



Accelerate Resources Limited

ABN 33 617 821 771

FINANCIAL REPORT

For the Year Ended 30 June 2023

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CORPORATE

Accelerate Resources Limited

ACN: 617 821 771

ABN: 33 617 821 771

Directors

Mr Richard Hill

Non-Executive Chairman

Ms Yaxi Zhan

Managing Director

Dr Stephen Bodon

Executive Director - Technical

Mr Grant Mooney

Non-Executive Director

Company Secretary

Ms Yaxi Zhan

Registered and Principal Office

Unit 1, 16 Ord Street

West Perth, WA 6005

Telephone: (08) 6246 9663

Website

www.ax8.com.au

Securities Exchange

Australian Securities Exchange (ASX Limited)

Home Exchange Perth

Securities

Code: AX8

Share Registry

Advanced Share Registry

110 Stirling Hwy

Nedlands WA 6009

Australian Telephone: 1300 113 258

International Telephone: (618) 9389 8033

Website: advancedshare.com.au

Auditor

Hall Chadwick WA Audit Pty Ltd

283 Rokeby Road

Subiaco, WA 6008

Telephone: +61 8 9426 0666

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DIRECTOR'S REPORT

The Directors of Accelerate Resources Limited (the 'Company') and its controlled entities (the 'Group') present their Report for the financial year ended 30 June 2023.

DIRECTORS

The following were Directors of the Company at any time during the reporting period and up to the date of this report, unless otherwise indicated, were Directors for the entire period.

Director	Title	Appointment Date	Resignation Date
Mr Richard Hill	Non-Executive Director	3 July 2020	-
Ms Yaxi Zhan	Managing Director	7 March 2017	-
Mr Grant Mooney	Non-Executive Director	1 June 2017	-
Dr Stephen Bodon*	Executive Director - Technical	1 February 2022	-

* appointed Non-Executive Director 1 February 2022, appointed Executive Director – Technical 1 August 2023

COMPANY SECRETARY

Ms Yaxi Zhan – appointed 2 March 2023

Ms Deborah Ho - resigned 2 March 2023

PRINCIPAL ACTIVITIES

The Group is an Australian mineral exploration company, focusing on Manganese, lithium and other minerals exploration.

RESULTS

The loss of the Group for the financial year ended 30 June 2023 was \$2,040,114 (2022: \$1,489,738).

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There are no significant changes in the state of affairs of the Group.

EVENTS SUBSEQUENT TO BALANCE DATE

On 3 July 2023, the Company announced its Non-Executive Director Dr Steve Bodon took up a new role as the Company's Executive Director – Technical, effective 1 August 2023.

On 25 August 2023, the Company issued 1,000,000 fully paid ordinary shares as consideration for the Public Relation Services provided by SparkPlus.

On 2 September 2023, the Company announced the expiry of 5,000,000 options exercisable at \$0.06.

There are no other matters or circumstances that have arisen since 30 June 2022 to the date of this report that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

LIKELY DEVELOPMENTS

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

DIVIDEND

No dividends have been paid or declared during the financial year ended 30 June 2023, nor have the Directors recommended that any dividends be paid.

ENVIRONMENTAL REGULATION

The Directors believe that the Group has, in all material respects, complied with all particular and significant environmental regulations relevant to its operations.

PARTICULARS OF DIRECTORS AND COMPANY SECRETARY

CURRENT DIRECTORS

Richard Hill	Non-Executive Chairman (Appointed Non-Executive Director 3 July 2020, appointed Non-Executive Chairman 20 November 2020)
Qualifications and Experience	Mr Hill is a qualified geologist and solicitor with over 25 years' experience in the resources sector. In addition to his corporate, commercial and fundraising roles, Mr Hill has practical geological experience in a range of commodities worldwide.
Interest in Shares and Options	9,132,653 Ordinary Shares 3,000,000 options exercisable at \$0.0957, expiring on 27 November 2024 1,500,000 options exercisable at \$0.0593, expiring on 16 November 2024
Directorships held in other listed entities in the past three years	Non-Executive Chairman at New World Resources Limited (31 October 2017 to the present) Non-Executive Director at Sky Metals Ltd (20 June 2019 to the present)
Yaxi Zhan	Managing Director and Company Secretary (Appointed Managing Director 7 March 2017 and Company Secretary 2 March 2023)
Qualifications and Experience	Ms Zhan has over 16 years of experience in the resource industry. She has worked in capital raising, mergers and acquisitions and project development with Sinosteel, Norilsk Nickel and within the Australian listed junior exploration sector.
Interest in Shares and Options	4,810,009 Ordinary Shares 3,000,000 Options exercisable at \$0.0957, expiring on 27 November 2024 2,000,000 options exercisable at \$0.0593, expiring on 16 November 2024

Directorships held in other listed entities in the past three years	Nil
Stephen Bodon	Executive Director - Technical (Appointed Non-Executive Director 1 February 2022, appointed Executive Director - Technical 1 August 2023)
Qualifications and Experience	Dr Bodon has a PhD in geology with 30 years' experience in mining and upstream oil & gas. He is a successful senior business leader with broad management experience in exploration, production and business development. He previously held senior leadership roles for a number of large international organisations, such as Anglo American and Sasol and is currently General Manager Higginsville Operations for Karora Resources.
Interest in Shares and Options	1,000,000 Options exercisable at \$0.059, expiring on 1 February 2025
Directorships held in other listed entities in the past three years	Nil
Grant Mooney	Non-Executive Director (Appointed Non-Executive Chairman 1 June 2017, appointed Non-Executive Director 20 November 2020)
Qualifications and Experience	Mr Mooney is the principal of Perth-based corporate advisory firm Mooney & Partners, specialising in corporate compliance administration to public companies. He has extensive experience in the areas of corporate and project management, capital raisings, mergers and acquisitions and corporate governance.
Interest in Shares and Options	2,016,115 Ordinary Shares 3,000,000 Options exercisable at \$0.0957, expiring on 27 November 2024 1,000,000 options exercisable at \$0.0593, expiring on 16 November 2024
Directorships held in other listed entities in the past three years	Non-Executive Chairman at Riedel Resources Limited (31 October 2018 to the present) Non-Executive Chairman at Aurora Labs Limited (25 March 2020 to the present) Non-Executive Director at Carnegie Clean Energy Limited (19 February 2008 to the present) Non-Executive Director at Gibb River Diamonds Limited (13 October 2008 to the present)



Non-Executive Director at Talga Group Ltd (20 February 2014 to the present)

Non-Executive Director at Greenstone Resources limited (29 November 2002 to 19 August 2022)

Non-Executive Director at SRJ Technologies Limited (2 June 2020 to 17 January 2023)

Deborah Ho

Qualifications and Experience

Company Secretary (Resigned 2 March 2023)

Ms Ho has over six years of experience in company secretarial, corporate compliance and financial accounting matters. She has acted as Company Secretary to a number of ASX listed and private companies. She holds a Bachelor of Commerce from Curtin University and is an Associate Member of the Governance Institute of Australia.

DIRECTORS' MEETINGS

The Directors attendances at Board meetings held during the year were:

	Board Meetings	
	Number eligible to attend	Number attended
Richard Hill	6	6
Yaxi Zhan	6	6
Stephen Bodon	6	6
Grant Mooney	6	6

The Company does not have any remuneration, nomination or audit committees, these functions are performed by the Board.

The Board also approved four (4) circular resolutions during the year ended 30 June 2023 which were signed by all Directors of the Company.

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REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each key management personnel of the Group, and for the executives receiving the highest remuneration.

REMUNERATION POLICY

The remuneration policy of Accelerate Resources Limited has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component that provides cost effective services to the Group at an early stage of its development. The Board of Accelerate Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for key management personnel of the Group is as follows:

- The remuneration policy, setting the terms and conditions for the key management personnel, was developed and approved by the Board.
- All key management personnel receive a base salary or fee appropriate to the skills and responsibility of the role.
- The Board reviews key management personnel packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors.

The performance of key management personnel is measured against criteria agreed annually with each executive and is based predominantly on the forecast development of the Group's projects. Any bonuses or incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Key management personnel are also entitled to participate in the employee share and option arrangements.

All remuneration paid to key management personnel is valued at the cost to the Group and expensed. Shares given to key management personnel are valued as the difference between the market price of those shares and the amount paid by key management personnel. Options are valued using the Black-Scholes methodology.

The Board policy is to remunerate Non-Executive Directors at market rates for time, commitment and responsibilities. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in the employee option plan.

PERFORMANCE-BASED REMUNERATION

It is the Group's intention when appropriate to include performance-based remuneration as a component of management remuneration, and this was not deemed necessary in the year under review.

