performance rights issued during the current and prior financial year to employees. In all cases volatility was determined by reference to the Company's historical share price data over a period consistent with the useful life of the instrument:

There were $135,813 share based payments relating to performance rights in 2023 (2022: $393,749).

30 June 2023

No of Performance Rights	1,000,000(1)	1,000,000(1)	20,000,000(2)	20,000,000(2)
Grant date	01/07/2022	01/07/2022	02/02/2023	05/02/2022
Share price	$0.005	$0.005	$0.002	$0.002
Exercise price	$0.0075	$0.01	$0.01	$0.02
Risk-free interest rate	3.087%	3.087%	3.33%	3.33%
Expiry date	21/02/2026	21/02/2026	31/05/2024	31/05/2025
Volatility(3)	90%	90%	209%	170%
Fair value at grant date (cents)	$0.047	$0.044	$0.0009	$0.000907
Life	1,095 days	1,095 days	365 days	730 days

(1) Performance rights were granted and issued to an employee during the period. The performance rights can be exercised from 4 January 2023 when the closing share price of the Company's ordinary shares have exceeded $0.0075 (initial 1 million) and $0.01 (final 1 million). The employee had to be with the Company for at least 6 months, which passed on 4 January 2023.

(2) Performance rights were granted and issued to an employee during the period. The performance rights can be exercised from 31 May 2023 when the closing share price of the Company's ordinary shares has exceeded $0.01 (initial 20 million) and $0.02 (final 20 million) for at least 1 trading day on the ASX

(3) Volatility is calculated based on historical ASX share prices.

30 June 2022

No of Performance Rights	2,000,000(3)	2,000,000(3)	5,000,000(4)	5,000,000(4)
Grant date	20/09/21	20/09/21	30/06/22	30/06/22
Share price	$0.009	$0.009	$0.003	$0.003
Exercise price	$0.014	$0.018	$0.015	$0.025
Risk-free interest rate	0.17%	0.17%	3.205%	3.205%
Expiry date	11/04/25	11/04/25	30/06/25	30/06/25
Volatility(3)	90%	90%	90%	90%
Fair value at grant date (cents)	0.0084	0.0079	0.0016	0.0011
Life	1,095 days	1,095 days	1,095 days	1,095 days

(4) Performance rights were granted to an employee during the period. These remain unissued as at balance date. The performance rights can be exercised from 11 April 2022 when the share price of the Company's ordinary shares have exceeded 150% (initial 2 million) and 250% (final 2 million) of the closing price on the first business day of 2022.

(5) Performance rights were granted to a KMP, Justin Barton, during the period. These remain unissued at 30 June 2022. The performance rights vested after the first 6 months of his role as managing director (01/01/22-30/06/22). The performance rights can be exercised from 1 July 2022 when the share price of the Company's ordinary shares have exceeded 150% (initial 5 million) and 250% (final 5 million) of the closing price on the first business day of 2022, for 5 consecutive days.

17. Reserves (continued)

(b) Types of share-based payment plans (continued)

(ii) Options

30 June 2023 - None

30 June 2022

The 20,000,000 options issued to advisors during the year ended 30 June 2022 have been valued using the Black Scholes model, $41,653 is fully recognised directly in equity as transaction costs during the prior financial year ended, with the following inputs:

No of Options	20,000,000
Grant date	01/06/2022
Share price	$0.0045
Exercise price	$0.0100
Risk-free interest rate	2.63%
Vesting Conditions and Period	Nil
Expiry date	01/06/2024
Volatility	122%
Fair value at grant date (cents)	$0.0020

(c) Summary of options granted

The following table illustrates the number and weighted average exercise price (WAEP) of, and movements in, share options issued during the year:

	2023 No	2023 WAEP	2022 No	2022 WAEP
Outstanding at the beginning of the year	126,709,467	0.002	373,665,570	0.012
Granted during the year	-	-	20,000,000	0.0005
Exercised during the year	-	-	(182,705,631)	0.005
Expired/forfeited/cancelled during the year	(50,709,467)	0.003	(84,250,472)	0.009
Outstanding at the end of the year	76,000,000	0.008	126,709,467	0.002

17. Reserves (continued)

(d) Weighted average of remaining contractual life
The weighted average remaining contractual life for the share options outstanding as at 30 June 2023 is 1.69 years (2022: 1.14 years).

The weighted average remaining contractual life for the performance rights outstanding as at 30 June 2023 is 1.58 years (2022: 2.17 years)

(e) Range of exercise price
The range of exercise prices for options outstanding at the end of the year was $0.003-$0.015 (2022: $0.003-$0.08). The performance rights do not have an exercise price.

(f) Weighted average fair value
The weighted average fair value of options granted during the year, excluding free attaching options, was $0.008 (2022: $0.002).

The weighted average fair value of performance rights granted during the year was $0.003 (2022: $0.003)

(g) Share options exercised during the year
The following options were exercised during the year.

30 June 2023

Option Series	Number	Grant Date	Expiry Date	Exercise Price	Fair Value at Grant Date
	-				
	-				

30 June 2022

Option Series	Number	Grant Date	Expiry Date	Exercise Price	Fair Value at Grant Date
Issued 22/05/2020	182,705,631	22/05/2020	22/05/2022	$0.004	0.004
	182,705,631				

18. Financial Risk Management

Risk management is the role and responsibility of the Board. The Group's current activities expose it to minimal risk. However, as activities increase there may be exposure to interest rate, market, credit, and liquidity risks.

