



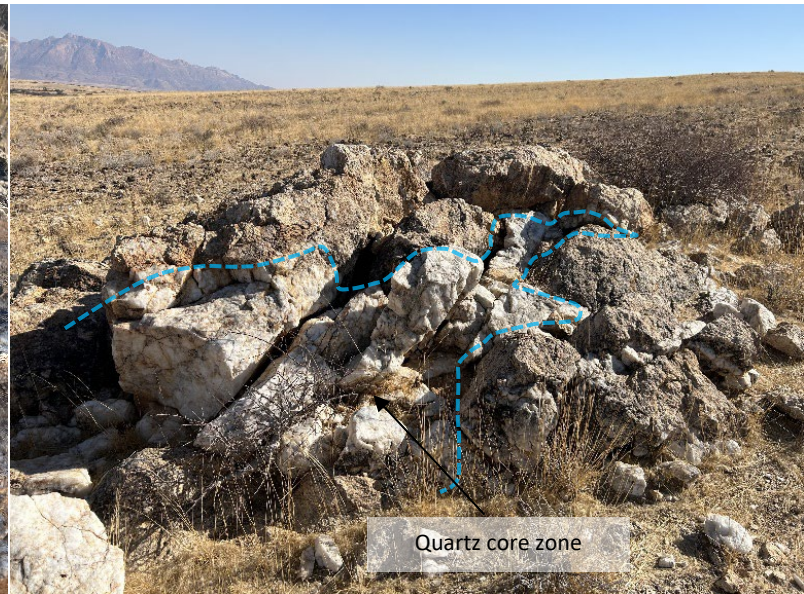
# ASKARI

## Annual Report 30 June 2023

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Spodumene enriched zone



Quartz core zone





**ASKARI METALS LIMITED**  
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**FOR THE YEAR ENDED 30 JUNE 2023**

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## **CORPORATE INFORMATION**

### **Directors & Officers**

Mr. Robert Downey	Non-Executive Chairperson
Mr. Gino D'Anna	Executive Director
Mr Chris Evans	Non-Executive Director (Technical)

### **Company Secretary**

Mr Paul Fromson (CFO and Company Secretary)

### **Registered Office**

17 Lacey Street  
Perth WA 6000

### **Auditors**

HLB Mann Judd (WA Partnership)  
Level 4/ 130 Stirling St  
Perth WA 6000

### **Stock Exchange**

Australian Securities Exchange Limited (ASX)  
Home Exchange - Perth

### **Australian Company Number**

ACN 646 034 460

### **Australian Business Number**

ABN 39 646 034 460

### **Website**

[www.askarimetals.com](http://www.askarimetals.com)

### **Solicitors**

Steinepreis Paganin Lawyers & Consultants  
Level 4, the Read Buildings  
16 Milligan Street  
Perth WA 6000 Australia

### **Domicile and Country of Incorporation**

Australia

### **Bankers**

Commonwealth Bank  
Shop 1, 95 William Street  
Perth WA 6000

### **Share Registry**

Automic Group  
Level 2, 267 St Georges Terrace  
Perth WA 6000  
T: 1300 288 664

### **ASX Code**

**AS2**

## Executive Director and CEO Address

The past year has been revolutionary for Askari Metals, as we expanded our global exploration footprint and evolved to become a significant player in the African lithium game.

Our biggest milestone to date was the acquisition of two tenements, EPL 7345 and EPL 8535, in October 2022, located in prime lithium real estate in Namibia. The region is well known as a highly mineralised, spodumene rich pegmatite belt, and the project, now called the Uis Lithium Project, has increased Askari's presence in this prospective area to 380km<sup>2</sup>.

To lead and fast-track our exploration strategy at our flagship project, Askari appointed Cliff Fitzhenry to the new role of Chief Exploration and Project Manager (Africa). Since taking over the lucrative site, we have embarked on a series of aggressive exploration campaigns, with assays returning strong results including multiple samples containing more than 3% Li<sub>2</sub>O.

Combined with results received following the financial year's end, our exploration efforts have helped further define the Uis Lithium Project as we continue down the path to development. We continue to look for opportunities to expand our acquisition stronghold in Namibia, as Askari's focus tightens on this highly prospective pegmatite belt.

We have also been working hard behind the scenes, securing a strategic investment of approximately AUD\$2.5 million from Huayou International Resources to accelerate exploration of our Uis Lithium Project. The agreement also ensures support from this tier-1 international lithium battery and cobalt materials supplier, by providing technical input and guidance on exploration, development and mine construction, as well downstream lithium processing.

In tandem to Askari's landholding expanding in Namibia, we have also bolstered our Australian portfolio, with the acquisition of 100% of the Hillside Lithium Project in the Pilbara region of Western Australia.

This has resulted in Askari's Australian footprint increasing to 2,300km<sup>2</sup> in the Eastern Pilbara lithium region alone. Results from this prospective project are positive, with initial samples identifying several potentially spodumene-bearing lithium hosted pegmatites.

Our exploration efforts continued at all Australian-based lithium, copper, gold, and Rare Earth Elements (REE) projects, with soil sampling and reconnaissance campaigns completed during the financial year.

Our Red Peak project in Western Australia's Gascoyne region and Barrow Creek project in the Northern Territory have both demonstrated REE potential, which we will look to further define in future exploration campaigns.

Meanwhile, our Callawa Project in Western Australia's Pilbara region has returned high-grade copper results from our initial mapping and sampling program, including 6.78 per cent and 4.35 per cent copper. Subsequent to the financial year's end, an extensive soil auger campaign was also carried out at Callawa with results guiding Askari's future activities at the project.

Soil auger campaigns were also completed at our Mt Maguire Gold Project in Western Australia's Ashburton region and our Myrnas Hill Gold and Lithium Project in the Pilbara, with results expected imminently.

The synchronised exploration activity in Namibia and Australia, as well as the expansion of our global critical mineral portfolio, highlights Askari's focus on providing the metals needed to power our renewable future.

As we venture into a new fiscal year, I am confident in Askari's position with exponential growth planned for our highly prospective sites.

I would like to thank our shareholders and supporters for endorsing Askari as we continue to grow as an exploration company in the critical mineral industry.

The spotlight is well and truly shining on our progress and I look forward to what 2024 brings.

**ASKARI METALS LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

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The directors present their report, together with the consolidated financial statements, on Askari Metals Limited (the "Company", "Askari" or "parent entity") and the Consolidated entity (referred to hereafter as the "Consolidated entity" or "Group") consisting of Askari Metals Limited and the entities it controlled at the end of, or during, the year ended 30 June 2023.

**Directors**

The following persons were directors of Askari Metals Limited during the whole year and up to the date of this report, unless otherwise stated:

Mr. Gino D'Anna  
Mr. Robert Downey  
Mr. Brendan Cummins (resigned 1 September 2022)  
Mr. David Greenwood (resigned 1 September 2022)  
Mr. Chris Evans

**Company Secretary**

Paul Fromson – Chief Financial Officer and Company Secretary

**Principal activities**

The principal activity of the Group during the financial year was gold and lithium exploration.

**Dividends**

There were no dividends issued during the year ending 30 June 2023 (2022: nil).

**Financial results**

The financial results of the Group are:

	Consolidated	
	30-June-23	30-June-22
	\$	\$
Cash and cash equivalents	3,455,498	4,352,794
Net assets	10,998,929	6,890,656
Net loss after tax	(6,206,928)	(2,253,389)

The financial position of the Consolidated entity is strong with excellent liquidity and a cash balance of \$3,455,498 (2022: \$4,352,794). The Company also successfully raised \$5,725,000 (2022: \$2,600,000) during the financial year.

**Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the Consolidated entity during the financial year.

**REVIEW OF OPERATIONS**

Askari Metals Limited (**ASX: AS2**) ("**Askari Metals**" or "**Company**") is pleased to report on its exploration activities for the full year period ended 30 June 2023.