COMPANY PERFORMANCE, SHAREHOLDER WEALTH AND DIRECTOR AND EXECUTIVE REMUNERATION

The following table shows gross income, profits (losses) and dividends for the last 5 years as a listed entity (incorporated on 7 March 2017), as well as the share price at the end of the respective financial years. As highlighted above, the Group currently does offer any variable remuneration incentive plans or bonus schemes to Directors and, as such, there are no performance related links to the existing remuneration policies.

	2023	2022	2021	2020	2019
	\$	\$	\$	\$	\$
Revenue	-	1,500	125,535	66,827	46,036
Loss after income tax	(2,308,322)	(1,221,530)	(3,374,055)	(1,505,847)	(1,715,102)
EBITDA	(2,297,535)	(1,219,327)	(3,368,028)	(1,487,631)	(1,711,883)
EBIT	(2,308,322)	(1,221,530)	(3,374,055)	(1,514,134)	(1,713,998)
Share price at year-end	0.02	0.031	0.031	0.023	0.03
Basic loss per share (cents per share)	(0.59)	(0.66)	(2.37)	(2.66)	(3.60)
Dividends paid	-	-	-	-	-

KEY MANAGEMENT PERSONNEL REMUNERATION POLICY

The Board's policy for determining the nature and amount of remuneration key management for the Group is as follows: The remuneration structure for key management personnel is based on a number of factors, including length of service, particular experience and skills of the individual concerned, and overall performance of the Group. The contracts for service between the Company and key management personnel are on a continuing basis. Upon retirement key management personnel are paid employee benefit entitlements accrued to date of retirement.

SERVICE AGREEMENTS

The following Directors had contracts in place with the Company during the financial year as detailed below:

Richard Hill, Non-Executive Director (Appointed Non-Executive Director 3 July 2020, appointed Non-Executive Chairman 20 November 2020)

- Confirmation of Appointment dated 3 July 2020 with no termination date;
 - 4 million shares @ deemed \$0.023 per share in lieu of cash for services to 31 December 2020.
 - Fees of \$40,000 per annum from 1 January 2021, increased to \$60,000 per annum (from 1 March 2021).
 - 2 million performance rights vesting upon weighted average price of share equals or exceeds \$0.05 for 15 consecutive trading days.
 - 2 million performance rights vesting upon ASX announcement of acquisition of new exploration project with significant exploration and/or exploitation potential.
 - There will be no payment upon termination.

Yaxi Zhan, Managing Director and Company Secretary (Appointed Managing Director 7 March 2017 and Company Secretary 2 March 2023)

- Confirmation of Appointment dated 7 March 2017 with no termination date;
 - Fees of \$150,000 per annum (post-IPO), amended to \$110,000 per annum (1 May 2019 – 29 February 2020); amended to \$150,000 per annum (from 1 March 2020); amended to \$180,000 per annum (from September 2021); amended to \$216,000 per annum (from March 2023); amended to \$220,000 per annum (from June 2023).
 - There will be no payment upon termination other than the statutory requirements as per the employment agreement.

Grant Mooney, Non-Executive Director (Appointed Non-Executive Chairman 1 June 2017, appointed Non-Executive Director 20 November 2020)

- Confirmation of Appointment dated 1 June 2017 with no termination date;
 - Director fees of \$50,000 per annum (post-IPO); amended to \$30,000 per annum (1 May 2019 – 29 February 2020); amended to \$50,000 per annum (from 1 March 2020); amended to \$45,000 (from 20 November 2020);
 - There will be no payment upon termination.

Stephen Bodon, Executive Director – Technical (Appointed Non-Executive Director 1 February 2022, appointed Executive Director - Technical 1 August 2023)

- Confirmation of Appointment dated 1 February 2022 with no termination date;
 - Fees of \$45,000 per annum; amended to \$300,000 per annum (from August 2023).
 - There will be no payment upon termination other than the statutory requirements as per the employment agreement.

DETAILS OF REMUNERATION**Compensation of Key Management Personnel Remuneration**

	Short-term Benefits		Post-Employment Benefits	Long-term Benefits	Share-Based Payments		Total \$
	Cash, salary and fees \$	Annual leave \$	Superannuation \$	Long Service Leave \$	Shares \$	Options / Performance Rights \$	
FY2023							
Directors							
Richard Hill	151,563	-	-	-	-	-	151,563
Yaxi Zhan ¹	192,333	-	20,195	-	-	-	212,528
Stephen Bodon ²	46,100	-	4,841	-	-	-	50,941
Grant Mooney	51,000	-	4,725	-	-	-	55,725
	440,996	-	29,761	-	-	-	470,757
FY2022							
Directors							
Richard Hill	100,625	-	-	-	-	41,638	142,263
Yaxi Zhan ¹	175,000	-	17,500	-	-	55,517	248,017
Stephen Bodon ²	18,750	-	1,875	-	-	20,276	40,901
Grant Mooney	45,000	-	4,500	-	-	27,758	77,258
	339,375	-	23,875	-	-	145,189	508,439

¹ Appointed Managing Director on 7 March 2017 and took on additional role as the Company Secretary on 2 March 2023

² Appointed Non-Executive Director on 1 February 2022, appointed Executive Director – Technical on 1 August 2023

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed		At Risk - STI		At Risk - LTI	
	2023	2022	2023	2022	2023	2022
Directors						
Richard Hill	100%	100%	-	-	-	-
Yaxi Zhan	100%	100%	-	-	-	-
Stephen Bodon	100%	100%	-	-	-	-
Grant Mooney	100%	100%	-	-	-	-

Cash bonuses granted as compensation for the current financial year

No cash bonuses were granted during the year ended 2023 (2022: nil).

Other transactions with related parties

	2023 \$	2022 \$
Directors		
Director's fees paid to Braeside Minerals Pty Ltd, a company in which Richard Hill is a director	60,000	60,000
Consulting fees paid to Braeside Minerals Pty Ltd, a company in which Richard Hill is a director	91,563	40,625
Consulting fees paid to Mooney & Partners Pty Ltd, a company in which Grant Mooney is a director	6,000	-

Loans from key management personnel

As at 30 June 2023, there were no outstanding amounts due to key management personnel (2022: nil).

Use of remuneration consultants

During the financial year ended 30 June 2023, the Group did not engage the services of an independent remuneration consultant to review its remuneration for Directors, key management personnel and other senior executives.

Voting and comments made at the company's Annual General Meeting ('AGM')

At the 2022 Annual General Meeting, 100% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2022. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

SHARE-BASED PAYMENTS

This section only refers to those shares and options issued as part of remuneration. As a result, they may not indicate all shares and options held by a Director or other Key Management Personnel.

Shares

No shares were issued to Directors as part of compensation during the year ended 30 June 2023 (2022: nil).

Options

No options were issued to Directors as part of compensation during the year ended 30 June 2023.

During the year ended 30 June 2022, the Company issued 4,500,000 unlisted options exercisable at \$0.0593 each, expiring 16 November 2024 to Directors of the Company.

The Black-Scholes option pricing model was used to value the options and the following table lists the inputs to the model used for the valuation of the options:

Grant Date	Expiry Date	Exercise Price	Share Price at Grant Date	Expected Volatility	Risk-free Interest Rate	Fair Value per Option
16/11/2021	16/11/2024	\$0.0593	\$0.048	100.0%	1.02%	\$0.0278

The share-based payment expense recognised in relation to options over ordinary shares granted, and the value of options exercised and lapsed for directors as part of compensation during the year ended 30 June 2022 are set out below:

	Share-based payment expense of options granted during the year \$	Value of options exercised during the year \$	Value of options lapsed during the year \$	Remuneration consisting of options for the year 2022 %
Directors				
Richard Hill	41,638	-	-	29%
Yaxi Zhan	55,517	-	-	22%
Grant Mooney	27,758	-	-	36%

During the year ended 30 June 2022, the Company issued 1,000,000 unlisted options exercisable at \$0.059 each, expiring 1 February 2025 to a Director of the Company.

The Black-Scholes option pricing model was used to value the options and the following table lists the inputs to the model used for the valuation of the options:

Grant Date	Expiry Date	Exercise Price	Share Price at Grant Date	Expected Volatility	Risk-free Interest Rate	Fair Value per Option
01/02/2022	01/02/2025	\$0.059	\$0.038	100.0%	1.23%	\$0.0203

The share-based payment expense recognised in relation to options over ordinary shares granted, and the value of options exercised and lapsed for directors as part of compensation during the year ended 30 June 2022 are set out below:

	Share-based payment expense of options granted during the year \$	Value of options exercised during the year \$	Value of options lapsed during the year \$	Remuneration consisting of options for the year 2022 %
Directors				
Stephen Bodon	20,276	-	-	50%

No options held by Directors of the Company were exercised during the year ended 30 June 2023 (2022: nil).