(a) Interest Rate Risk

The Group’s exposure to interest rate risk, which is the risk that a financial instrument’s value will fluctuate as a result of changes in market rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Floating interest rate	1 year or less	Over 1 year to 5 years	More than 5 years	Non interest bearing	Total
	$	$	$	$	$	$
30 June 2023						
Financial Assets						
Cash and deposits	698,110	-	-	-	4,410	702,520
Trade and other receivables	-	-	-	-	48,342	48,342
Financial asset at FV through P&L	-	-	-	-	1,735,948	1,735,948
Nex cash call	1,586,629					1,586,629
Other financial assets	10,636	-	-	-	272	10,908
	2,295,375	-	-	-	1,788,975	4,084,346
Weighted average interest rate	2.794%					2.794%
Financial liabilities						
Bank overdraft	-	-	-	-	21,966	21,966
Trade and other payables	-	-	-	-	326,248	326,248
	-	-	-	-	348,214	348,214
30 June 2022						
Financial Assets						
Cash and deposits	2,967,635	-	-	-	93,182	3,060,817
Trade and other receivables	-	-	-	-	156,784	156,784
Financial asset at FV through P&L	-	-	-	-	2,838,053	2,838,053
Other financial assets	20,723	-	-	-	-	20,723
	2,988,358	-	-	-	3,088,019	6,076,377
Weighted average interest rate	0.035%					0.035%
Financial liabilities						
Trade and other payables	-	-	-	-	707,265	707,265
	-	-	-	-	707,265	707,265

The Group has interest bearing assets and therefore income and operating cash flows are subject to changes in the market rates. However, market changes in interest rates will not have a material impact on the profitability or operating cash flows of the Group. A movement in interest rates of +/- 100 basis points will result in less than a +/- $22,954 (2022: $29,884) impact on the Group’s income and operating cash flows. At this time, no detailed sensitivity analysis is undertaken by the Group.

18. Financial Risk Management (continued)

(b) Market risk

The Group's listed investments are susceptible to market risk arising from uncertainties about its fair value. This risk is managed by investing decisions conducted by the Board. The Group held 91,365,685 shares in Nex valued at $1,735,948 as at 30 June 2023 (2022: 91,550,106 shares valued at $2,838,053). Refer to note 11.

Sensitivity analysis

If share prices were to increase/decrease by 10 percent from share price used to determine fair values as at the reporting date, assuming all other variables that might impact on fair value remain constant, then the impact on profit for the year and equity is as follows:

	Consolidated	
	2023	2022
+/- 10%	$	$
Impact on profit/(loss) after tax	173,595	283,805
Impact on equity	(173,595)	(283,805)

Credit risk

	Current $	>30 days $	>60 days $	>90 days $	Other $	Total $
30 June 2023						
Financial Assets						
Cash & deposits	702,520	-	-	-	-	702,520
Trade and other receivables	48,342	-	-	-	-	48,342
Other financial assets:						
Rental security bond	-	-	-	-	10,908	10,908
Nex Receivable	-	-	-	1,586,629	-	-
Lifetime Expected Credit Loss	-	-	-	(1,586,629)	-	-
Subtotal – other financial assets	-	-	-	-	10,908	10,908
	750,862	-	-	-	10,908	761,770

	Current $	>30 days $	>60 days $	>90 days $	Other $	Total $
30 June 2022						
Financial Assets						
Cash & deposits	3,060,817	-	-	-	-	3,060,817
Trade and other receivables	156,784	-	-	-	-	156,784
Other financial assets:						
Rental security bond	-	-	-	-	20,723	20,723
Nex Receivable				1,279,794	-	-
Lifetime Expected Credit Loss	-	-	-	(1,279,794)	-	-
Subtotal – other financial assets	-	-	-	-	20,723	20,723
	3,217,601	-	-	-	20,723	3,238,324

18. Financial Risk Management (continued)

(c) Credit risk (continued)

Other than the Nex Receivable in the current year:

- the Group has no significant concentrations of credit risk and as such, no sensitivity analysis is prepared by the Group. Credit risk related to balances with banks is managed by ensuring that the surplus funds are only invested with counterparties with a Standard & Poor's rating of at least AA-;
- None of the Group's financial assets subject to credit risk are past due or impaired (2022: nil). The majority of the Group's trade and other receivables relates to GST receivable and as such no credit risk exists.

The Nex Receivable has been fully impaired via an ECL. Refer to note 9.

(d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to meet commitments as and when they fall due. The Group manages liquidity risk by preparing forecasts and monitoring actual cash flows and requirements for future capital raisings. The Group does not have committed credit lines available, which is appropriate given the nature of its operations. Surplus funds are invested in a cash management account with ANZ which is available as required.

The material liquidity risk for the Group is the ability to raise equity in the future. This enables it to meet commitments and remain a going concern.