Commenting on the activities of the Company during the full year period ended 30 June 2023, Executive Director, Mr Gino D'Anna stated:

*"This year has seen our Company increase its exposure to the battery metals sector with the acquisition of the Uis Lithium Project, Namibia. We believe Namibia is a severely underexplored region for lithium and battery metals and as a result we have a significant opportunity to unlock the value of this region with the definition of a potentially world-class deposit. The Erongo Region of western Namibia is home to our Uis Lithium Project, located the Cape-Cross / Uis Pegmatite Belt, a province known for its vast quantities of tin, lithium and tantalum mineralisation with a history of past production on both a commercial and artisanal scale. Our entry into Namibia enabled us to capture first mover advantage and we were able to secure two highly prospective licences within 2.5 km of the operating Uis Tin Mine. The available infrastructure in the Uis region underpins the attraction of this area, with our Uis Lithium Project located less than 230 km from the deep-water port of Walvis Bay accessible all year-round serviced by a sealed road to the Uis Lithium Project.*

*To date, the Company has completed more than 170 RC drill holes for approximately 10,000m and has identified more than 300 mapped LCT-pegmatites hosting the right geochemical matrix of lithium, tin, tantalum and caesium. Our drilling to date has identified areas of high-priority focus and the Company now has a renewed exploration focus driven through the identification of a highly mineralised corridor with a strike length of more than 15 km long and 5 km wide. We have identified outcropping pegmatites with more than 1 km strike length that remain undrilled by the Company that have abundant spodumene crystals observed in the outcrop with the right textures and geochemical matrix, making these high focus targets for future exploration.*

*Capitalising on our early mover advantage, the Company has continued to build its strategic land position in the Cape-Cross / Uis Pegmatite Belt and we continue to evaluate and conduct due diligence reconnaissance field work across a number of other opportunities.*

*The Company has continued to demonstrate a mandate for aggressive exploration with our strategy focused on the burgeoning battery metals market and in Australia the Company has completed dedicated lithium field exploration programs across our Barrow Creek Lithium and REE Project, Myrnas Hill Lithium Project and Hillside Lithium Project.*

*Our exploration activities at Barrow Creek have continued to build on the success of our initial reconnaissance program where we delineated fertile LCT-type pegmatites, increasing the strike length of the interpreted mineralisation to more than 3km in the NW of the project area. We expanded our focus at Barrow Creek undertaking a field exploration program in the South-Central area of the project where we have identified high-grade REE mineralisation. A further field program was also completed to follow up the results of the initial field program together with the completion of a drone magnetic and drone gravity survey. The results of this work are still outstanding, but the next step for the Company is to deploy a drill rig to this target area.*

*Building on our lithium focus, the Company also completed a detailed project wide exploration campaign at the Yarrie Lithium Project. The results have enabled the Company to identify five high-priority exploration targets at the Yarrie project which we believe add considerable upside to the future exploration success of this project. These high-priority zones were identified based on lithium and LCT-type pathfinder mineral anomalism which will be followed up with auger and shallow Aircore drilling. The Yarrie project represents a significant district scale opportunity for the Company and this program has enabled us to now focus on areas where the geology, structure and anomalism warrant further exploration.*

*During the year, the Company also conducted further work at its Callawa Copper Project, Red Peak REE Project, Springdale Copper-Gold Project, Mt Maguire Gold and Base Metal Project with the completion of project-wide soil auger and sampling campaigns designed to better define the areas of anomalism for future exploration.*

*The Company also continued exploration at its high-grade Horry Copper and Gold Project located in the Kimberley region of Western Australia, discovering high-grade copper up to 8.5% Cu and high-grade gold up to 13.0 g/t Au. The Company completed a maiden drilling campaign focused on the high-grade copper at Horry Horse which has been mapped for more than 600m and up to 1.3km as well as testing the gold mineralisation around Leo, Mt Dockrell and Martins Find.*

*Work continued at the Burracoppin Gold Project in the Wheatbelt region of Western Australia following the completion of the Phase III RC drilling program. A maiden JORC (2012) Mineral Resource estimate is being completed at the moment which is expected to highlight the significant exploration upside at the Project as well as the economic viability of a small-scale mining operation. The location of Burracoppin offers the Company multiple development options.*

*We have a significant number of assay results pending from our various projects and we look forward to sharing these with our investors."*

#### **OPERATIONAL ACTIVITIES FOR THE PERIOD ENDED 30 JUNE 2023**

Askari Metals Limited (ASX: AS2) ("Askari Metals" or "Company") is pleased to provide an update on its operational performance for the full year ended 30 June 2023.

#### **UIS LITHIUM PROJECT**

The Uis Lithium Project is situated in a highly mineralised, spodumene rich pegmatite belt with a history of prior production and exploration success.

The project holds exceptional potential, as identified by due diligence sample results and a high number of pegmatites exposed at the surface, ranging from a few meters in width to more than 50m wide. Many of the pegmatites have been mined historically for tin and semi-precious stones, and altered spodumene and lepidolite are visible within the workings and mined rock around the workings.

Subsequent to the end of the financial year 30 June 2023, Askari executed a Share Sale Agreement to acquire 100% of the issued capital of Astral Dynamix, the 100% owner of EPL 7626, as announced in the ASX release on 4 July 2023.

EPL 7626 lies along strike of the Company's Uis Lithium Project (EPL 7345 and EPL 8535) and Andrada Mining Limited's (LSE: ATM) Uis Tin Mine, which hosts a JORC (2012) Mineral Resource of 81Mt @ 0.73% Li<sub>2</sub>O and 0.15% Sn.

The acquisition increases Askari's strategic footprint across the Uis pegmatite belt to ~380km<sup>2</sup>.

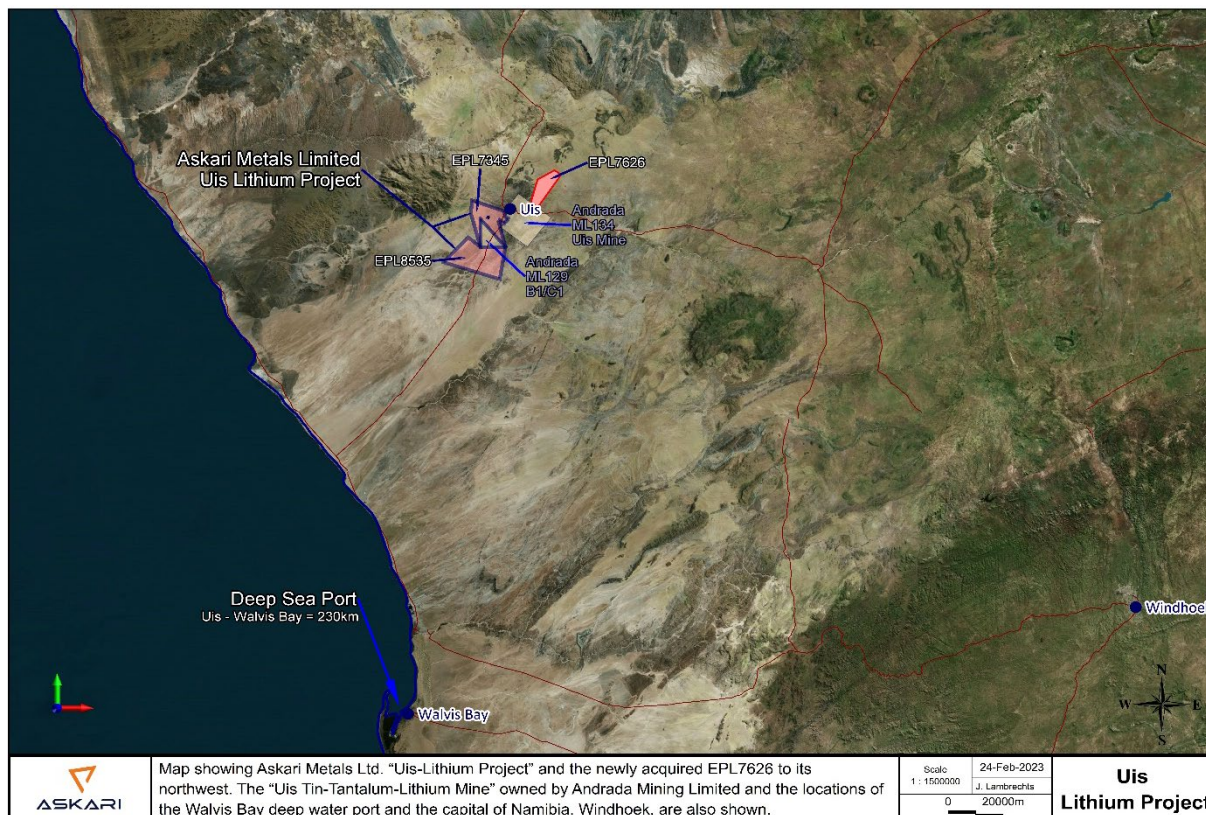


Figure 1: Location map of the Uis Lithium Project and the recently acquired EPL 7626.

## EXPLORATION UPDATE

During the financial year ended 30 June 2023, Askari intersected broad 100m plus lithium-bearing pegmatites and several 40m-wide lithium bearing pegmatites across both EPL 7345 and EPL 8535, as announced in the ASX release on 17 May 2023.

Initial assay results from Phase I RC drilling in EPL 7345 revealed evolved granite, high fractionation and several positive results with open-ended mineralisation.

Assays from this initial drilling phase reveal the average lithium grade of 510 ppm Li is 17 times greater than the regional background value based on control sampling completed by the Company, while the highest lithium result is more than 110 times greater than the regional background value based on control sampling completed by the Company.