Performance Rights

No Director performance rights were granted, exercised, sold or lapsed during the year ended 30 June 2023 (2022: nil).

DIRECTORS' INTERESTS**Shareholding**

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Opening Balance No.	Granted as Compensation No.	Additions No.	Disposals / Other No.	Closing Balance No.
30 June 2023					
Directors					
Richard Hill	9,132,653	-	-	-	9,132,653
Yaxi Zhan	4,810,009	-	-	-	4,810,009
Stephen Bodon	-	-	-	-	-
Grant Mooney	2,016,115	-	-	-	2,016,115
Total	15,958,777	-	-	-	15,958,777
	Opening Balance No.	Granted as Compensation No.	Additions No.	Disposals / Other No.	Closing Balance No.
30 June 2022					
Directors					
Richard Hill	8,577,097	-	555,556 ¹	-	9,132,653
Yaxi Zhan	4,254,453	-	555,556 ¹	-	4,810,009
Stephen Bodon	-	-	-	-	-
Grant Mooney	1,460,559	-	555,556 ¹	-	2,016,115
Total	14,292,109	-	1,666,668	-	15,958,777

¹ Shares issued for participation in the Company's Placement raising.

Option Holding

The following table discloses the movement in Directors' and Key Management Personnel's Options during the year.

	Opening Balance No.	Options Granted No.	Options Exercised No.	Options Lapsed No.	Closing Balance No.	Vested During the Year No.	Vested and Exercisable at 30 June 23 No.	Not Vested at 30 June 23 No.
30 June 2023								
Richard Hill	4,500,000	-	-	-	4,500,000	-	4,500,000	-
Yaxi Zhan	5,000,000	-	-	-	5,000,000	-	5,000,000	-
Stephen Bodon	1,000,000	-	-	-	1,000,000	-	1,000,000	-
Grant Mooney	4,000,000	-	-	-	4,000,000	-	4,000,000	-
Total	14,500,000	-	-	-	14,500,000	-	14,500,000	-

30 June 2022	Opening Balance No.	Options Granted No.	Options Exercised No.	Options Lapsed No.	Closing Balance No.	Vested During the Year No.	Vested and Exercisable at 30 June 22 No.	Not Vested at 30 June 22 No.
Richard Hill	3,000,000	1,500,000	-	-	4,500,000	-	4,500,000	-
Yaxi Zhan	3,000,000	2,000,000	-	-	5,000,000	-	5,000,000	-
Stephen Bodon	-	1,000,000	-	-	1,000,000	-	1,000,000	-
Grant Mooney	3,000,000	1,000,000	-	-	4,000,000	-	4,000,000	-
Total	9,000,000	5,500,000	-	-	14,500,000	-	14,500,000	-

The following table discloses the movement in Directors' and Key Management Personnel's Performance Rights during the year.

30 June 2023	Opening Balance No.	Performance Rights Granted No.	Performance Rights Exercised No.	Performance Rights Lapsed No.	Closing Balance No.	Vested During the Year No.	Vested and Exercisable at 30 June 22 No.	Not Vested at 30 June 22 No.
Richard Hill	-	-	-	-	-	-	-	-
Yaxi Zhan	-	-	-	-	-	-	-	-
Stephen Bodon	-	-	-	-	-	-	-	-
Grant Mooney	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

30 June 2022	Opening Balance No.	Performance Rights Granted No.	Performance Rights Exercised No.	Performance Rights Lapsed No.	Closing Balance No.	Vested During the Year No.	Vested and Exercisable at 30 June 21 No.	Not Vested at 30 June 21 No.
Richard Hill	-	-	-	-	-	-	-	-
Yaxi Zhan	-	-	-	-	-	-	-	-
Stephen Bodon	-	-	-	-	-	-	-	-
Grant Mooney	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

End of Remuneration Report

SHARES UNDER OPTION

Unissued ordinary shares of the Company at the date of this report are as follows:

Grant Date	Expiry Date	Exercise Price	Number under option
23/11/2020	27/11/2024	\$0.0957	9,000,000
16/11/2021	16/11/2024	\$0.0593	4,500,000
01/02/2022	01/02/2025	\$0.059	1,000,000
22/04/2022	22/10/2024	\$0.10	10,000,000
28/12/2022	28/12/2024	\$0.05	58,571,376
27/01/2023	27/01/2025	\$0.05	2,250,000
27/01/2023	01/12/2024	\$0.05	1,000,000

At the date of this report, there were 1,500,000 performance rights under issue.

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

DIRECTORS' INDEMNITIES

The Group has indemnified the directors and executives of the Group for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith. During the financial year, the Group paid a premium in respect of a contract to insure the directors and executives of the Group against a liability 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.

AUDITOR'S INDEMNITIES

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor. During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

CORPORATE GOVERNANCE

The Group's Appendix 4G is released to ASX on the same day the Annual Report is released. Accelerate Resources Limited's Corporate Governance Statement, and the Company's Policies, Charters and Procedures, can be all found on the Company's website.

NON-AUDIT SERVICES

There were no non-audit services provided during the current and previous financial year by the auditor. The Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as advocate for the Group or jointly sharing economic risks and rewards.

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF AUDITORS

There are no officers of the company who are former partners of Hall Chadwick WA Audit Pty Ltd .

AUDITOR INDEPENDENCE

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

AUDITOR

Hall Chadwick WA Audit Pty Ltd were appointed auditors in accordance with section 327 of the *Corporations Act 2001*, to perform the year-end audit, replacing RSM Australia Partners.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors

**Yaxi Zhan**

Managing Director
29 September 2023

To the Board of Directors,

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

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

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

Yours Faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD



CHRIS NICOLOFF CA
Director

Dated this 29th day of September 2023
Perth, Western Australia

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

		Consolidated 2023	Consolidated 2022
	Note	\$	\$
Revenue			
Other income		-	1,500
		-	1,500
Expenses			
Corporate and professional expenses		(293,266)	(234,081)
Director and employee benefits		(444,803)	(341,987)
Administration expenses		(190,122)	(244,496)
Other expenses		(212,164)	(136,599)
Depreciation		(10,787)	(2,203)
Exploration expenditure		(51,020)	(118,440)
Impairment of exploration expenditure	5	(1,000,000)	-
Research and development		(33,612)	-
Share-based payments expenses		(72,548)	(145,224)
Loss before income tax expense		(2,308,322)	(1,221,530)
Income tax expense	14	-	-
Loss before other comprehensive income		(2,308,322)	(1,221,530)
Other comprehensive income			
<i>Items that will not be subsequently reclassified to profit or loss:</i>			
Changes in fair value of financial assets – fair value OCI	7	268,208	(268,208)
Total comprehensive loss		(2,040,114)	(1,489,738)
Earnings per share for (loss) from continuing operations attributable to the ordinary equity holders of the Group			
Basic and diluted earnings per share (cents)	13	(0.59)	(0.66)

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

As at 30 June 2023

	Note	Consolidated 2023 \$	Consolidated 2022 \$
ASSETS			
Current Assets			
Cash and cash equivalents	3	2,037,164	2,313,957
Other current assets	4	153,444	112,351
Asset held for sale	5	-	1,000,000
Total Current Assets		2,190,608	3,426,308
Non-Current Assets			
Exploration and evaluation expenditure	5	4,499,391	2,121,929
Other non-current assets	4	1,236,261	1,131,223
Plant and equipment	6	108,660	11,426
Total Non-Current Assets		5,844,312	3,264,578
Total Assets		8,034,920	6,690,886
LIABILITIES			
Current Liabilities			
Trade and other payables	8	320,768	266,167
Provision	9	100,464	63,857
Total Current Liabilities		421,232	330,024
Total Liabilities		421,232	330,024
Net Assets		7,613,688	6,360,862
Equity			
Issued capital	10	16,169,011	12,948,619
Reserves	11	2,795,555	2,454,799
Accumulated losses		(11,350,878)	(9,042,556)
Total Equity		7,613,688	6,360,862