The table below reflects an undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflects management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

	Within 1 Year		1 to 5 Years		Total	
	2023 $	2022 $	2023 $	2022 $	2023 $	2022 $
Financial liabilities due for payment						
Trade and other payables	326,248	707,265	-	-	326,248	707,265
Bank overdraft	21,966	-	-	-	21,966	-
Lease liabilities	7,563	7,212	-	-	7,563	7,212
Total expected outflows	**355,777**	**714,477**	**-**	**-**	**355,777**	**714,477**
Financial asset - cash flows realisable						
Cash and cash equivalent	702,520	3,060,817	-	-	702,520	3,060,817
Trade, term and loan receivables	48,342	156,783	-	-	48,342	156,784
Financial assets at fair value through profit & loss	1,735,948	2,838,054	-	-	1,735,948	2,838,053
Rental Security bond	10,908	20,723	-	-	10,908	20,723
Total anticipated inflows	**2,497,718**	**6,076,377**	**-**	**-**	**2,497,718**	**6,076,377**
Net (outflow)/inflow on financial instruments	**2,141,941**	**5,361,900**	**-**	**-**	**2,141,941**	**5,361,900**

19. Key management personnel disclosures

	Consolidated Group	
	2023	**2022**
Key management personnel compensation	**$**	**$**
Short-term employee benefits	603,800	767,938
Post-employment benefits	59,114	66,001
Share based payments	135,813	298,511
	798,727	**1,132,450**

Detailed remuneration disclosures are provided in the Remuneration Report in the Directors' Report.

Apart from the Company's Directors and Officers, the Group had 2 employees as at 30 June 2023 (30 June 2022: 2 employees).

20. Remuneration of auditors

	Consolidated Group	
	2023	**2022**
	$	**$**
During the year the following fees (exclusive of GST) were paid or payable for services provided by the auditor of the Group:		
Audit services		
- Audit and review of financial report and other audit work under the *Corporations Act 2001*	49,850	49,000
- Under provision of audit fee for prior year	1,540	5,773
Non-audit services		
- Other services provided – tax compliance	33,500	4,500
Total remuneration for audit and other services	86,390	59,273

From 2021, the auditors of Metalicity Limited and its subsidiaries has been Pitcher Partners BA&A Pty Limited.

21. Contingent liabilities

The Group has no contingent liabilities as at 30 June 2023 (2022: Nil).

22. Commitments for expenditure

(a) Exploration Commitments

In order to maintain an interest in the mining and exploration tenements in which the Group is involved, the Group is committed to meet the conditions under which the tenements were granted and the obligations of any joint venture agreements. The timing and amount of exploration expenditure commitments and obligations of the Group are subject to the minimum expenditure commitments required as per the Mining Act, as amended, and may vary significantly from the forecast based upon the results of the work performed which will determine the prospectivity of the relevant area of interest. These obligations are not provided for in the financial report and are payable.

Outstanding exploration commitments, including the Company's 51% direct interest in the Kookynie and Yundamindra Joint Venture tenements, are as follows (other than detailed below, no estimate has been given of expenditure commitments beyond 12 months as this is dependent on the Directors' ongoing assessment of operations and, in certain circumstances, Native Title negotiations):

	Consolidated Group	
	2023	2022
	$	$
Not longer than 1 year	643,040	508,478
Longer than 1 year and not longer than 5 years	-	-
Longer than 5 years	-	-
	643,040	508,478

23. Related Party transactions

(a) Key management personnel

During the year ended 30 June 2023, there were no related party transactions with key management personnel, other than that disclosed in note 20, in the detailed remuneration disclosures in the Directors Report and set out below:

- Steinepreis Paganin completed $64,000 in legal work for the Group during the year. Roger Steinepries is the Executive Chairman of the company.

- Grange Consulting Group Ltd were paid $24,255 for consulting fees by the Group during the year. Steven Wood is a director and shareholder of the company.

(b) Transaction with related parties

There were no transactions with related parties other than with key management personnel as noted above.

(c) Outstanding balances arising from sales / purchases of goods and services

There are no balances owing to or from related parties at 30 June 2023 (2022: $Nil) except for $3,497 due to Steinepries Paganin for June 2023 legal fees.

24. Earnings per share

	Consolidated Group	
(a) Basic earnings per share	**2023 Cents**	**2022 Cents**
Loss from continuing operations attributable to the ordinary equity holders of the Company	(0.10)	(0.22)
	(0.10)	(0.22)
(b) Diluted earnings/(loss) per share		
Loss from continuing operations attributable to the ordinary equity holders of the Company	(0.10)	(0.21)
	(0.10)	(0.21)

(c) Reconciliation of profit/(loss) used in calculating earnings per share	**2023 $**	**2022 $**
Basic and diluted profit/(loss) per share		
Loss from continuing operations attributable to the ordinary equity holders of the Company	(3,639,289)	(5,093,189)
Loss from discontinued operations	(127,415)	(114,725)
	(3,766,704)	(5,207,914)

(d) Weighted average number of shares used as the denominator	**2023 Number**	**2022 Number**
Weighted average number of ordinary shares used as the denominator in calculating basic earnings/(loss) per share	3,731,166,449	2,411,475,003
Adjustment for calculation of diluted profit/(loss) per share - Options	-	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings/(loss) per share	3,731,166,449	2,411,475,003

As the Group made a loss for the years ended 30 June 2023 and 30 June 2022, the options on issue have no dilutive effect. Therefore, dilutive loss per share is equal to basic loss per share.