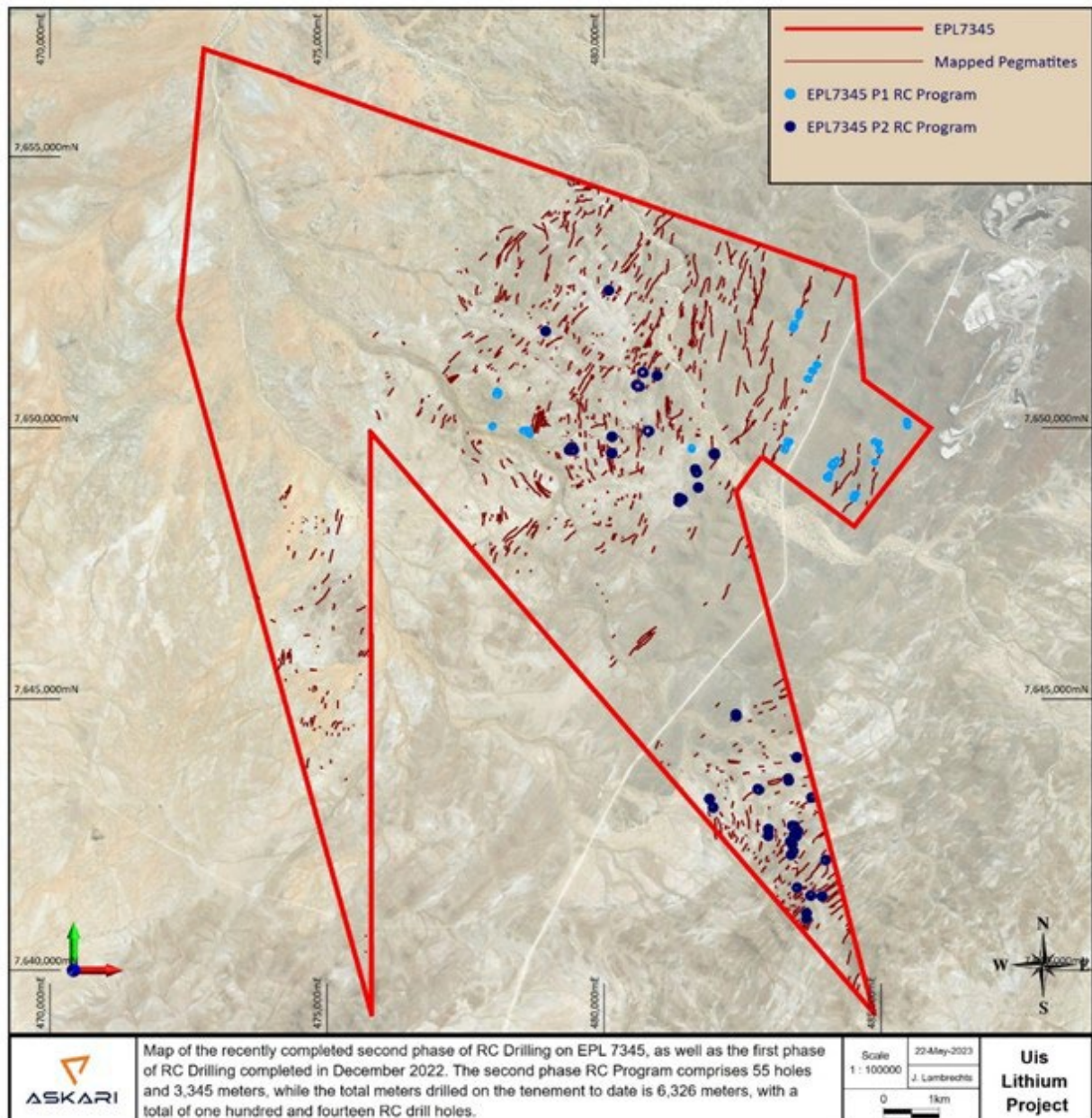
Rock chip sampling and mapping has recently been completed on both licences along with 2 phases of RC drilling on EPL 7345 and 1 phase of RC drilling on EPL 8535. A total of 749 rock chip samples were collected from EPL 7345 and 292 from EPL 8535. The Phase I RC drilling campaign on EPL 7345 comprised 59 holes for 3,017m which was followed up with a second phase campaign of 55 holes for 3,367m. On EPL 8535 a Phase 1 RC drilling campaign was completed which included 59 drill holes for 3,523m.

Highlights to date include rock chip samples grading 3.32%, 3.19%, 3.14%, 2.94%, 2.11%, 1.8%, 1.64% and 1.1% Li<sub>2</sub>O as well as RC intercepts of 4m @ 0.4% Li<sub>2</sub>O (including 2m @ 0.56%) and 1m @ 0.71% Li<sub>2</sub>O.

Refer to ASX announcements dated 19 June 2023, 5 June 2023, 17 May 2023, 13 April 2023, 7 March 2023, 15 February 2023, 6 February 2023 and 15 December 2022.



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*Figure 2: Map depicting the first and second phases of RC drilling on EPL7345 of the Uis Lithium Project*

The second phase of drilling in EPL 7345 logged 180 intervals containing visible spodumene across 25 drill holes, while 283 intervals containing visible polythionite were logged across 15 drill holes\*.

Lepidolite was also logged on five occasions in three drill holes, while 22 other intervals containing either petalite, amblygonite and hiddenite were logged in another seven drill holes.

This phase of drilling also intersected wide pegmatites with visible mineralisation, including an interpreted 112m-wide pegmatite, as announced in the ASX release on 5 June 2023.

This ~112m-wide section forms part of a continuous mineralised pegmatite, interpreted to be at least 780m long and outcrops between 36m and 106m wide at the surface, swelling significantly beneath the surface at depth.

During the financial year ended 30 June 2023, Askari appointed Cliff Fitzhenry to the new role of Chief Exploration and Project Manager (Africa) to oversee and fast-track the company's exploration strategy at the Uis Lithium Project, as announced in the ASX release on 1 June 2023.

*\*The presence of spodumene crystals within pegmatite does not necessarily equate to lithium mineralisation until confirmed by chemical assay. It is not possible to estimate the percentage of lithium mineralisation by visual estimates and this will be determined by the laboratory results which will be reported in full in a future report.*

### Prospective Discovery at Uis Lithium Project – High Priority Exploration Corridor

A re-assessment and re-interpretation of all project data generated to date has outlined a clear zone of potential lithium mineralization. The zone strikes north east – south west, runs ~15km long and ~5km wide, and can be defined by the regional magnetic geophysical data, along with chemical data. The K/Rb ratio of all rock chip and RC assays obtained to date clearly outlines this zone. Lower K/Rb ratio's are indicative of highly fractionated, fertile LCT pegmatites. All anomalous rock chips and RC results to date fall within this prospective zone.