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2023

	Note	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Consolidated					
Balance as at 1 July 2021		9,090,949	2,367,354	(7,821,026)	3,637,277
Loss after income tax		-	-	(1,221,530)	(1,221,530)
Other comprehensive income		-	(268,208)	-	(268,208)
Total comprehensive loss for the period		-	(268,208)	(1,221,530)	(1,489,738)
Shares issued	10	4,044,000	-	-	4,044,000
Share issue costs	10,11	(186,330)	-	-	(186,330)
Consideration shares issued	5,10	-	34	-	34
Performance rights issued	11	-	145,189	-	145,189
Options issued	11	-	210,430	-	210,430
Balance as at 30 June 2022		12,948,619	2,454,799	(9,042,556)	6,360,862
Consolidated					
Loss after income tax		-	-	(2,308,322)	(2,308,322)
Other comprehensive income		-	268,208	-	268,208
Total comprehensive loss for the period		-	268,208	(2,308,322)	(2,040,114)
Shares issued	10	3,428,400	-	-	3,428,400
Share issue costs	10,11	(208,008)	-	-	(208,008)
Performance rights issued	11	-	14,500	-	14,500
Director and employee options issued	11	-	17,612	-	17,612
Options issued	11	-	40,436	-	40,436
Balance as at 30 June 2023		16,169,011	2,795,555	(11,350,878)	7,613,688

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

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CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

	Note	Consolidated 2023 \$	Consolidated 2022 \$
Cash Flows from Operating Activities			
Payments to suppliers and employees		(1,116,974)	(793,885)
Interest received		-	-
Other income received		-	1,500
Cash flow boost		-	-
Net cash (outflows) from operating activities	15	(1,116,974)	(792,385)
Cash Flows from Investing Activities			
Purchase of plant and equipment	6	(108,021)	(8,175)
Payments for exploration and evaluation expenditure		(2,291,543)	(1,031,593)
Amounts advanced to external party	4	-	-
Cash acquired from asset acquisition		-	-
Proceeds from sale of investment	5	447,753	-
Net cash (outflows) from investing activities		(1,951,811)	(1,039,768)
Cash Flows from Financing Activities			
Proceeds from issue of shares		3,000,000	3,100,000
Capital raising cost		(208,008)	(186,330)
Net cash inflow from financing activities		2,791,992	2,913,670
Net (decrease)/increase in cash and cash equivalents		(276,793)	1,081,517
Cash and cash equivalents at the beginning of the financial year		2,313,957	1,232,440
Cash and cash equivalents at the end of the financial year	3	2,037,164	2,313,957

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

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NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements and notes represent those of Accelerate Resources Limited (the 'Company') and its controlled entities ('Group'). The financial report was authorised for issue by the Board on 29 September 2023. The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group. Supplementary information about the Company is disclosed in Note 21: Parent Entity Disclosures.

Except for cash flow information, the financial report has been prepared on an accruals basis and is based on historical costs, modified where applicable, by the measurement at fair value of selected financial assets and financial liabilities. Cost is based on the fair values of the consideration given in exchange for assets.

The financial statements have been presented in Australian dollars (AUD), which is the Group's functional and presentation currency.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a loss of \$2,040,114 (30 June 2022: \$1,489,738) and had net cash outflows from operating and investing activities of \$1,116,974 (30 June 2022: \$792,385) and \$1,951,811 (30 June 2022: \$1,039,768) respectively for the year ended 30 June 2023. As at that date, the Group had net current assets of \$1,769,376 (30 June 2022: \$3,096,284). The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to secure funds by raising additional capital from equity markets and managing cash flows in line with available funds.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Management have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet its commitments and working capital requirements for the 12 month period from the date of this report. The ability of the Group to continue as a going concern is dependent on the success of the fund raising and the Group generating cashflows from operating activities and managing costs in line with available funds.

Based on the cash flow forecasts and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Group's history of raising capital to date, the Directors are confident of the Group's ability to raise additional funds as and when they are required.

Should the Group not achieve the matters set out above, there is material uncertainty as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The full year financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of recorded assets or liabilities that might be necessary should the Group not be able to continue as a going concern.

The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Group has the ability to curtail administrative, discretionary exploration and overhead cash outflows as and when required.

New or amended Accounting Standards and Interpretations adopted

During the year ended 30 June 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the year-end reporting period beginning on or after 1 July 2022. Any new or amended standards and interpretations that are not yet mandatory have not been early adopted.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2023. None of the new or amended Accounting Standards and Interpretations, most relevant to the Group, are expected to have a material impact on the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Cash and Cash Equivalents

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

b) Other Assets

Other receivables are recognised at amortised cost, less any provision for impairment.

c) Asset Held for Sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For assets to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of an asset, but not in excess of any cumulative impairment loss previously recognised.

Assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Assets classified as held for sale are presented separately on the face of the consolidated statement of financial position, in current assets.

d) Exploration and Evaluation Assets

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward 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 an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one period of abandoning the site.

e) Plant and Equipment

Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

The gain or loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and is recognised net within other income / other expenses in profit or loss.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised in profit or loss on a diminishing value basis over the estimated useful lives of each part of an item of plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

- Office equipment 3 -10 years
- Field equipment 5 years
- Computer equipment 3 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) Impairment of Non-Financial Assets

At each reporting date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. An asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

g) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

h) Leases

The Group as a lessee

For any new contracts entered into on or after 1 July 2022 the Group considers whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’.

To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group
- The Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- The Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct ‘how and for what purpose’ the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term. On the statement of financial position, right-of-use assets have been included in plant and equipment (except those meeting the definition of investment property) and lease liabilities have been included in trade and other payables.

i) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j) Issued capital

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

k) Earnings Per Share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss after income tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated by dividing the profit or loss after income tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

l) Revenue

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

m) Employee Benefits

Wages and salaries

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months of the reporting date are recognised in employee provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Superannuation

The amount charged to the profit and loss in respect of superannuation represents the contributions paid or payable by the Group to the employee's superannuation funds.

Employee Benefits on-costs

Employee benefit on-costs, including payroll tax, are recognised when paid or payable by the Group.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

n) Income Taxes

Income tax expense or revenue comprises current and deferred tax. Current and deferred taxes are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

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

Deferred tax assets and liabilities are recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and associates and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those rates which are enacted or subsequently enacted for each jurisdiction. Deferred tax assets are recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

o) 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 taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which is disclosed as operating cash flows.

p) Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that related to transactions with any of the Group's other components. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments. The Board (Chief Operating Decision Makers "CODM") is responsible for the allocation of resources to operating segments and assessing their performance.

q) Principles of Consolidation

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

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

r) Fair value measurement

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

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

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

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised and are only carried forward 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. Key judgements are applied in considering the costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

3. CASH AND CASH EQUIVALENTS

Note	Consolidated 2023 \$	Consolidated 2022 \$
Cash at bank	2,037,164	2,313,957
	2,037,164	2,313,957

4. OTHER ASSETS

Current	Consolidated 2023 \$	Consolidated 2022 \$
Accounts receivable	-	-
GST receivable	83,912	48,582
Deposit	46,000	46,000
Prepayments	23,532	17,769
	153,444	112,531

NOTES TO THE FINANCIAL STATEMENTS

4. OTHER ASSETS (CONTINUED)

		Consolidated 2023 \$	Consolidated 2022 \$
<i>Non-Current</i>			
Other asset – Currie Rose Resources Inc ¹	7	-	281,363
Other asset – Vytas Resources Pty Ltd ²		1,236,261	849,860
		1,236,261	1,131,223

¹ The Company announced on 30th April 2021, that it had completed its Due Diligence on the Exploration Program and elected to convert its expenditure to 8,333,333 shares in Currie Rose. During the year to 30 June 2022, the Company received confirmation that the shares had been issued. During the year to 30 June 2023, the Company sold 8,333,333 shares in Currie Rose.

² Pursuant to the binding term sheet entered into with Vytas Resources Pty Ltd (“Vytas”) on 2 September 2021, Accelerate made available A\$250,000 to Vytas in order to fund the work program on the Tambellup and Midwest Silica Sand Projects, preparing for Vytas’ initial public offering and contributions to working capital.

The Company announced on 30 November 2021, that the transaction had completed and Accelerate had been issued with 27,120,000 shares, equal to 33% interest in Vytas.

5. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated 2023 \$	Consolidated 2022 \$
Exploration and evaluation expenditure – Western Australia	4,445,391	2,121,929
	4,445,391	2,121,929
Exploration and evaluation expenditure – Western Australia		
Opening balance	2,121,929	912,356
Additions ¹	3,377,462	1,209,573
Impairment ²	(1,000,000)	-
Closing balance	4,499,391	2,121,929

¹ In July 2022, the Company issued 7,000,000 fully paid ordinary shares as deferred consideration for the Halcyon transaction, the deemed issue price was \$0.0552 per share.

In June 2023, the Company issued 2,000,000 fully paid ordinary shares as consideration for the acquisition of exploration tenements E45/5942 and E45/5907, the deemed issue price was \$0.021 per share.