25. Group entities

	Country of incorporation	Interest 2023	Interest 2022
Parent entity			
Metalicity Limited	Australia		
Subsidiary			
Metalicity Energy Pty Ltd	Australia	100%	100%
KYM Mining Pty Ltd	Australia	100%	100%
Kimberley Mining Limited(1)	Canada	~80.3%	~80.3%
Ridgecape Holdings Pty Ltd(1)	Australia	~80.3%	~80.3%
Kimberley Mining Australia Pty Ltd(1)	Australia	~80.3%	~80.3%
Kimberley Mining Holdings Pty Ltd(1)	Australia	~80.3%	~80.3%

(1) Metalicity Limited holds ~80.3% interest in Kimberley Mining Limited ("KML"), and its wholly owned subsidiaries, with outside equity interest holding the remaining ~19.7%. The outside equity interest in Kimberley Mining Limited equates to ~1.51% of the net assets of the Group, being $134,623 at 30 June 2023 (2022: $109,537). Please refer to note 13 for further details on the summarised financial information of KML.

26. Parent entity information

Statement of financial position

ASSETS	Parent 2023 $	Parent 2022 $
Total current assets	9,278,415	12,570,599
Total non-current assets	46,916	50,810
TOTAL ASSETS	9,424,611	12,621,409
LIABILITIES		
Total current liabilities	537,527	843,544
TOTAL LIABILITIES	537,527	843,544
NET ASSETS	8,887,084	11,777,865
EQUITY		
Contributed equity	64,561,232	63,725,507
Other reserves	4,031,389	3,895,576
Shares to be issued	-	8,578
Accumulated losses	(59,705,537)	(55,851,796)
TOTAL EQUITY	8,887,084	11,777,865
Loss of the parent entity	(3,917,617)	(5,117,423)
Total comprehensive loss of the parent entity	(3,917,617)	(5,117,423)

The parent entity has not provided any guarantees or become responsible for contingent liabilities or contractual commitments of its subsidiaries, other than those disclosed in this financial report.

27. Subsequent events

The Directors are not aware of any significant events since the end of the reporting period which significantly affect or could significantly affect the operations of the Group in future financial years.

ASX Additional Information

Additional Information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

The shareholder information was applicable as at 28 September 2023.

(a) Substantial Shareholder

There are no substantial shareholders at the date of this report.

(b) Voting Rights

Ordinary Shares

On a show of hands every member present at a meeting shall have one vote and upon a poll each share shall have one vote.

Options and Performance Rights

There are no voting rights attached to the options or performance rights.

(c) Distribution of Equity Security Holders
(i) Ordinary Shares

Category	Total Holders	Ordinary Fully Paid Shares	% Issued Capital
1 – 1,000	677	287,872	0.01
1,001 – 5,000	306	750,269	0.02
5,001 – 10,000	107	848,668	0.02
10,001 – 100,000	1,575	81,502,155	2.18
100,001 and over	2,339	3,652,696,842	97.77
Total	**5,004**	**3,736,085,806**	**100.00**

There were 205,796,662 unmarketable parcels of ordinary shares.

(ii) Listed Options

Category	Total Holders	Listed Options	% of Listed Options
1 – 1,000	29	9,117	0.00
1,001 – 5,000	60	188,622	0.07
5,001 – 10,000	76	603,842	0.23
10,001 – 100,000	270	12,205,387	4.63
100,001 and over	177	250,376,649	95.06
Total	**612**	**263,383,617**	**100.00**

There were 35,202,333 unmarketable parcels of listed options.

(iii) Unquoted Options

Category	Total Holders	Unlisted Options*	% of Unlisted Options
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and over	4	277,112,332	100.00
Total	**4**	**277,112,332**	**100.00**

* There are two holders with over 20% of total unlisted options: CG Nominees (Australia) Pty Ltd with 56,000,000 (20%) and Genteel Nominees Pty Ltd (50% controlled by Roger Steinepreis) with 166,666,666 (60%).

(c) Distribution of Equity Security Holders (continued)

(iv) Unquoted Performance Rights

Category	Total Holders	Unlisted Performance Rights*	% of Unlisted Performance Rights
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and over	3	56,000,000	100.00
Total	**3**	**56,000,000**	**100.00**

(d) Equity Security Holders

(i) Ordinary Shares

The names of the twenty largest ordinary fully paid shareholders at 28 September 2023 are:

		Number Held	Percentage of Issued Shares
1	GENTEEL NOMINEES PTY LTD	166,666,666	4.46
2	HISHENK PTY LTD	110,000,000	2.94
3	BNP PARIBAS NOMS PTY LTD <DRP>	82,638,849	2.21
4	COVENTINA HOLDINGS PTY LTD <COVENTINA FAMILY A/C>	64,599,511	1.73
5	CITICORP NOMINEES PTY LIMITED	57,669,014	1.54
6	E C DAWSON SUPER PTY LTD <THE DAWSON SUPER FUND A/C>	46,000,000	1.23
7	MR MARK EDWIN ROBERTS	40,000,000	1.07
8	MR KELVIN CORBETT	37,700,000	1.01
9	FMR INVESTMENTS PTY LIMITED <FMR UNIT A/C>	32,708,000	0.88
10	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	30,875,907	0.83
11	WESTERN AUSTRALIAN HOLDINGS PTY LTD <SHASH NIGAM FAMILY A/C>	28,860,005	0.77
12	MR ANDREW DALEY & MRS INEKE DALEY <MOTHERLODE SUPER FUND A/C>	28,425,112	0.76
13	FIRST LIGHT NOMINEES PTY LTD <NIGAM FAMILY A/C>	27,898,005	0.75
14	UPSKY EQUITY PTY LTD <UPSKY INVESTMENT A/C>	26,999,339	0.72
15	NEPALULURU PTY LTD <SHRESTHASSS FAMILY A/C>	26,000,000	0.70
16	CG NOMINEES (AUSTRALIA) PTY LTD	25,000,000	0.67
17	MR DAVID KENLEY	24,765,923	0.66
18	TERRA FORTUNA SDN BHD	23,687,480	0.63
19	MR CAJETAN FRANCIS MASCARENHAS	23,500,009	0.63
20	MR VARUN KAFLEY	21,950,000	0.59
	Total Top 20	**925,943,820**	**24.78**
	Total other holders	**2,810,141,986**	**75.22**
	Total shares on issue	**3,736,085,806**	**100.00**