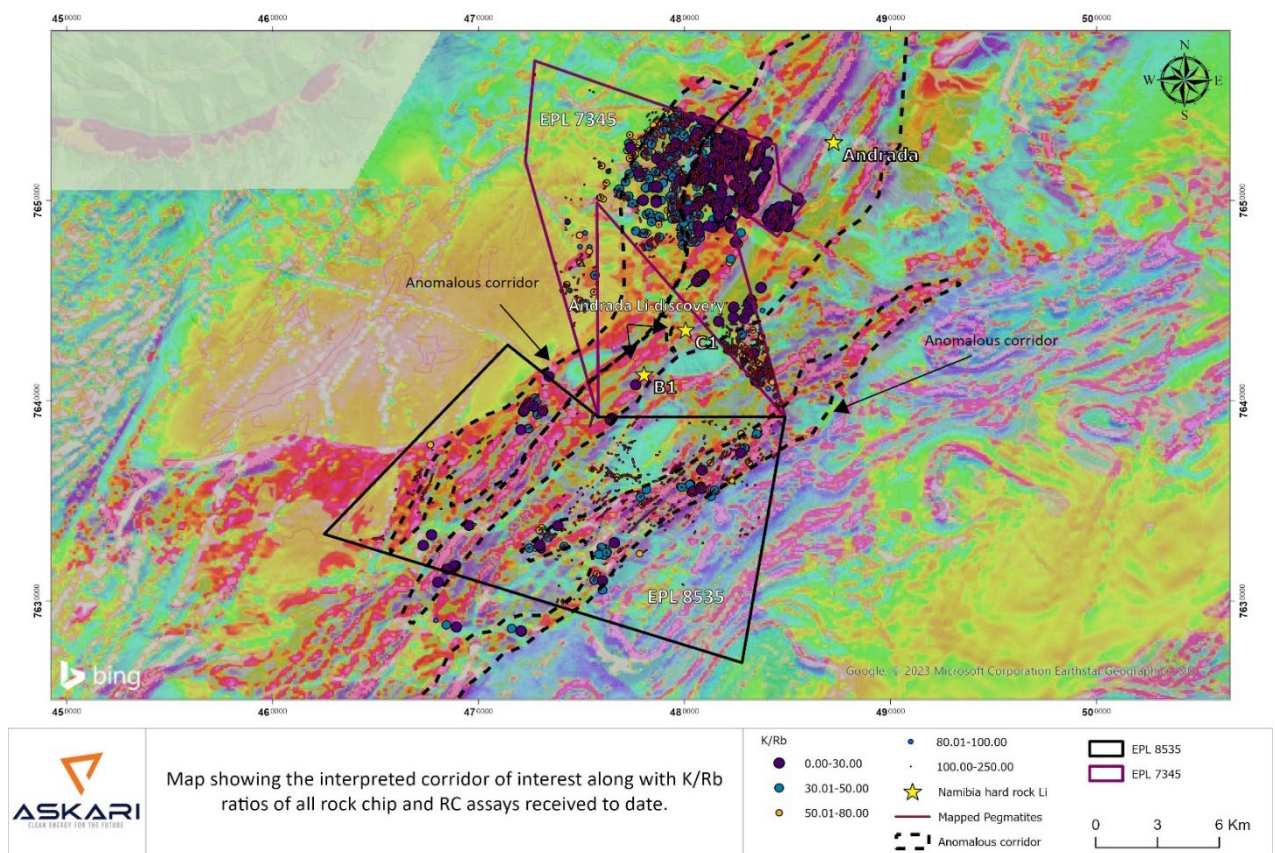


Figure 3: Map showing the interpreted corridor of interest on EPL 7345 and EPL 8535 along with K/Rb ratios of all rock chip and RC assays received to date and the regional magnetic data

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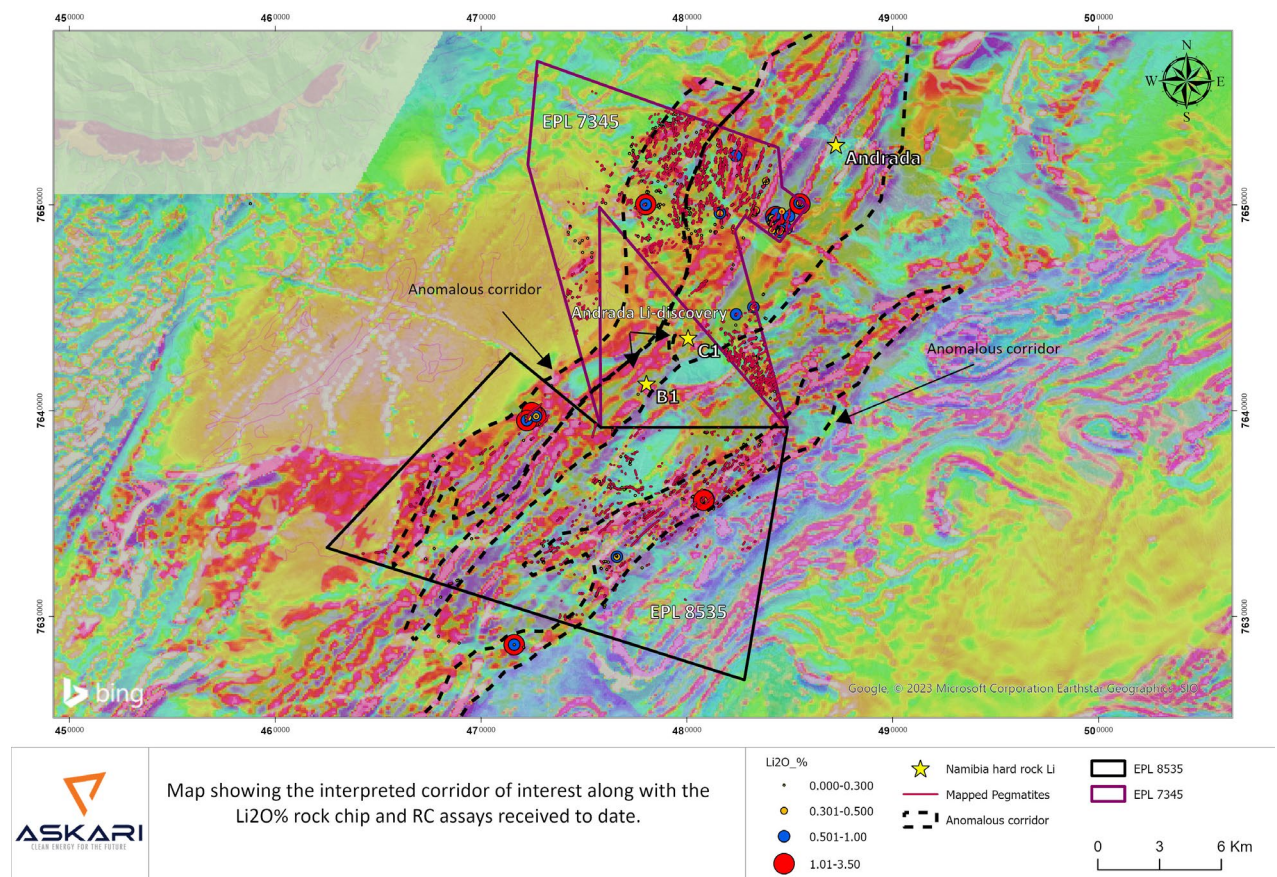


Figure 4: Map showing the interpreted corridor of interest on EPL 7345 and EPL 8535 along with Li<sub>2</sub>O% values of all rock chip and RC assays received to date and the regional magnetic data

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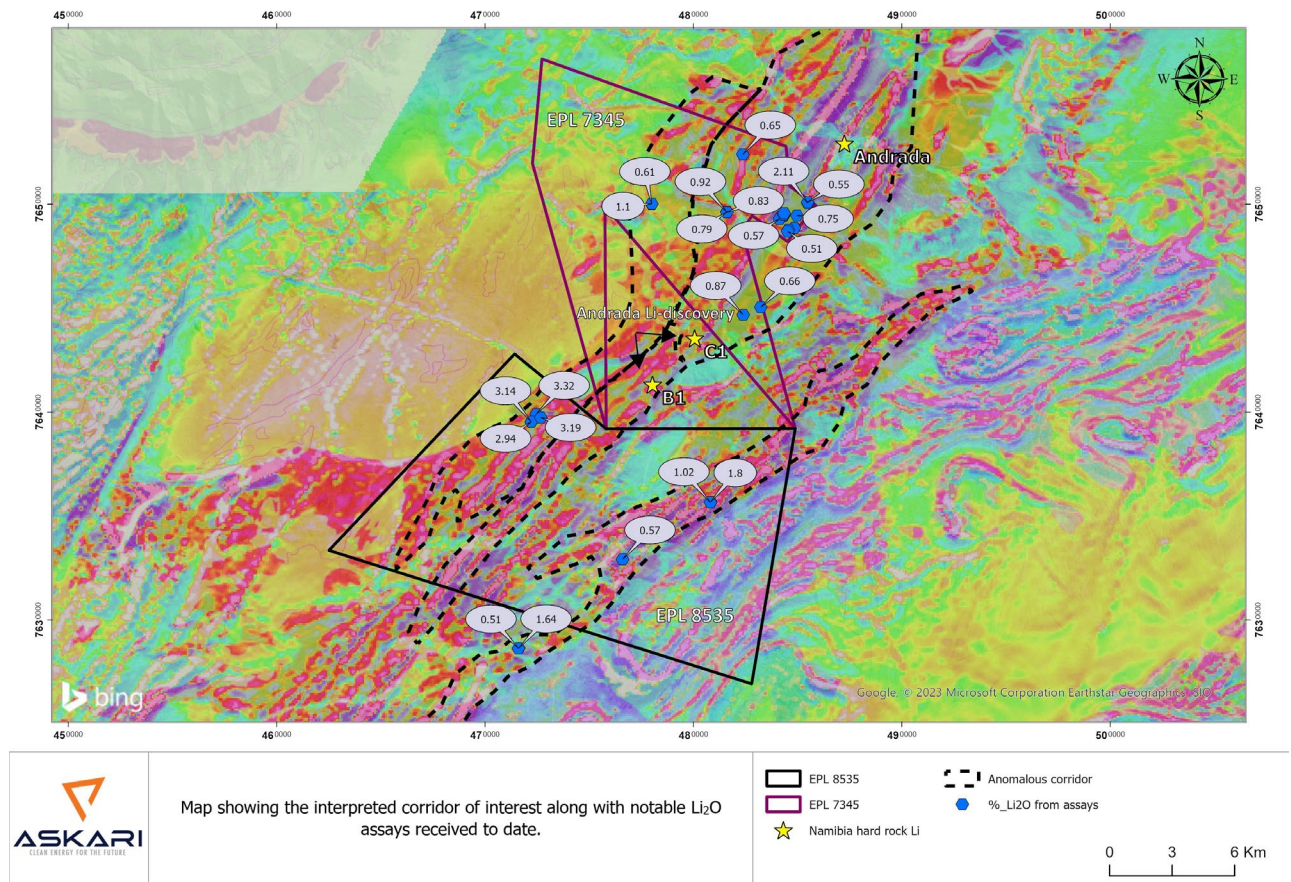


Figure 5: Map showing the interpreted corridor of interest on EPL7345 and EPL8535 along with notable  $\text{Li}_2\text{O}$ % values of all rock chip and RC assays received to date and the regional magnetic data

It is also notable that Andrada's Uis Mine (81 Mt @ 0.73%  $\text{Li}_2\text{O}$ , 0.15% Sn and 86ppm Ta) and Spodumene Hill B1/C1 Project both fall along strike and within this highly prospective zone. Recent drilling results from Andrada Mining

Ltd at the Spodumene Hill Project has defined shallow high-grade lithium mineralisation, including 14.52m at 1.38%  $\text{Li}_2\text{O}$ , 285 ppm Ta and 0.131% Sn from a depth of 15.48m, including 5m at 2.32%  $\text{Li}_2\text{O}$  from 18m and 2.5m at 2.04%  $\text{Li}_2\text{O}$  from 25.5m.