NOTES TO THE FINANCIAL STATEMENTS

5. EXPLORATION AND EVALUATION EXPENDITURE (CONTINUED)

²In June 2021, the Company announced that it had entered into a Heads of Agreement, granting an option to unlisted company Stunalara Metals Limited (“Stunalara”), to acquire 100% of the legal and beneficial interest in the Company’s Mt Read Project in Tasmania. The Mt Read Project comprises exploration license EL06/2013. Upon exercising of the option, the Company will receive fully paid ordinary shares in Stunalara to the value of \$1,000,000 at a deemed issue price equal to the price per share offered to the public under Stunalara’s proposed initial public offering or the 1-month VWAP price of an RTO vehicle prior to a deal being announced for the listing via a reverse takeover (back door listing).

The parties mutually agreed to terminate the Heads of Agreement as of 25 October 2022 due to unfavourable IPO market conditions.

As a result of the above, an impairment charge of \$1,000,000 has been recognised during the year-end to 30 June 2023.

	Consolidated 2023 \$	Consolidated 2022 \$
Asset held for sale – Mt Read Project	-	1,000,000

6. PLANT AND EQUIPMENT

	Consolidated 2023 \$	Consolidated 2022 \$
Plant and equipment		
- at cost	135,363	27,342
- accumulated depreciation	(26,703)	(15,916)
	108,660	11,426
Plant and equipment – movements		
Opening balance	11,426	5,454
Additions	108,021	8,175
Depreciation	(10,787)	(2,203)
Closing balance	108,660	11,426

7. FINANCIAL ASSETS – FAIR VALUE OCI

	Consolidated 2023 \$	Consolidated 2022 \$
At beginning of year	281,363	549,571
Changes in fair value - sale of financial assets	(268,363)	(268,208)
Other adjustment	(13,000)	-
At end of year	-	281,363

NOTES TO THE FINANCIAL STATEMENTS

7. FINANCIAL ASSETS – FAIR VALUE OCI (CONTINUED)

Financial assets – fair value OCI, consist of investments in TSX-V listed company. During the year ended 30 June 2023, all investments were disposed of.

8. TRADE AND OTHER PAYABLES

	Consolidated 2023 \$	Consolidated 2022 \$
Trade payables	230,257	216,687
Accruals	35,460	42,815
Other payables	55,051	6,665
	320,768	266,167

Trade creditors, excluding related party payables, are expected to be paid on 30-day terms.

9. PROVISION

	Consolidated 2023 \$	Consolidated 2022 \$
Employee annual leave provision	100,464	63,857
	100,464	63,857

NOTES TO THE FINANCIAL STATEMENTS

10. ISSUED CAPITAL

	Consolidated 30-Jun-23 No.	Consolidated 30-Jun-22 No.	Consolidated 30-Jun-23 \$	Consolidated 30-Jun-22 \$
Ordinary shares on issue, fully paid	379,601,756	263,458,899	16,169,011	12,948,619

Reconciliation of Movement in Issued Capital

	Shares No.	Date	Issue Price \$	Amount \$
Closing balance at 30 June 2021	156,847,794			9,090,949
Placement – tranche 1	38,899,428	20-Sep-21	0.036	1,400,379
Placement – tranche 2	47,211,677	16-Nov-21	0.036	1,699,621
Shares to Finders Fee ¹	2,000,000	16-Nov-21	0.048	96,000
Acquisition of Volcanic (Note 5)	500,000	16-Nov-21	0.072	36,000
Acquisition of Braeside West and Ripon Hills ²	8,000,000	01-Dec-21	0.039	312,000
Acquisition of Barramine (Note 5)	10,000,000	21-Apr-22	0.05	500,000
Share Issue Cost	-			(186,330)
Closing balance at 30 June 2022	263,458,899			12,948,619
Deferred consideration for Halcyon transaction (Note 5)	7,000,000	04-Jul-22	0.0552	386,400
Placement – Tranche 1	40,568,834	21-Nov-22	0.028	1,135,927
Placement – Tranche 2	66,574,023	28-Dec-22	0.028	1,864,073
Acquisition of E45/5942 and E45/5907 (Note 5)	2,000,000	09-Jun-22	0.021	42,000
Share Issue Cost	-			(208,008)
Closing balance at 30 June 2022	379,601,756			16,169,011

* Total value of share capital issued during the year ended 30 June 2023 amounted to \$3,428,400.

¹ On 16 November 2021, 2,000,000 fully paid ordinary shares were issued to advisors pursuant to finders' fee agreements, of which 1,500,000 shares are voluntarily restricted to 15 November 2022.

² On 1 December 2021, 8,000,000 fully paid ordinary shares were issued for the exercise of the option to acquire the Mineral Rights on the Ripon Hills and Braeside West Projects in the East Pilbara Manganese Field.

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital. On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

NOTES TO THE FINANCIAL STATEMENTS

10. ISSUED CAPITAL (CONTINUED)

Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders. The Group's capital includes ordinary share capital and financial liabilities, supported by financial assets.

Due to the nature of the Group's activities, being mineral exploration, it does not have ready access to credit facilities, with the primary source of funding being equity raisings. Accordingly, the objective of the Group's capital risk management is to balance the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. This is achieved by maintaining appropriate liquidity to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The Group is not subject to any externally imposed capital requirements.

	Consolidated 2023 \$	Consolidated 2022 \$
Cash and cash equivalents	2,037,164	2,313,957
Trade and other receivables (excludes deposit)	107,444	66,351
Trade and other payables	(320,768)	(266,167)
Working capital position	1,823,840	2,114,141

11. RESERVES

	Consolidated 2023 \$	Consolidated 2022 \$
Options reserve	2,781,021	2,722,973
Performance rights reserve	14,534	34
Fair value reserve	-	(268,208)
	2,795,555	2,454,799

Option reserve

Options issued carry no dividend or voting rights. When exercisable, each option is convertible to one ordinary share.

NOTES TO THE FINANCIAL STATEMENTS

11. RESERVES (CONTINUED)

	No. of Options	\$
Closing balance at 30 June 2021	33,000,000	2,367,354
Options issued to Directors ¹	4,500,000	124,913
Options issued to Directors ²	1,000,000	20,276
Options issued to acquire Barramine ³	10,000,000	210,430
Options expired ⁴	(5,000,000)	-
Closing balance at 30 June 2022	43,500,000	2,722,973
Options issued to Shareholders ⁵	53,571,376	-
Options issued to Placement Advisor ⁶	5,000,000	20,276
Options issued to Consultants of the Company ⁷	3,250,000	210,430
Options expired ⁸	(14,000,000)	-
Closing balance at 30 June 2023	43,500,000	2,722,973

¹ On 16 November 2021, the Company issued 4,500,000 unlisted options exercisable at \$0.0593 each, expiring 16 November 2024, to Directors of the Company.

² On 1 February 2022, the Company issued 1,000,000 unlisted options exercisable at \$0.059 each, expiring 1 February 2025, to a Director of the Company.

³ On 22 April 2022, the Company issued 10,000,000 unlisted options exercisable at \$0.10 each, expiring 22 October 2024 in relation to the Barramine asset acquisition.

⁴ On 14 February 2022, 5,000,000 unlisted options exercisable at \$0.25 each expired.

⁵ On 28 December 2022, the Company issued 53,571,376 unlisted options exercisable at \$0.05 each, expiring 28 December 2024 as free attaching options to participants of the Placement.

⁶ On 28 December 2022, the Company issued 5,000,000 unlisted options exercisable at \$0.05 each, expiring 28 December 2024 to the Placement Advisor.

⁷ On 27 January 2023, the Company issued 2,250,000 unlisted options exercisable at \$0.05 each, expiring 27 January 2025 and 1,000,000 unlisted options exercisable at \$0.05 each, expiring 1 December 2024 to employees and consultants of the Company.

⁸ On 27 November 2022 and 9 June 2023, 9,000,000 and 5,000,000 unlisted options exercisable at \$0.0959, \$0.0957 and \$0.06 each expired.