(d) Equity Security Holders (continued)

(ii) Listed Option Holders

The names of the twenty largest listed option holders shareholders at 28 September 2023 are:

		Number Held	Percentage of Issued Shares
1	EUTHENIA TYCHE PTY LTD	20,100,000	7.63
2	CG NOMINEES (AUSTRALIA) PTY LTD	20,000,000	7.59
3	MR PAUL-JOHN CRAWFORD GERBER	15,000,000	5.70
4	PAUL THOMSON FURNITURE PTY LTD <THOMSON S/F A/C>	8,508,572	3.23
5	MR MD AKRAM UDDIN	8,500,005	3.23
6	MR PETER KARL LAIS	9,216,436	3.12
7	MR SHAFIQUL ISLAM	6,126,800	2.33
8	MR MARK RICHARD JENSEN	6,000,000	2.28
8	EQUITY TRUSTEES SUPERANNUATION LIMITED <AMG GARTH HOPKINSON A/C>	6,000,000	2.28
9	MR CLEMENT FREDERICK DEVINE	5,000,000	1.90
9	MR MD MUNTASIR BILLAH	5,000,000	1.90
10	HISHENK PTY LTD	4,761,906	1.81
11	SKYWALKER HOLDINGS WA PTY LTD	4,049,760	1.54
11	SHEZAPPLES PTY LTD	4,049,760	1.54
12	SHANTO PTY LTD	3,900,762	1.48
13	MR CAJETAN FRANCIS MASCARENHAS	3,637,199	1.38
14	SUPERHERO SECURITIES LIMITED <CLIENT A/C>	3,416,674	1.30
15	MR MARK EDWIN ROBERTS	3,333,334	1.27
16	MR ROSS DIX HARVEY	3,200,000	1.21
17	APT CONTRACTORS PTY LTD <THOMPSON FAMILY A/C>	3,000,000	1.14
18	MRS LAI SUN KEANE	2,879,829	1.09
19	E C DAWSON SUPER PTY LTD <THE DAWSON SUPER FUND A/C>	2,699,840	1.03
20	BVB CUSTODIAN PTY LTD <BVB A/C>	2,474,211	0.94
	Total top 20	**149,855,088**	**56.90**
	Total other holdings	**113,528,529**	**43.10**
	Total Listed Options on issue	**263,383,617**	**100.00**

(e) Unquoted Securities

(i) Unlisted Options

Class	Expiry Date	No. of Holders	Exercise Price	No. of Options
MCTOP47	13 Oct 2023	1	$0.003	35,000,000[21]
MCTOP48	22 Jun 2024	1	$0.015	21,000,000[21]
MCTOP49	24 May 2026	3	$0.006	110,556,166[22]
MCTOP50	24 May 2026	3	$0.009	110,556,166[22]
Total				**277,112,332**

(ii) Unlisted Performance Rights

Class	Expiry Date	No. of Holders	Vesting at	No. of Options
MCTPERF8	21 February 2026	1	$0.0135	2,000,000[23]
MCTPERF9	21 February 2026	1	$0.0180	2,000,000[23]
MCTPERF5	19 December 2025	1	$0.0150	5,000,000[24]
MCTPERF5A	19 December 2025	1	$0.0250	5,000,000[24]
MCTPERF6	21 February 2026	1	$0.0075	1,000,000[25]
MCTPERF7	21 February 2026	1	$0.0100	1,000,000[25]
MCTPERF10	31 May 2024	1	$0.0100	20,000,000[24]
MCTPERF11	31 May 2025	1	$0.0200	20,000,000[24]
Total				**56,000,000**

The names of holders and number of unquoted securities held for each class (excluding securities issued under an employee share scheme) where the holding was 20% or more of each class of security are as follows set out in the footnotes below.

[21] CG Nominees Australia Pty Ltd owns 100%
[22] Genteel Nominees Pty Ltd (Roger Steinepreis controls 50% of) owns 83,333,333, Coventina Holdings Pty Ltd (a company controlled by Justin Barton) owns 22,374,500 and Nardie Group Pty Ltd (a company controlled by Steven Wood) owns 4,848,333
[23] Stephen Guy owns 100%
[24] Coventina Holdings Pty Ltd owns 100%
[25] Kate Breadmore owns 100%

Resources Statement

Mineral Resource Estimate – Kookynie Gold Project.

The current Mineral Resource Estimate (MRE) for the Kookynie Gold Project as at 30th June 2023 is reported below.