Refer to Andrada Mining Ltd RNS announcement dated 6 February 2023 and 6 July 2023.

### Fertile LCT Pegmatites along with Visible Spodumene Observed in the Field

Visible spodumene and lepidolite mineralisation was observed on both EPL 7345 and EPL 8535 during a recent site visit. Some of the mineralised pegmatite localities have not previously been drill tested and these all fall within the newly interpreted prospective zone.

The pegmatites within this zone all contain characteristics typical of fertile LCT pegmatites including a high degree of fractionation and zonation, quartz cores and sugary albite textures and common lithium accessory minerals including sugary and cleavelandite varieties of albite, colored tourmaline and green mica.





Figure 6: Field photos from the site visit undertaken this week (all these photos from EPL 7345). Top Left: Large weathered spodumene logs in pegmatite outcrop. Top right: Outcropping LCT pegmatite with a quartz core. Bottom left: Fresh spodumene mineralization in outcrop. Bottom right. Askari's Chief Exploration and Project Manager (Africa), Cliff Fitzhenry, left, and Technical Consultant, Laubser Pepler, right, standing on an LCT pegmatite outcrop

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Figure 7: Various spodumene rich samples from an LCT pegmatite locality on EPL 7345

### STRATEGIC INVESTMENT FROM HUAYOU COBALT

Askari successfully secured the strategic investment of approximately A\$2.5 million from Huayou International Resources (Hong Kong) Limited (“**Huayou**”), a wholly owned subsidiary of Zhejiang Huayou Cobalt Co., Ltd. The funds will be used to accelerate continued exploration of the Uis Lithium Project.

As announced in the ASX release on 9 May 2023, Askari issued Huayou 4,500,000 fully paid ordinary shares at an issue price of A\$0.55 per share together with 1,500,000 free attaching AS2O listed options.

The ordinary shares are subject to a 12-month voluntary escrow period pursuant to a binding restriction agreement executed between the Company and Huayou, while the free attaching options will be freely tradeable by Huayou.

Huayou can participate in future equity issues and intends to grow its equity position in Askari to 9.9% and maintain its equity stake by participating in future security issues by the Company.

It will also support Askari in areas of mutual strategic interest, including providing technical input and guidance for continued exploration, development and mine construction as well as downstream lithium processing.

Huayou is a tier-1 global lithium battery and cobalt materials supplier listed on the Shanghai Stock Exchange (China) with market cap of approximately A\$18 billion.

The strategic investment followed the completion of an initial 90% interest in EPL 7345, as announced in the ASX release on 11 April 2023, followed by the completion of the remaining 10% interest in the licence, as announced in the ASX release on 25 May 2023.

Following the completion of the strategic investment by Huayou, Askari also appointed Canaccord Genuity (Australia) Limited ("**Canaccord**") to act as a strategic capital markets advisor to the Company, as announced in the ASX release on 16 May 2023.

Canaccord will work closely with the Company and Peak Asset Management in the implementation and deployment of a comprehensive capital markets strategy whilst the Company continues to develop the Uis Lithium Project in Namibia.

### **AUSTRALIAN LITHIUM ASSETS**

During the financial year ended 30 June 2023, Askari expanded its Eastern Pilbara lithium portfolio, completing its acquisition of 100% of the Hillside Lithium Project, as announced in the ASX release on 21 June 2023.

The acquisition of Hillside, which is situated in the Tambourah Lithium District, takes Askari's significant landholding in Western Australia's emerging Eastern Pilbara lithium region to approximately 2,300km<sup>2</sup>.

During the financial year ended 30 June 2023, Askari also provided an extensive exploration update across its Australian lithium, Rare Earth Elements (REE) and gold projects, as announced in the ASX release on 22 June 2023.

Exploration work at the Hillside Lithium Project identified several potentially spodumene-bearing lithium hosted pegmatites\*. Several samples were collected from these outcrops.

In addition to the mapping and sampling campaign completed at the Hillside Lithium project, soil auger campaigns were also completed on several other tenements, including Mt Maguire, Callawa and Myrnas Hill.

*\*The presence of spodumene crystals within pegmatite does not necessarily equate to lithium mineralisation until confirmed by chemical assay. It is not possible to estimate the percentage of lithium mineralisation by visual estimates and this will be determined by the laboratory results which will be reported in full in a future report.*

### **AUSTRALIAN REE ASSETS**

#### **Barrow Creek REE Project, NT**

Field exploration and geophysical programs were also completed at the Company's Barrow Creek Project in the Northern Territory, targeting REE mineralisation.

During the financial year ended 30 June 2023, Askari announced the results from a field reconnaissance program at its 100% owned Barrow Creek Lithium Project in the Central Northern Territory's Arunta Pegmatite Province.

Results from the south-central field program identified existing prospectivity for Rare Earth Element (REE) potential with Total Rare Earth Oxide (TREO) results of up to 4,553ppm, as announced in the ASX release on 25 January 2023.

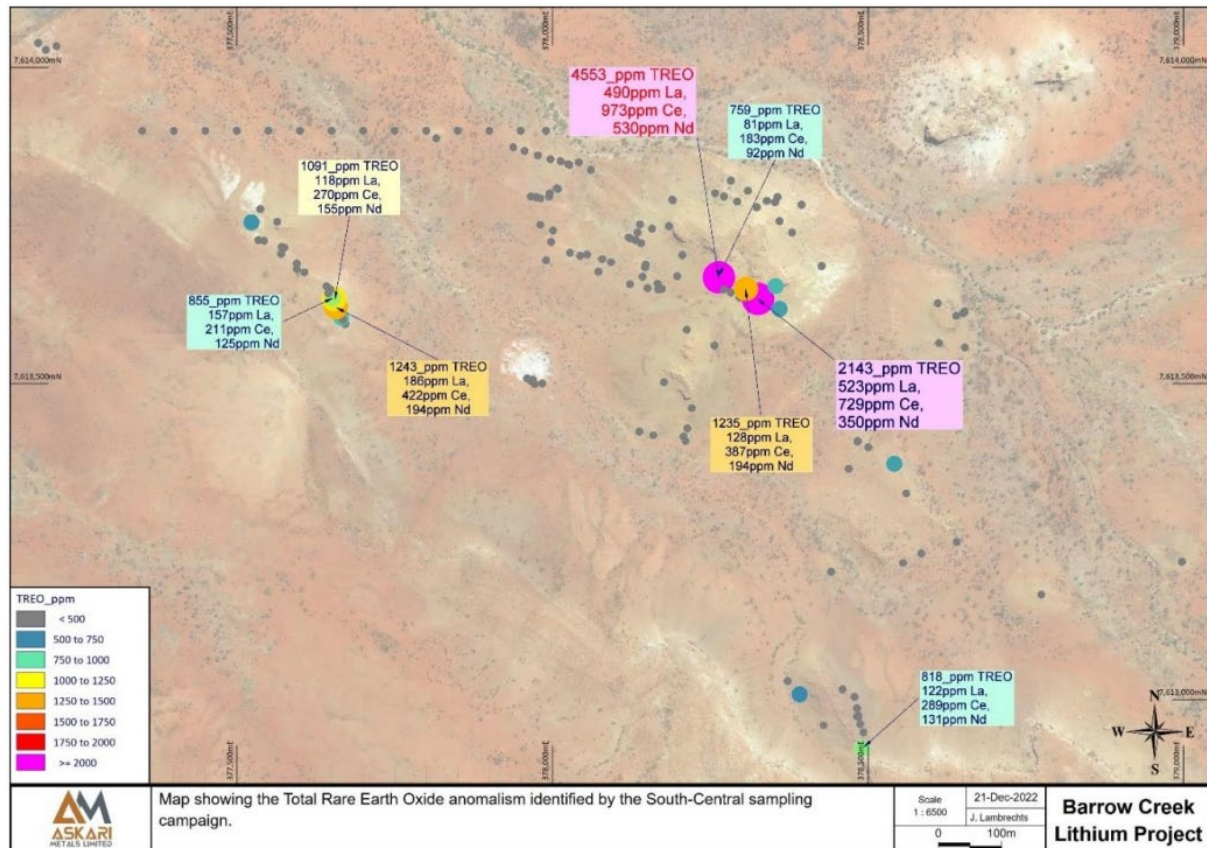


Figure 8: Map showing the TREO anomalism identified by the South-Central sampling campaign at Barrow Creek

The anomalous REE (TREO) sample results obtained from the south-central field program are clustered around two large granite outcrops (see Figure 8).