NOTES TO THE FINANCIAL STATEMENTS

11. RESERVES (CONTINUED)

Summary of options granted as at 30 June 2023 are as follows:

Grant Date	Expiry Date	Exercise Price	Balance at Start of Year	Granted	Exercised	Expired / Cancelled	Balance at End of Year
28/05/2020	09/06/2023	\$0.06	5,000,000	-	-	(5,000,000)	-
30/08/2020	02/09/2023	\$0.06	5,000,000	-	-	-	5,000,000
31/10/2020	27/11/2022	\$0.0959	1,500,000	-	-	(1,500,000)	-
23/11/2020	27/11/2024	\$0.0957	9,000,000	-	-	-	9,000,000
23/11/2020	27/11/2022	\$0.0957	7,500,000	-	-	(7,500,000)	-
16/11/2021	16/11/2024	\$0.0593	4,500,000	-	-	-	4,500,000
01/02/2022	01/02/2025	\$0.059	1,000,000	-	-	-	1,000,000
22/04/2022	22/10/2024	\$0.10	10,000,000	-	-	-	10,000,000
28/12/2022	28/12/2024	\$0.05	-	53,571,376	-	-	53,571,376
28/12/2022	28/12/2024	\$0.05	-	5,000,000	-	-	5,000,000
27/01/2023	27/01/2025	\$0.05	-	2,250,000	-	-	2,250,000
27/01/2023	01/12/2024	\$0.05	-	1,000,000	-	-	1,000,000
			43,500,000	61,821,376	-	(14,000,000)	91,321,376

Summary of options granted as at 30 June 2022 are as follows:

Grant Date	Expiry Date	Exercise Price	Balance at Start of Year	Granted	Exercised	Expired / Cancelled	Balance at End of Year
18/01/2018	12/02/2022	\$0.25	5,000,000	-	-	(5,000,000)	-
28/05/2020	09/06/2023	\$0.06	5,000,000	-	-	-	5,000,000
30/08/2020	02/09/2023	\$0.06	5,000,000	-	-	-	5,000,000
31/10/2020	27/11/2022	\$0.0959	1,500,000	-	-	-	1,500,000
23/11/2020	27/11/2024	\$0.0957	9,000,000	-	-	-	9,000,000
23/11/2020	27/11/2022	\$0.0957	7,500,000	-	-	-	7,500,000
16/11/2021	16/11/2024	\$0.0593	-	4,500,000	-	-	4,500,000
01/02/2022	01/02/2025	\$0.059	-	1,000,000	-	-	1,000,000
22/04/2022	22/10/2024	\$0.10	-	10,000,000	-	-	10,000,000
			33,000,000	15,500,000	-	(5,000,000)	43,500,000

The weighted average exercise price of the outstanding options as at 30 June 2023 was \$0.06 (30 June 2022: \$0.08). The weighted average remaining contractual life of options outstanding at 30 June 2023 was 1.39 years (30 June 2022: 1.67 years).

NOTES TO THE FINANCIAL STATEMENTS

11. RESERVES (CONTINUED)

Performance rights reserve

Performance rights issued carry no dividend or voting rights. When exercisable, each performance right is convertible to one ordinary share.

	No. of Rights	\$
Closing balance at 30 June 2021	-	-
Performance rights issued to a Consultant ¹	500,000	34
Closing balance at 30 June 2022	500,000	34-
Performance rights issued to a Consultant ²	1,000,000	14,500
Closing balance at 30 June 2023	1,500,000	14,534

¹ On 27 June 2022, the Company granted 500,000 performance rights expiring 1 October 2023 to a Consultant. The performance rights were valued at \$0.032 per right, being the share price on the grant date, which reflects fair value in line with AASB 2 Share-Based Payment.

² On 27 January 2023, the Company granted 1,000,000 performance rights expiring 1 December 2023 to a Consultant. The performance rights were valued at \$0.029 per right, being the share price on the grant date, which reflects fair value in line with AASB 2 Share-Based Payment.

12. SHARE-BASED PAYMENTS

On 28 December 2022, the Company issued 5,000,000 unlisted options exercisable at \$0.05 each, expiring 28 December 2024, to Placement Advisors of the Company.

On 27 January 2023, the Company issued 2,250,000 unlisted options exercisable at \$0.05 each, expiring 27 January 2025, to Employees and Consultants of the Company.

On 27 January 2023, the Company issued 1,000,000 unlisted options exercisable at \$0.05 each, expiring 1 December 2024, to a Consultant of the Company.

The Black-Scholes option pricing model was used to value the options and the following table lists the inputs to the model used for the valuation of the options:

Grant Date	Expiry Date	Exercise Price	Share Price at Grant Date	Expected Volatility	Risk-free Interest Rate	Fair Value per Option
28/12/2022	28/12/2024	\$0.05	\$0.023	100.0%	3.42%	\$0.0081
27/01/2023	27/01/2025	\$0.05	\$0.029	100.0%	3.17%	\$0.0117
27/01/2023	01/12/2024	\$0.05	\$0.029	100.0%	3.17%	\$0.0111

NOTES TO THE FINANCIAL STATEMENTS

12. SHARE BASED PAYMENTS (CONTINUED)

On 27 January 2023, the Company granted 1,000,000 performance rights expiring 1 December 2023 to a Consultant. The performance rights were valued at \$0.029 per right, being the share price on the grant date, which reflects fair value in line with AASB 2 Share-Based Payment.

13. EARNINGS PER SHARE

	Consolidated 2022 \$	Consolidated 2021 \$
Loss after income tax (used in calculating both basic and diluted loss per share)	(1,489,738)	(3,374,055)
	Cents	Cents
Basic loss per share (cents)	(0.66)	(2.37)
Diluted loss per share (cents)	(0.66)	(2.37)
	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted EPS	224,488,940	142,274,032

14. INCOME TAX EXPENSE

A reconciliation between the income tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:

	Consolidated 2023 \$	Consolidated 2022 \$
Loss before income tax	(2,308,322)	(1,221,530)
Prima facie benefit on operation loss at 25% (2022: 25%)	(577,080)	(305,383)
Non-allowable expenditure	18,137	36,313
Non-assessable income	-	-
Temporary differences not brought to account as a deferred tax asset / (liability)	(329,065)	(202,902)
Tax losses not brought to account as a deferred tax asset	888,008	471,971
Income tax benefit	-	-
Unrecognised tax losses	11,960,939	8,254,843

NOTES TO THE FINANCIAL STATEMENTS

14. INCOME TAX EXPENSE

A potential deferred tax asset, attributable to tax losses carried forward, amounts to approximately \$747,559 (2022: \$515,928) and has not been brought to account at reporting date because the directors do not believe it is appropriate to regard realisation of the deferred tax asset as probable at this point in time. This benefit will only be obtained if:

- the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss incurred;
- the Group continues to comply with the conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss incurred.
- the Group continues to comply with the conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss incurred.

15. CASH FLOW INFORMATION

Reconciliation of cash flow from operating activities with loss after income tax:

	Consolidated 2023 \$	Consolidated 2022 \$
Loss after income tax	(2,308,322)	(1,221,530)
<i>Add / (deduct) non-cash items:</i>		
Share based payment expense	72,548	145,224
Depreciation	10,787	2,203
Impairment of exploration expenditure	1,000,000	90,590
Loss on sale of investments	92,679	-
<i>Changes in assets and liabilities:</i>		
Other current assets	(31,955)	(31,023)
Trade and other payables	10,682	197,790
Provisions	36,607	24,361
Cash outflows from operating activities	(1,116,974)	(792,385)

NOTES TO THE FINANCIAL STATEMENTS

16. RELATED PARTY TRANSACTIONS

a) Key Management Personnel Compensation

	Consolidated 2023 \$	Consolidated 2022 \$
Short-term employee benefits – Cash, salary and fees	440,996	339,375
Post-employment benefits	29,761	23,875
Share-based payment	-	145,189
	470,757	508,439

b) Transactions with Related Parties

There were no other transactions with related parties other than through Key Management Personnel Compensation above.

c) Amount owing from / (to) Related Parties

There were no amounts owing from / (to) related parties at 30 June 2022 (2021: nil).

16. AUDITOR'S REMUNERATION

	Consolidated 2023 \$	Consolidated 2022 \$
<i>Audit services</i>		
Audit or review of the financial statements	28,109	23,000
	28,109	23,000

17. COMMITMENTS

Operating lease commitments consists of various mining tenement leases in Western Australia (Woodie Woodie North, Comet, Pilbara Lithium).

The Group has annual minimum expenditure commitments of \$473,000 (2022: \$224,000 excluding commitments of \$65,000 relating to the Mt Read Cobalt Project which is being met by Stunalara Metals Limited under a Heads of Agreement).

18. OPERATING SEGMENTS

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

NOTES TO THE FINANCIAL STATEMENTS

18. OPERATING SEGMENTS (CONTINUED)

For management purposes, the Group has organised its operations into one reportable segment on the basis of stage of development as follows:

- Exploration and evaluation assets, which includes assets that are associated with the determination and assessment of the existence of commercial economic reserves.

The Board as a whole will regularly review the identified segments in order to allocate resources to the segment and to assess its performance. During the year ended 30 June 2021 and 30 June 2022, the Group had no development assets. The Board considers that it has only operated in one segment, being mineral exploration. The Group is domiciled in Australia. Another income from external customers are only generated from Australia. No income was derived from a single external customer.

19. CONTROLLED ENTITIES

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in Note 1.