Mineral Resource Estimate

Mineral Resource	Tonnes (Kt)	Grade (g/t Au)	Contained Ounces
Indicated Mineral Resources	450	1.3	19,000
Inferred Mineral Resources	1,130	1.7	62,000
Total Mineral resources	**1,580**	**1.6**	**81,000**

Note: Mineral Resources are reported to a 0.5 g/t Au cut-off grade.

Indicated and Inferred Mineral Resource Estimate Subdivided by Deposit

	Indicated			Inferred		
Deposit	**Tonnes (kt)**	**Au Grade (g/t)**	**Ounces**	**Tonnes (kt)**	**Au Grade (g/t)**	**Ounces**
Leipold	450	1.3	19,000	630	1.7	34,000
Champion	-	-	-	380	1.7	20,000
McTavish	-	-	-	120	2.0	8,000
Total	**450**	**1.3**	**19,000**	**1,130**	**1.7**	**62,000**

Note: Mineral Resources are reported to a 0.5 g/t Au cut-off grade.

Previous Mineral Resource Estimate – Kookynie Gold Project

No change in the mineral resource estimate from last year.

Classification Criteria

The Leipold, Champion and McTavish deposits show good continuity of the main mineralised units which allowed the drill hole intersections to be modelled into coherent, geologically robust domains. Consistency is evident in the thickness of the structure, and the distribution of grade appears to be reasonable along and across strike.

The Kookynie Mineral Resources have been classified as Indicated and Inferred Mineral Resource based on data quality, sample spacing, and lode continuity. The Indicated Mineral Resource was confined to the Leipold deposit, within areas of close spaced RC and DD drilling of less than 20m by 20m, and where the continuity and predictability of the lode positions was good. The Inferred Mineral Resource was assigned to areas where drill hole spacing was greater than 20m by 20m, where small, isolated pods of mineralisation occur outside the main mineralised zones, and to geologically complex zones. Champion and McTavish were classified as Inferred Mineral Resource.

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ASX Additional Information

Governance Controls

All Mineral Resource estimates are prepared by Competent Persons using data that they have reviewed and considered to have been collected using appropriate industry standard practices and which, to the most practical degree possible are representative, unbiased, and collected with appropriate QA/QC practices in place.

Mineral Resource Estimate – Admiral Bay Zinc Project.

The current MRE for the Admiral Bay Zinc Project as at 30th June 2023 is reported below.

Global Mineral Resource Estimate

		Grade				
Mineral Resource	**Tonnes (Mt)**	**Zn (%)**	**Pb (%)**	**Ag (g/t)**	**Ba (%)**	**ZnEq* (%)**
Inferred Mineral Resource	170	4.1	2.7	25	10	7.5
Total Mineral Resource	**170**	**4.1**	**2.7**	**25**	**10**	**7.5**

Notes:

- Inferred Mineral Resource is constrained within modelled mineralisation domains based on a notional 3% Zn+Pb cutoff grade.
- Nearest neighbour block model estimates into 50mX by 50mY by 360mZ parent block dimensions based on composite drill intersection grades over entire mineralised zone intervals.
- No cutoff grade applied to block model estimates for resource reporting.
- Zinc equivalence (ZnEq) in the MRE has been reported based on average LME prices for lead, zinc and silver in May 2016 and metallurgical recoveries derived from metallurgical testwork completed by CRAE and Kagara.
- ZnEq* is a formula based on LME metal prices in May 2016 and previous Metalicity metal recovery estimates as discussed above.
- The calculation for the Zinc Equivalent formula is ZnEq = Zn+0.97Pb+0.03Ag.
- Resource tonnages and grades are rounded to two significant figures.

Mineral Resource Estimate Subdivided by Modelling Domains

Inferred Mineral Resource

	Description				Grade				
Zone	**Style**	**Host Stratigraphy**	**Tonnes (Mt)**	**Density (t/m^3)**	**Zn (%)**	**Pb (%)**	**Ag (g/t)**	**Ba (%)**	**ZnEq * (%)**
11	High Zn, Low Pb	NFM at contact w/CFM	95	3.0	5.7	1.6	29	9	8.1
12	Mod Zn, Low Pb	CFM at contact w/NFM	23	2.7	3.6	0.6	17	2	4.7
20	Low Zn, High Pb	NFM below MZ11	40	3.4	1.7	5.1	19	15	7.2
30	Mod Zn, Low Pb	CFM above MZ12	2	2.7	4.4	0.8	28	1	6.0
40	Low Zn, High Pb	NFM/GFM contact	10	3.9	0.2	9.5	20	17	10.0
50	Mod Zn, Low Pb	CFM above MZ30	0.5	2.7	4.1	1.1	22	1	5.9
All	**Total – Combined Zones**		**170**	**4.1**	**4.1**	**2.7**	**25**	**10**	**7.5**

Mineral Resource Estimate Subdivided by Modelling Domains (continued)

Notes:

- Inferred Mineral Resource subdivided by modelled mineralisation domains based on a notional 3% Zn+Pb cutoff grade.
- CFM = Cudalgarra (or Bongabinni) Formation, NFM = Nita Formation, GFM = Goldwyer Formation.
- Nearest neighbour block model estimates into 50mX by 50mY by 360mZ parent block dimensions based on composite drill intersection grades over entire mineralised zone intervals.
- No cutoff grade applied to block model estimates for resource reporting.
- Zinc equivalence (ZnEq) in the MRE has been reported based on average LME prices for lead, zinc and silver in May 2016 and metallurgical recoveries derived from metallurgical testwork completed by CRAE and Kagara.
- ZnEq* is a formula based on LME metal prices in May 2016 and previous Metalicity metal recovery estimates as discussed above.
- The calculation for the Zinc Equivalent formula is ZnEq = Zn+0.97Pb+0.03Ag.
- Resource tonnages and grades are rounded to two significant figures.