Other samples with elevated results above 500ppm TREO were also found farther afield, signifying the potential for enlarging the REE mineralised footprint through follow-up phases of work.

The REE specific field reconnaissance program at the Barrow Creek Project was completed during the financial year ended 30 June 2023, as announced in the ASX release on 28 March 2023, and will help inform future work phases at the Project.

### **Red Peak REE Project, WA**

Field exploration and sampling completed at Red Peak by the Company in January 2022 identified numerous areas which are highly anomalous for REE mineralisation including elements of Lanthanum, Cerium, Praseodymium, Neodymium and Europium.

To test this anomalism and determine the REE exploration potential of the Red Peak project, the Company designed an extensive, wide-spaced soil sampling program. As part of this campaign, 800 soil samples were collected, consisting of 380 auger samples and 420 manual samples.

The auger and manual geochemical sampling campaign has now been completed with Figure 9 illustrating the location of the auger soil and manual soil samples that have been collected.

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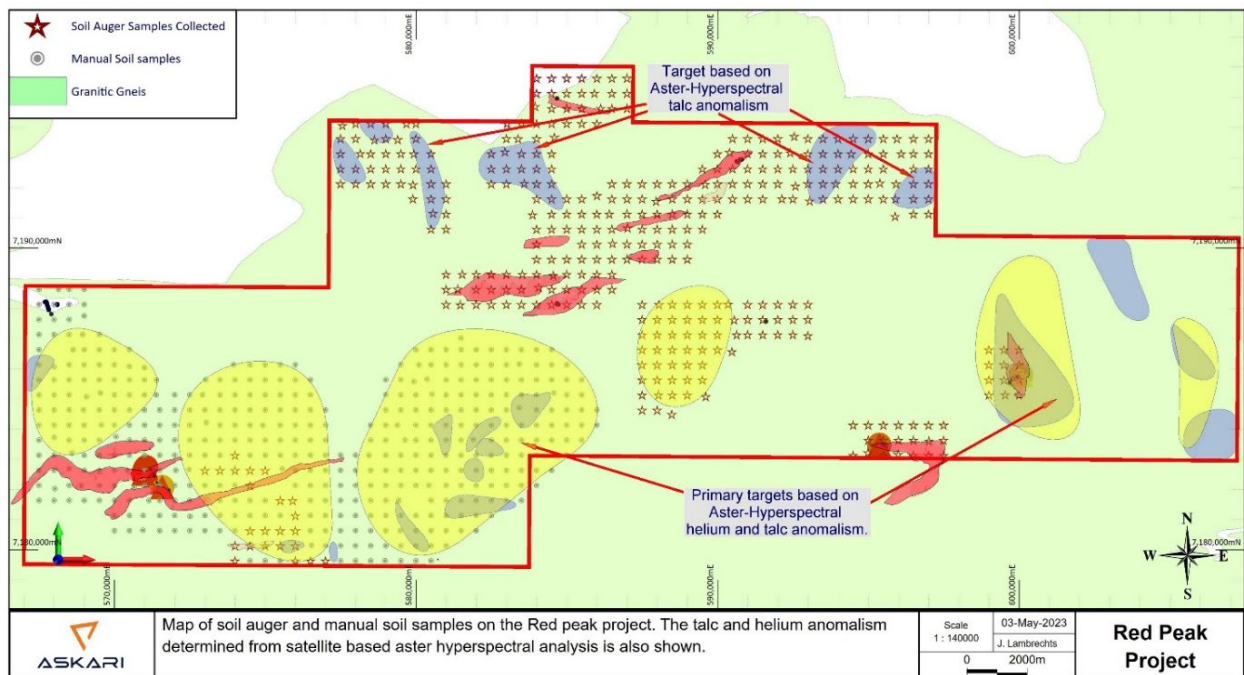


Figure 9: Map of the sample locations on the Red Peak project

The Red Peak project covers an area of more than 350km<sup>2</sup> in Western Australia's Gascoyne region and has been extensively mapped with more than 11 significant pegmatites already identified. Many of the pegmatites have strike lengths in excess of 3km and between 150m and 200m wide.

The project area is considered poorly explored and highly prospective for lithium pegmatites as well as base metals, uranium and rare earth elements. Extensive pegmatite outcrop can be observed from the surface data.

The main targets for REE exploration in the area are clay-based and the monazite soils in the regolith. Historical exploration by BHP Minerals and Astro Mining in the 1990s confirmed the presence of enriched monazite sands almost 30 years ago.

The target geology and host mineralisation at the Red Peak project is identical to that which has been explored for and developed at Krakatoa Resources' Mt Clere REE project, located northwest of the area.

The Red Peak project remains prospective for rare metal pegmatite mineralisation, including lithium-cesium-tantalum (LCT) pegmatite mineralisation.

In 2022, the Company reviewed the WAMEX database for samples containing REE results and identified several significant anomalous REE samples (see ASX Release from 21 September 2022).

The data from rock samples collected by the Company for lithium exploration were also evaluated for REE mineralisation and showed encouraging results.

Available ASTER hyperspectral data from a remote sensing survey conducted at the Red Peak project using Sentinel-2 satellite imagery, was analysed and identified multiple exploration targets. This was achieved by using known REE occurrences to characterise the spectral signature of potential REE indicators such as helium and talc.

Figure 10 shows the helium and talc anomalism along with WAMEX sample results on the Red Peak project.

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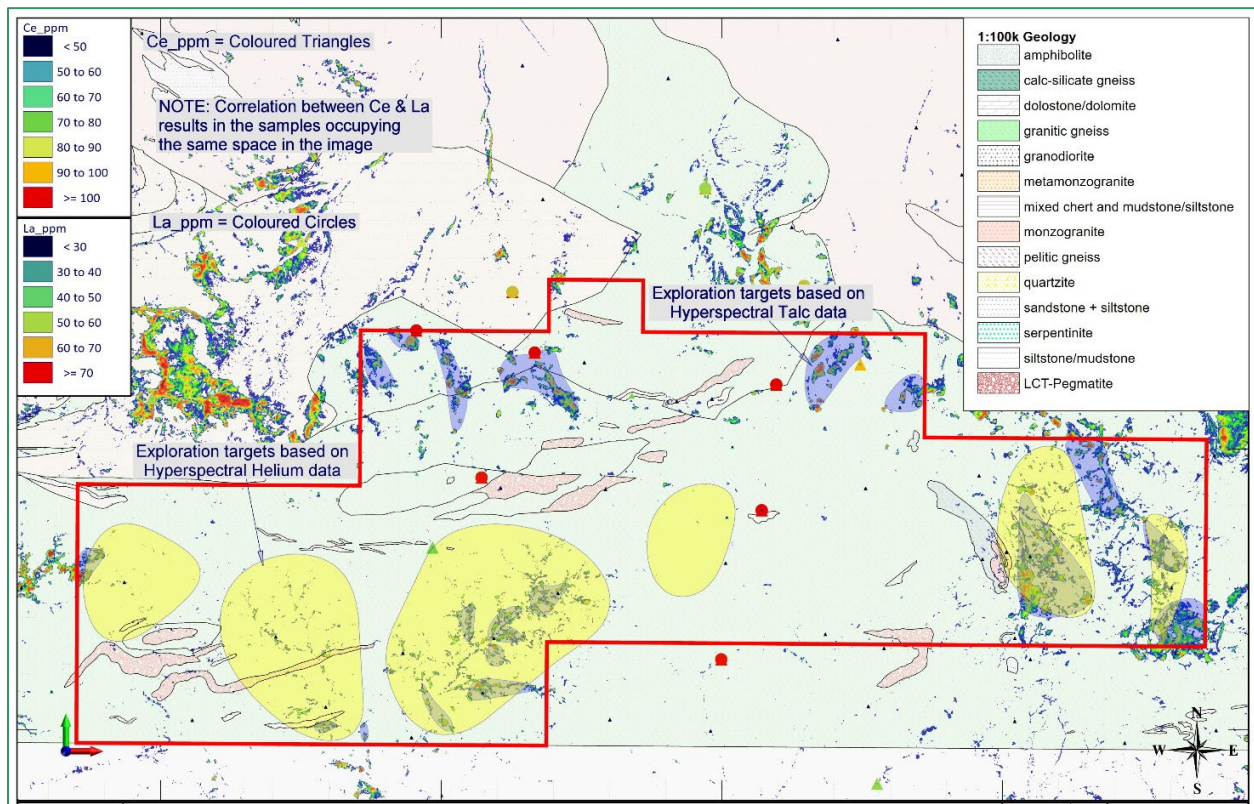


Figure 10: Temperature scale map of the Target image produced by the multivariate statistical classifier on the Yarrie Lithium Project (red tenement boundary outline)

### **COPPER AND GOLD ASSETS**

During the financial year ended 30 June 2023, Askari announced results of its inaugural RC drilling program at its 100%-owned Horry Copper and Gold Project in Western Australia's Kimberly region.