	Country of Incorporation	Principal Activities	Ownership 2023 (%)	Ownership 2022 (%)
Volcanic Resources Pty Ltd	Australia	Exploration	100 ¹	100 ¹
Attstar Pty Ltd	Australia	Exploration	100 ²	100 ²

¹Volcanic Resources Pty Ltd was acquired on 27 November 2020. Refer to Note 5 for more details on the acquisition.

²Attstar Pty Ltd was acquired on 15 February 2022. Refer to Note 5 for more details on the acquisition.

NOTES TO THE FINANCIAL STATEMENTS

20. PARENT ENTITY DISCLOSURES

The following information has been extracted from the books and records of the legal parent, being Accelerate Resources Limited and has been prepared in accordance with Accounting Standards.

	2023	2022
	\$	\$
<i>Financial Position</i>		
Total current assets	2,190,608	3,426,308
Total non-current assets	5,844,312	3,264,578
Total assets	8,034,920	6,690,886
Total current liabilities	421,232	330,024
Total liabilities	421,232	330,024
Net assets	7,613,688	6,360,862
Issued capital	16,169,011	12,948,619
Reserves	2,795,555	2,454,799
Accumulated losses	(11,350,878)	(9,042,556)
Total equity	7,613,688	6,360,862
<i>Financial Performance</i>		
Loss for the year	(2,308,322)	(1,221,530)
Other comprehensive income	268,208	(268,208)
Total comprehensive loss	(2,040,114)	(1,489,738)

The Parent Entity has no capital commitments and has not entered into a deed of cross guarantee nor are there any contingent liabilities, apart from that mentioned in Note 24, at the year end.

21. FINANCIAL RISK MANAGEMENT

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

- credit risk;
- liquidity risk; and
- market risk.

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

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

NOTES TO THE FINANCIAL STATEMENTS

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is spread amongst approved counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the board. The board's policy requires that surplus funds are only invested with counterparties with a Standard & Poor's rating of at least AA-. All of the Group's surplus funds are invested with AA- Rated financial institutions.

The Group does not have any material credit risk exposure to any single receivable or Group of receivables under financial instruments entered into by the Group.

The credit risk for counterparties included in cash and cash equivalents as at 30 June 2022 is detailed below:

	Consolidated 2023 \$	Consolidated 2022 \$
Financial assets:		
Cash and cash equivalents	2,037,164	2,313,957
	2,037,164	2,313,957

Liquidity risk

The responsibility with liquidity risk management rests with the Board of Directors. The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained. The Group's policy is to ensure that it has sufficient cash reserves to carry out its planned exploration activities over the next 12 months.

The Group's financial instrument liabilities of \$320,768 are expected to be paid within one year.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

21. FINANCIAL RISK MANAGEMENT (CONTINUED)

Interest rate risk

The Group does not have any exposure to interest rate risk as there were no external borrowings at 30 June 2022 (2021: nil). Interest bearing assets are all short-term liquid assets and the only interest rate risk is the effect on interest income by movements in the interest rate. There is no other material interest rate risk.

Fair values

The net fair values of financial assets and financial liabilities approximate their carrying value. The methods for estimating fair value are outlined in the relevant notes to the financial statements.

22. EVENTS SUBSEQUENT TO BALANCE DATE

On 3 July 2023, the Company announced its Non-Executive Director Dr Steve Bodon took up a new role as the Company's Executive Director – Technical, effective 1 August 2023.

On 25 August 2023, the Company issued 1,000,000 fully paid ordinary shares as consideration for the Public Relation Services provided by SparkPlus.

On 2 September 2023, the Company announced the expiry of 5,000,000 options exercisable at \$0.06.

There are no other matters or circumstances that have arisen since 30 June 2023 to the date of this report that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

23. CONTINGENT LIABILITIES AND ASSETS

At 30 June 2023, there was contingent consideration payable of 8,000,000 ordinary shares relating to the acquisition of Halcyon Resources Pty Ltd on 18 November 2019. These contingent consideration shares are payable based on Accelerate Resources announcing on ASX platform upon shipment(s) of 50,000 tons of Kaolin Clay or derived product from the Project (E70/4969).

-

There were no other contingent assets at 30 June 2023 (2022: nil).

DIRECTORS' DECLARATION

In the opinion of the Directors of the Group:

- a) The financial statements and notes set out on the preceding pages are in accordance with the *Corporations Act 2001* including:
 - i Giving a true and fair view of the financial position of the Group as at 30 June 2023 and of its performance for the financial year ended on that date; and
 - ii Complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- c) The financial statements and notes are in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5)(a) of *Corporations Act 2001*.



Yaxi Zhan
Managing Director

29 September 2023
Perth

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCELERATE RESOURCES LIMITED

Report on the Audit of the Financial Report

Opinion

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

In our opinion:

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report which indicates that the Consolidated Entity incurred a loss of \$2,308,322 during the year ended 30 June 2023. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity’s ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

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
<p>Exploration and Evaluation Expenditure</p> <p>The carrying amount of exploration and evaluation expenditure as at 30 June 2023 was \$4,449,391.</p> <p>Exploration and evaluation expenditure is a key audit matter due to:</p> <ul style="list-style-type: none"> • The significance of the balance to the Company's financial position; • The level of judgement required in evaluating management's application of the requirements of AASB 6 Exploration for and Evaluation of Mineral Resources ("AASB 6"). AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset; and <p>The assessment of impairment of exploration and evaluation expenditure being inherently difficult.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • Assessed management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the Company holds an interest and the exploration programmes planned for those tenements. • Agreed the terms of acquisition agreements and on a sample basis corroborated rights to tenure to government registries and relevant agreements as applicable; For each area of interest, we assessed the Company's rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable. • Considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets. • Substantiated a sample of expenditure by agreeing to supporting documentation. • We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure: <ul style="list-style-type: none"> ○ the licenses for the right to explore expiring in the near future or are not expected to be renewed; ○ substantive expenditure for further exploration in the specific area is neither budgeted or planned

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Key Audit Matter	How our audit addressed the Key Audit Matter
	<ul style="list-style-type: none"> ○ decision or intent by the Company to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and ○ data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale. <ul style="list-style-type: none"> • Assessed the appropriateness of the disclosures included in the relevant notes to the financial statements.

Other Information

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

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity 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 Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity'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 Consolidated Entity 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 Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the Remuneration Report

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

Auditor's Opinion

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

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD



CHRIS NICOLOFF CA
Director

Dated this 29th day of September 2023
Perth, Western Australia

ASX ADDITIONAL INFORMATION

SCHEDULE OF MINING TENEMENTS HELD AT THE REPORT DATE

Project	Tenement Number	Status	Location	Beneficial Percentage Interest
Comet	E20/908	Granted	Western Australia	100%
Comet	E20/970	Granted	Western Australia	100%
Comet	E21/213	Granted	Western Australia	100%
Comet	E21/214	Granted	Western Australia	100%
Comet	E20/965	Granted	Western Australia	100%
Comet	E20/1000	Application	Western Australia	100%
Comet	E21/217	Application	Western Australia	100%
Wooleen Project	E09/2757	Application	Western Australia	100%
Wooleen Project	E59/2775	Application	Western Australia	100%
Wooleen Project	E59/2628	Granted	Western Australia	100%
Wooleen Project	E59/2629	Application	Western Australia	100%
Wooleen Project	E59/2630	Granted	Western Australia	100%
Wooleen Project	E59/2632	Application	Western Australia	100%
Wooleen Project	E59/2646	Application	Western Australia	100%
Woodie Woodie North	E45/5854	Granted	Western Australia	100% Mn and Iron Right
Woodie Woodie North	E45/5088	Granted	Western Australia	100% Mn and Iron Right
Woodie Woodie North	E45/5978	Granted	Western Australia	100%
Woodie Woodie North	E45/6100	Application	Western Australia	100%
Woodie Woodie North	E45/5907	Application	Western Australia	100%
Woodie Woodie North	E45/5942	Application	Western Australia	100%
Woodie Woodie North	E45/6508	Application	Western Australia	100%
Pilbara Lithium	E45/6278	Application	Western Australia	100%
Pilbara Lithium	E45/6279	Application	Western Australia	100%
Pilbara Lithium	E45/6280	Application	Western Australia	100%
Pilbara Lithium	E45/66416	Application/Ballot	Western Australia	100%
Mt Read	EL 6/2013	Granted	Tasmania	100%

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ASX ADDITIONAL INFORMATION

Additional information required by the ASX Limited Listing Rules not disclosed elsewhere in this Annual Report is set out below. The information is current as at 26 September 2023.

SHAREHOLDINGS

The issue capital of the Company as at 26 September 2023 is 380,601,756 ordinary fully paid shares. As at 26 September 2023 there are no substantial holders.