Previous Mineral Resource Estimate - Admiral Bay Zinc Project

No change in the mineral resource estimate from last year.

Classification Criteria

A total of six mineralised zone domains were modelled using interpretations of the stratigraphy and mineralisation dominance (zinc versus lead) and a notional 3% Zn+Pb cutoff grade to guide the modelling.

The main zones of zinc (MZ11) and lead (MZ20) dominant mineralisation near the top of the NFM have been modelled over an 18km strike length mostly trending towards an azimuth of 300°. The main zinc zone ranges from nearly 900m wide at the western end, tapering to 500m to 600m wide over the eastern half of the strike extents. The main lead zone ranges from 400m wide at the western end, tapering to 130m wide 12km to the southwest, and then increasing to 250m wide over 4km from the eastern end. Drill intersections of both zones range from 3m to 20m.

The Mineral Resource Classification is based on confidence in the geological and grade continuity in relation to the drill hole spacing. Where present, the mineralisation appears to be highly continuous along the strike of the deposit but shows significant variations in grade and thickness across the deposit. Higher confidence local estimates therefore require a drill spacing that adequately represents the local variation in the mineralised intersection grades and better characterises changes in mineralisation thicknesses, in particular across the deposit.

Governance Controls

The Mineral Resource estimate (above) for Admiral Bay Zinc has been classified in accordance with the guidelines set out in the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC, 2012 Edition). Classification of the Mineral Resource estimate has taken into consideration the quality of geological and sampling data, geological understanding/interpretation and geological and grade continuity.

The data spacing and distribution at Admiral Bay Zinc is considered sufficient to establish an appropriate degree of geological and grade continuity appropriate for classification of an Inferred Mineral Resource.

Disclaimer and Forward-Looking Statements

This report is not a prospectus nor an offer of securities for subscription or sale in any jurisdiction nor a securities recommendation. The information in this report is an overview and does not contain all information necessary for investment decisions. In making investment decisions, investors should rely on their own examination of Metalicity Limited and consult with their own legal, tax, business and/or financial advisers in connection with any acquisition of securities.
The information contained in this report has been prepared in good faith by Metalicity Limited. However, no representation or warranty, express or implied, is made as to the completeness or adequacy of any statements, estimates, opinions or other information contained in this report. To the maximum extent permitted by law, Metalicity Limited, its directors, officers, employees and agents disclaim liability for any loss or damage which may be suffered by any person through the use of, or reliance on, anything contained in or omitted from this report. Certain information in this report refers to the intentions of Metalicity Limited, but these are not intended to be forecasts, forward looking statements, or statements about future matters for the purposes of the Corporations Act (Cth, Australia) or any other applicable law. The occurrence of events in the future are subject to risks, uncertainties and other factors that may cause Metalicity Limited's actual results, performance or achievements to differ from those referred to in this report to occur as contemplated.

The report contains only a synopsis of more detailed information to be published in relation to the matters described in this document and accordingly no reliance may be placed for any purpose whatsoever on the sufficiency or completeness of such information and to do so could potentially expose you to a significant risk of losing all of the property invested by you or incurring by you of additional liability. Recipients of this report should conduct their own investigation, evaluation and analysis of the business, data and property described in this document. In particular, any estimates or projections or opinions contained herein necessarily involve significant elements of subjective judgment, analysis and assumptions and you should satisfy yourself in relation to such matters. Furthermore, this report may contain certain "forward-looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have reasonable basis. However, forward-looking statements:

(a) are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;

(b) involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Such risks include, without limitation, resource risk, metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which the Company operates or supplies or sells product to, and governmental regulation and judicial outcomes; and

(c) may include, among other things, statements regarding estimates and assumptions in respect of prices, costs, results and capital expenditure, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.

The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements.

All forward-looking statements contained in this presentation are qualified by the foregoing cautionary statements. Recipients are cautioned that forward-looking statements are not guarantees of future performance and accordingly recipients are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

The Company disclaims any intent or obligation to publicly update any forward-looking statements, whether because of new information, future events or results or otherwise.

Competent Person Statements

Information in this report that relates to Exploration results and targets is based on, and fairly reflects, information compiled by Mr. Stephen Guy, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Guy is an employee of Metalicity Limited. Mr. Guy has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Guy consents to the inclusion of the data in the form and context in which it appears.

The Kookynie Gold Mineral Resource has been compiled under the supervision of Mr. Shaun Searle who is a director of Ashmore Advisory Pty Ltd and a Registered Member of the Australian Institute of Geoscientists.
Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code.

The information in this report that relates to the Admiral Bay Zinc Mineral Resource Estimate is based on, and fairly represents, information which has been compiled by Mr James Ridley. Mr Ridley is a Director and Principal Geologist at Ridley Mineral Resource Consulting Pty Ltd and a Member of the Australasian Institute of Mining and Metallurgy. Mr Ridley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Ridley consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

All Mineral Resources figures reported in the table above represent estimates at 30 June 2023. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape, and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 11 (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

The Group is not aware of any new information or data that materially affects the information included in the report and, in the case of "exploration results" that all material assumptions and technical parameters underpinning the "exploration results" in the relevant announcements referenced apply and have not materially changed.