The roughly 2,100m drilling campaign was designed to test copper mineralisation at the Horry Horse prospect and gold mineralisation at the Mt Dockrell prospect.

As announced in the ASX release on 17 January 2023, the inaugural drill campaign intersected high-grade gold and copper mineralisation, with multiple targets identified for the next phase of drilling.

The drill results identified several intervals greater than 1% Cu and 1g/t gold, and also indicated several sub-parallel mineralised lodes at both the Horry Horse and Mt Dockrell prospects.

High-grade copper results from the Horry Horse prospect, include:

- 4m @ 1.8% Cu from 24m in HRRC22001 including 2m @ 3.6% Cu & 0.2g/t Au from 26m
- 3m @ 1.0% Cu from 18m in HRRC22003 including 1m @ 2.8% Cu & 0.2g/t Au from 19m

High-grade gold results from the Mt Dockrell prospect, include:

- 2m @ 5.5g/t Au from 10m in HRRC22027
- 2m @ 1.3g/t Au from 12m in HRRC22025

The Company is in the process of reviewing all the data from the drilling campaign, with the aim of designing additional phases of drilling for execution in 2024.

### **FUTURE PLANS**

The Company will continue with the exploration and development of its Uis Lithium Project, Namibia. Primary exploration activities will consist of planned trenching and soil / stream sediment geochemical sampling across its EPL 7345 and EPL 8535. An expanded geophysical and hyperspectral survey is also underway across the Uis project, including EPL 7626. Following the receipt and assessment of the results from the trenching and soil geochemical sampling campaign, the Company will plan further follow up exploration which will comprise of an expanded trenching campaign following up on the targets generated and identified during the prior trenching campaign as well as RC and Diamond Drill testing of the pegmatite targets identified and evaluated through the initial trenching campaigns. The Company is also continuing to evaluate other project areas for acquisition along the Cape Cross – Uis pegmatite belt and along strike of the “Lithium Ridge” project area owned by Andrada Mining Ltd (AIM: ATM).

Assay results from the Phase II RC drilling at EPL 7345 and Phase I RC drilling at EPL 8535 together with the rock sample results from both EPL 7345 and EPL 8535 are currently outstanding and are due to be received by the Company shortly. These results will be released to shareholders once they have been received and analysed.

In Australia, the Company is continuing to explore its portfolio of lithium, copper, gold and REE projects. Exploration campaigns have recently been completed at Barrow Creek in the Northern Territory, as well as at the Myrnas Hill and Hillside Lithium Projects in the Eastern Pilbara of Western Australia. The Company has also recently completed an exploration campaign at the Red Peak project which is prospective for REE mineralisation as well as the Mt Maguire Gold and Base Metal project in the Ashburton region of Western Australia and the Springdale Project in the East Lachlan Fold Belt of NSW which is highly prospective for gold mineralisation. The Company is awaiting a number of assay results from its exploration at the Australian projects and based on the results will plan further follow up exploration designed to further test the exploration targets which may consist of additional soil and rock sampling as well as maiden drilling.

The Company is currently awaiting receipt of approval for the granting of exploration licences which comprise the Yarrie Lithium Project, a district-scale opportunity in the Eastern Pilbara region of Western Australia. Once the licences are granted, the Company will seek to implement a soil auger sampling campaign designed to test high-priority targets that were previously generated and identified from geophysical programs and field reconnaissance campaigns.

Exploration at the Callawa project has highlighted the potential for this project to host a nickel sulphide style of mineralisation. The Company is planning on undertaking further follow up exploration at Callawa. A maiden JORC (2012) Mineral Resource is also due to be released for the Burracoppin Gold Project.

### **CORPORATE**

- Annual General Meeting held on 18 December 2022 with all resolutions passed.
- Zhejiang Huayou Cobalt Co., Ltd, through its wholly-owned subsidiary, Huayou International Resources (Hong Kong) Limited (Huayou) entered into a conditional agreement with the Company to make a strategic ~\$2.5 million investment via a subscription for 4,500,000 shares at an issue price of \$0.55 per share.
- During the Full Year Period Ended 30 June 2023, the Company held a general meeting of shareholders during which all resolutions were passed.

- During the Full Year Period Ended 30 June 2023, the Company completed a placement to raise A\$3.25 million. Placement was completed via the issue of fully paid ordinary shares at an issue price of A\$0.50 per share with a 1-for-3 free attaching AS20 listed option.
- The Company continues to evaluate additional complementary opportunities particularly in the battery metals space within Australia and globally.

#### **Competent Person Statement**

The information in this report that relates to Exploration Targets, Exploration Results or Mineral Resources is based on information compiled by Johan Lambrechts, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Lambrechts is a full-time employee of Askari Metals Limited, who has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Lambrechts consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

#### **Caution Regarding Forward-Looking Information**

This document contains forward-looking statements concerning Askari Metals Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the company's beliefs, opinions and estimates of Askari Metals Limited as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

#### **Environmental regulation**

The Group is not subject to any significant environmental regulations under either Commonwealth or State legislation. The Board is not aware of any breach of environmental requirements as they apply to the Group. The Company remains in compliance with the environmental regulations of Australia.

#### **Greenhouse Gas and Energy Data Reporting Requirements**

The Group is cognisant of the reporting requirements under the Energy Efficiencies Opportunity Act 2006 or the National Greenhouse Energy Efficient Reporting Act 2007, and believes it has adequate processes in place to ensure compliance with these Acts.

#### **Events occurring after the reporting period**

Other than below, there have been no matters or circumstances which have arisen since 30 June 2023 that have significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2023, of the Company,
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2023, of the Company.



***Issue of Performance Rights***

The company issued the following performance rights on 18 July 2023 to the Chief Exploration and Project Manager – Africa.

<b>Class</b>	<b>Milestone</b>	<b>Expiry</b>	<b>Number of performance rights</b>
Class R	Upon the achievement of a 20-day VWAP share price >/AUD\$0.60	This hurdle must be achieved within 2 years from the date of grant of the Performance Right	100,000
Class S	Upon the achievement of a 20-day VWAP share price >/AUD\$0.80	This hurdle must be achieved within 3 years from the date of grant of the Performance Right	100,000
Class T	Upon the completion by the Company of at least 3,000m of diamond drilling at the Uis Lithium Project	This hurdle must be achieved within 3 years from the date of grant of the Performance Right	200,000
Class U	Upon the delivery of a JORC (2012) mineral resource at the Uis Lithium Project of >5Mt @ 1.0% Li2O	This hurdle must be achieved within 4 years from the date of grant of the Performance Right	300,000
Class V	Upon completion of a scoping study at the Uis Lithium Project generated an NPV of >US\$100M and an IRR >20% using a discount factor of 8%	This hurdle must be achieved within 5 years from the date of grant of the Performance Right	400,000

***Issue of Shares***

On 10 August 2023 the Company issued 6,940,000 ordinary shares as the result of expiration of a 24 month escrow period.