Distribution of Shareholders	No. of Holders	No. of Shares
1 - 1,000	32	5,020
1,001 - 5,000	26	97,551
5,001 - 10,000	97	855,269
10,001 - 100,000	414	17,727,737
100,001 and over	367	361,916,179
Total	936	380,601,756

Number holding less than a marketable parcel	248	2,336,847
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Top 20 Shareholders of Quoted Shares		No. of Shares Held	% Held
1	MR CRAIG MICHAEL LAKE + MRS JUDITH MAY LAKE	10,000,000	2.63
2	SWANCAVE PTY LTD <THE BMC FAMILY A/C>	9,400,000	2.47
3	SILVERPEAK NOMINEES PTY LTD <THE RGM HILL A/C>	9,132,653	2.4
4	MR ANTON WASYL MAKARYN + MRS MELANIE FRANCES MAKARYN <TMAK SUPER A/C>	7,974,918	2.1
5	BRIGHT ELEMENT PTY LTD <YUANLIU FAMILY A/C>	7,142,857	1.88
6	MR MARX LIN	6,745,495	1.77
7	BATAVIA CAPITAL PTY LTD <AUSTLEY A/C>	6,177,500	1.62
8	QUEBEC NOMINEES PTY LTD	5,700,000	1.5
9	GELLI PTY LTD <MERINO SUPER A/C>	5,000,000	1.31
10	MISS YAXI ZHAN	4,810,009	1.26
11	GENDPORT PTY LTD <BRUCE MUNRO FAMILY A/C>	4,800,000	1.26
12	VALIAN NOMINEES PTY LTD <MCDONAGH S/F A/C>	4,350,000	1.14
13	W M T RESOURCES PTY LTD <EIGHT SQUARED A/C>	4,140,000	1.09
14	ADRIATIC PTY LTD <MGS A/C>	4,100,000	1.08
15	GANDRIA CAPITAL PTY LTD <THE TEDBLAHNKI FAMILY A/C>	4,100,000	1.08
16	GOVINDA FREEDOM FUND PTY LTD <SUPER GOVINDA A/C>	4,100,000	1.08
17	WALLCLIFFE HOLDINGS PTY LTD <THE WHITING FUND A/C>	4,000,000	1.05
18	MRS ADRIENNE ROSEMARY HAWKINS <PETER HAWKINS (NO2) FAM A/C>	4,000,000	1.05
19	SOLSTRAALE NOMINEES PTY LTD <MUSGRAVE SUPER FUND A/C>	3,820,000	1
20	MR ROLAND MICHAEL JOHNSTON <THE JOHNSTON FAMILY A/C>	3,680,000	0.97

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ASX ADDITIONAL INFORMATION

OPTION HOLDINGS

The Company has the following classes of options on issue at 26 September 2023 as detailed below.

Class	Type	Terms	No. of Options
AX8OPT1	Unlisted Options	Unlisted options exercisable at \$0.10 each, expiring 22 October 2024	10,000,000
AX8OPT2	Unlisted Options	Unlisted options exercisable at \$0.0593 each, expiring 16 November 2024- Directors	4,500,000
AX8OPT3	Unlisted Options	Unlisted options exercisable at \$0.0957 each, expiring 27 November 2024	9,000,000
AX8OPT4	Unlisted Options	Unlisted options exercisable at \$0.059 each, expiring 1 February 2025	1,000,000
AX8OPT5	Unlisted Options	Unlisted options exercisable at \$0.05 each, expiring 28 December 2024	58,571,376
AX8OPT6	Unlisted Options	Unlisted options exercisable at \$0.05 each, expiring 27 January 2025	2,250,000
AX8OPT7	Unlisted Options	Unlisted options exercisable at \$0.05 each, expiring 1 December 2024	1,000,000
			86,321,376

Options Range	Unlisted Options (AX8OPT1)	
	No. of Holders	No. of Options
1 – 1,000	-	-
1,001 – 5,000	-	-
5,001 – 10,000	-	-
10,001 – 100,000	2	200,000
100,001 and over	9	9,800,000
	11	10,000,000

The following Option holder hold more than 20% of the Company's Unlisted Options (AX8OPT1)

Holder	No. of Options	%
WMT RESOURCES PTY LTD <EIGHT SQUARED A/C>	2,990,000	29.9

Options Range	Unlisted Options (AX8OPT2)	
	No. of Holders	No. of Options
1 – 1,000	-	-
1,001 – 5,000	-	-
5,001 – 10,000	-	-
10,001 – 100,000	-	-

ASX ADDITIONAL INFORMATION

100,001 and over	3	4,500,000
	3	4,500,000

The following Option holders hold more than 20% of the Company's Unlisted Options (AX8OPT2).

Holder	No. of Options	%
EMPF INVESTMENT PTY LTD <EMP FAMILY A/C>	2000000	44.44
SILVERPEAK NOMINEES PTY LTD <THE RGM HILL A/C>	1500000	33.33
GRANT JONATHAN MOONEY	1000000	22.22

Options Range	Unlisted Options (AX8OPT3)	
	No. of Holders	No. of Options
1 – 1,000	-	-
1,001 – 5,000	-	-
5,001 – 10,000	-	-
10,001 – 100,000	-	-
100,001 and over	3	9,000,000
	3	9,000,000

The following Option holders hold more than 20% of the Company's Unlisted Options (AX8OPT3).

Holder	No. of Options	%
GRANT MOONEY	3,000,000	33.33
MISS YAXI ZHAN	3,000,000	33.33
SILVERPEAK NOMINEES PTY LTD <THE RGM HILL A/C>	3,000,000	33.33

Options Range	Unlisted Options (AX8OPT4)	
	No. of Holders	No. of Options
1 – 1,000	-	-
1,001 – 5,000	-	-
5,001 – 10,000	-	-
10,001 – 100,000	-	-
100,001 and over	1	1,000,000
	1	1,000,000

The following Option holder hold more than 20% of the Company's Unlisted Options (AX8OPT4).

Holder	No. of Options	%
STEPHEN BRUCE BODON	1,000,000	100

ASX ADDITIONAL INFORMATION

Options Range	Unlisted Options (AX8OPT5)	
	No. of Holders	No. of Options
1 – 1,000	-	-
1,001 – 5,000	-	-
5,001 – 10,000	-	-
10,001 – 100,000	13	1,097,742
100,001 and over	113	57,473,634
	126	58,571,376

No Option holder hold more than 20% of the Company's Unlisted Options (AX8OPT5).

Holder	No. of Options	%

Options Range	Unlisted Options (AX8OPT6)	
	No. of Holders	No. of Options
1 – 1,000	-	-
1,001 – 5,000	-	-
5,001 – 10,000	-	-
10,001 – 100,000	-	-
100,001 and over	3	2,250,000
	3	2,250,000

The following Option holders hold more than 20% of the Company's Unlisted Options (AX8OPT6).

Holder	No. of Perf. Rights	%	Holder
1	OOFY PROSSER PTY LTD <DRONES FAMILY A/C>	1,500,000	66.67
2	BEVERLEY NICHOLS	500,000	22.22

Options Range	Unlisted Options (AX8OPT7)	
	No. of Holders	No. of Options
1 – 1,000	-	-
1,001 – 5,000	-	-
5,001 – 10,000	-	-
10,001 – 100,000	-	-
100,001 and over	1	1,000,000
	1	1,000,000

The following Option holder hold more than 20% of the Company's Unlisted Options (AX8OPT7).

ASX ADDITIONAL INFORMATION

Holder	No. of Options	%
JOSEPH ALLEN PRINSIP DRAKE-BROCKMAN	1,000,000	100

PERFORMANCE RIGHTS HOLDINGS

The Company has the following performance rights on issue at 26 September 2023 as detailed below.

Performance Rights Range	Performance Rights	
	No. of Holders	No. of Perf. Rights
1 – 1,000	-	-
1,001 – 5,000	-	-
5,001 – 10,000	-	-
10,001 – 100,000	-	-
100,001 and over	2	1,500,000
	1	1,500,000

The following Option holder hold more than 20% of the Company's Performance Rights

Holder	No. of Perf. Rights	%
JOSEPH ALLEN PRINSIP DRAKE-BROCKMAN	1,000,000	100
MR MICHAEL RICHARD GRIFFITHS <THE MR GRIFFITHS FAMILY A/C>	500,000	100

RESTRICTED SECURITIES

Restricted Class	No. of Securities	Restriction Period
Fully paid ordinary shares	1,000,000	Voluntarily escrowed to 25 February 2024

VOTING RIGHTS

The holders of ordinary shares are entitled to one vote per share at meetings of the Company. Options and Performance Rights do not carry any rights to vote.

ON-MARKET BUY BACK

There is no current on-market buy back.