(f) Tenement List:

As at 28 September 2023

Tenement	Registered Holder	Shares Held	Plainted	Status	Area (ha)	Nature of Interest	Interest
Kookynie							
P40/1331	KYM Mining Limited	100/100	No	Live	161.2	Direct Holding	51%
E40/390	KYM Mining Limited	100/100	No	Live	3,300.0	Direct Holding	51%
E40/350	KYM Mining Limited	100/100	No	Live	2,394.0	Direct Holding	51%
E40/357	KYM Mining Limited	100/100	No	Live	1,194.0	Direct Holding	51%
E40/401	KYM Mining Limited	100/100	No	Live	598.0	Direct Holding	51%
P40/1407	KYM Mining Limited	100/100	No	Live	10.0	Direct Holding	51%
P40/1430	KYM Mining Limited	100/100	No	Live	9.9	Direct Holding	51%
P40/1510	Metalicity Limited	100/100	No	Live	185.0	Direct Holding	51%
P40/1511	Metalicity Limited	100/100	No	Live	176.7	Direct Holding	51%
E40/387	Metalicity Limited	100/100	No	Live	299.0	Direct Holding	51%
G40/3	Nex Metals Explorations Limited	100/100	No	Live	7.2	Earnt In	51%
L40/9	Nex Metals Explorations Limited	100/100	No	Live	1.0	Earnt In	51%
E40/332	Nex Metals Explorations Limited	100/100	No	Live	600.0	Earnt In	51%
M40/22	Nex Metals Explorations Limited	100/100	No	Live	121.7	Earnt In	51%
M40/27	Nex Metals Explorations Limited	100/100	No	Live	85.5	Earnt In	51%
M40/61	Nex Metals Explorations Limited	100/100	No	Live	832.7	Earnt In	51%
M40/77	Nex Metals Explorations Limited	90,405/ 90,405	No	Live	119.2	Earnt In	51%
P40/1499	Nex Metals Explorations Limited	100/100	No	Live	8.3	Earnt In	51%
P40/1500	Nex Metals Explorations Limited	100/100	No	Live	5.9	Earnt In	51%
P40/1501	Nex Metals Explorations Limited	100/100	No	Live	21.1	Earnt In	51%
E40/289	Paris Enterprises Pty Ltd	100/100	No	Live	1,222.7	Earning In	51%
Kookynie Total Area (ha)					11,353.1		
Yundamindra							
L39/34	Nex Metals Explorations Limited	100/100	Yes	Live	1.0	Earnt In	51%
L39/52	Nex Metals Explorations Limited	96/96	Yes	Live	1.0	Earnt In	51%
L39/258	Nex Metals Explorations Limited	100/100	Yes	Live	3.2	Earnt In	51%
M39/84	Nex Metals Explorations Limited	100/100	Yes	Live	378.0	Earnt In	51%
M39/274	Nex Metals Explorations Limited	100/100	Yes	Live	230.0	Earnt In	51%
M39/406	Nex Metals Explorations Limited	100/100	Yes	Live	124.0	Earnt In	51%
M39/407	Nex Metals Explorations Limited	100/100	Yes	Live	896.0	Earnt In	51%
M39/408	Nex Metals Explorations Limited	100/100	Yes	Live	785.0	Earnt In	51%
M39/409	Nex Metals Explorations Limited	100/100	Yes	Live	966.0	Earnt In	51%
M39/410	Nex Metals Explorations Limited	100/100	Yes	Live	978.0	Earnt In	51%
M39/839	Nex Metals Explorations Limited	100/100	Yes	Live	7.3	Earnt In	51%
M39/840	Nex Metals Explorations Limited	100/100	Yes	Live	9.7	Earnt In	51%
P39/6126	Nex Metals Explorations Limited	100/100	No	Live	10.4	Earnt In	51%
P39/6127	Nex Metals Explorations Limited	100/100	No	Live	5.6	Earnt In	51%
E39/1773	Paddick Investments Pty Ltd	100/100	Yes	Live	903.0	Earning-in	51%
E39/1774	Paddick Investments Pty Ltd	100/100	Yes	Live	2,517.0	Earning-in	51%
Yundamindra Total Area (ha)					7,815.1		

(f) Tenement List: (continued)

As at 28 September 2023

Tenement	Registered Holder	Status	Area	Nature of Interest	Interest
Admiral Bay					
E04/1610	Kimberley Mining Australia Pty Lyd	Live	42 Blocks	Holding in Subsidiary	80.3%
M04/244	Kimberley Mining Australia Pty Lyd	Live	796.4 ha	Holding in Subsidiary	80.3%
M40/249	Kimberley Mining Australia Pty Lyd	Live	843.85 ha	Holding in Subsidiary	80.3%

Tenement	Registered Holder	Status	Area	Nature of Interest	Interest
Queensland Projects					
EPM 28052	Metalicity Energy Pty Ltd	Live	32,500 ha	MCT Beneficial owner	100%
EPM 28121	Astralis Resources Pty Ltd	Live.	29,250 ha	MCT Beneficial owner	100%
EPM 28653	Metalicity Energy Pty Ltd	Live	3,575 ha	MCT Beneficial owner	100%