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**Information on directors**

Details of the Board of Directors as at the date of this report are as follows:

<b>Name</b>	<b>Gino D'Anna</b> (appointed 20 November 2020)
<b>Title</b>	Executive Director
<b>Qualifications</b>	Bachelor of Commerce (Honours)
<b>Experience</b>	<p>Mr D'Anna is a founding Director and Shareholder of the Company. Mr D'Anna has significant primary and secondary capital markets experience and has extensive experience in resource exploration, public company operations, administration and financial management.</p> <p>Mr D'Anna has experience in Canadian Government and First Nations relations in the mining sector and has worked in numerous jurisdictions including Australia, Botswana, Namibia and Canada. In addition, Mr D'Anna has been involved in the exploration and development of many projects including new discoveries and the continued development of existing discoveries.</p> <p>The Board considers that Mr D'Anna is not an independent director.</p>
<b>Other ASX Directorships</b>	In the past 3 years Mr D'Anna has been an executive director of MetalsTech Limited (ASX: MTC) which is developing the Sturec Gold Mine in Slovakia, and also a director of Metals Australia Ltd (ASX: MLS) which is developing the high-grade open cut Lac Rainy Graphite Mine located in Quebec, Canada.
<b>Special Responsibilities</b>	Nil
<b>Security Holdings</b>	6,269,800 ordinary shares (held by a related trust) 2,000,301 options (held by a related trust) 6,600,000 performance rights (held by a related trust)

**Information on directors (continued)**

<b>Name</b>	<b>Robert Hartley Downey</b> (appointed 20 November 2020)
Title	Non-Executive Chairperson
Qualifications	B.Ed, LL.B (Hons)
Experience	<p>Mr Downey was admitted as a barrister and solicitor of the Supreme Court of Western Australia in December 1999. In 2001 Mr Downey joined Blakiston &amp; Crabb, an independent resource / corporate / commercial law firm based in Perth. While at Blakiston &amp; Crabb, Mr Downey specialised in advising oil and gas and mining companies in relation to a wide range of legal issues, including initial public offerings; prospectuses for equity and debt raisings, takeovers and reverse takeovers, schemes of arrangement and other types of corporate transactions.</p> <p>Mr Downey also developed an expertise advising both Australian and foreign incorporated entities on dual listings and cross jurisdiction capital raising and listing rule advice particularly with respect to the TSX-V and AIM markets. Following this experience Mr Downey acted as General Counsel for a Canadian oil and gas exploration and production company with assets in Europe and Africa overseeing the dual listing on the TSX-V and AIM, the raising of £50 million and the subsequent takeover of the company by way of scheme of arrangement.</p> <p>The Board considers that Mr Downey is an independent director.</p>
Other ASX Directorships	In the past 3 years Mr Downey has held directorships with Mt Malcolm Mines NL (ASX: M2M), Connexion Telematics Ltd (ASX: CXZ), Zeotech Ltd (ASX: ZEO) and Reach Resources Ltd (ASX:RR1).
Special Responsibilities	Chairperson
Security Holdings	840,000 ordinary shares (held by spouse) 195,000 Options (held by spouse) 1,360,000 performance rights (held by spouse)

**Information on directors (continued)**

<b>Name</b>	<b>Chris Evans</b> (appointed 14 February 2022)
<b>Title</b>	Non-Executive Director
<b>Qualifications</b>	Masters of Engineering Science, Construction Management, Bachelor of Engineering (Hons) and Graduate of the Australian Institute of Company Directors.
<b>Experience</b>	<p>Mr Evans has a broad range of roles in project and mine development, both in Australia and Internationally, spanning various commodities. Mr Evans has previously managed the construction and subsequent operation of the Altura Mining Pilgangoora lithium project. Mr Evans has also been closely involved in establishing and maintaining key relationships with project finance and off-take partners within the lithium sector. These skills will be invaluable to the ongoing direction of the company.</p> <p>Mr Evans has a Civil Engineering background with over 20 years demonstrated success in managing large scale construction and mining development projects and operations in numerous jurisdictions including the United Kingdom, Africa, Papua New Guinea and Australia</p> <p>The Board considers that Mr Evans is an independent director.</p>
<b>Other ASX Directorships</b>	Mr Evans is currently Managing Director of ASX listed, Canadian lithium focused, Winsome Resources Limited(ASX:WRI). Mr Evans was formerly a director of Mali Lithium Ltd (ASX:MLL) – now called Firefinch Ltd ASX:FFX)
<b>Special Responsibilities</b>	Technical Director - Lithium
<b>Security Holdings</b>	240,000 ordinary shares 1,710,000 performance rights

**Directors' Meetings**

The following directors' meetings (including meetings of committees of directors) were held during the year and the number of meetings attended by each of the directors during the year were:

<b>2023</b>	<b>Directors' meetings eligible to attend</b>	<b>Directors' meetings attended</b>
<b>Directors</b>		
Gino D'Anna	3	3
Robert Downey	3	3
Chris Evans	3	3
David Greenwood (resigned 1 Sept 22)	-	-
Brendan Cummins (resigned 1 Sept 22)	-	-

The Board of Directors also conducted business via 22 Circular Resolutions.

The Company does not have separate committees for audit and risk, remuneration or nominations because the Board is not of a sufficient size or structure, reflecting that the Company's operations are not of a sufficient magnitude at this stage. The full Board performs the roles normally undertaken by these committees.



**REMUNERATION REPORT (AUDITED)**

The remuneration report details the key management personnel remuneration arrangements for the consolidate entity, in accordance with the requirements of the Corporations Act 2001 and its regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling activities of the entity, directly or indirectly, including directors.

The remuneration report is set out under the following main headings:

- A Principles used to determine the nature amount of remuneration
- B Remuneration structure
- C Details of remuneration
- D Share-based compensation
- E Additional statutory information
- F Additional disclosures relating to key management personnel

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001. The remuneration arrangements detailed in this report are for the key management personnel of the Group as follows:

- Mr Gino D'Anna – Executive Director
- Mr Robert Downey – Non-Executive Chairperson
- Mr Chris Evans – Non-Executive Director (appointed 14 February 2022)
- Mr David Greenwood – Non- Executive Director (resigned 1 September 2022)
- Mr Brendan Cummins – Non- Executive Director (resigned 1 September 2022)

*Use of remuneration consultants*

The Company did not employ services of consultants to review its existing remuneration policies.

**A. Principles used to determine nature and amount of remuneration**

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group. Key management personnel comprise the Directors of the Group and Executives of the Group. The performance of the Group depends upon the quality of its key management personnel. To prosper the Group must attract, motivate and retain appropriately skilled directors and executives.

The Group's broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Group does not engage the services of any remuneration consultants.

***Executive remuneration***

The Consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

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**REMUNERATION REPORT (CONTINUED)**

**A. Principles used to determine nature and amount of remuneration (continued)**

*Non-executive directors remuneration*

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The Chairperson's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The Chairperson is not present at any discussions relating to the determination of his own remuneration.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was within the Company's Prospectus which was lodged with ASIC and ASX on 10 May 2021 and specifically at Section 10.2 of the Prospectus in which it determined that the maximum annual aggregate remuneration has been set at \$400,000. This is also governed by the Company's Constitution.

**B. Remuneration structure**

***Non-Executive remuneration arrangements***

Remuneration and other terms of employment for key management personnel are formalised in appointment letters of agreements. Details of these agreements are as follows:

Common arrangements for all non-executive directors

- Term - and will cease when director resigns, retires or is removed from office in accordance with the Company's constitution or the Corporations Act.
- Any fees paid will in any event, be subject to annual review by the Board of the Company and approval by Shareholders (if required).
- The Company will reimburse non-executive directors for all reasonable expenses incurred in performing his duties.
- In addition to the remuneration to be paid, the Company will issue to non-executive directors (or their nominee) Performance Rights. The terms and conditions of the Performance Rights will be determined by the Board and shareholder approval will be required for the issue of the Performance Rights.

The individual aspects of appointment for each of the non-executive directors is listed below:

<b>Name</b>	<b>Mr Robert Downey</b>
Position	Non-Executive Chairperson
Date of letter of appointment	20 November 2020
Remuneration – base	A base fee of \$48,000 per annum (plus GST)
Remuneration – other	For services beyond the typical scope of that as non-executive Chairperson at an hourly rate of \$125 per hour (plus GST)
Performance rights	The Company issued to Mr Downey (or his nominee) 400,000 Class A Performance Rights and 400,00 Class B Performance Rights on 20 November 2020. Additional performance rights have been issued and approved at the 22 December 2021 annual general meeting , 9 May 2021 general meeting and 18 November 2022 annual general meeting.

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**REMUNERATION REPORT (CONTINUED)**

<b>Name</b>	<b>Mr Chris Evans</b>
Position	Non-Executive Technical Director
Date of letter of appointment	14 February 2022
Remuneration - base	A base fee of \$42,000 per annum (plus GST)
Remuneration - other	For services beyond the typical scope of that as non-executive Director at an hourly rate of \$140 per hour (plus GST)
Sign-on performance rights	Issued with 100,000 Performance Rights (Class H) The issue of these performance rights has shareholder approval as at 9 May 2022.
Performance rights	Performance rights have been issued and approved at 9 May 2021 General meeting and 18 November 2022 annual general meeting.

<b>Name</b>	<b>Mr Brendan Cummins</b>
Position	Non-Executive Technical Director
Date of letter of appointment	20 November 2020 (resigned 1 September 2022)
Remuneration - base	A base fee of \$36,000 per annum (plus GST)
Remuneration - other	For services beyond the typical scope of that as non-executive Director at an hourly rate of \$165 per hour (plus GST)
Promoter Share Allocation	Issued 300,000 fully paid ordinary shares at an issue price of \$0.001 per share. These shares are subject to 24 months escrow as required by the ASX until 6 July 2023
Performance rights	The Company issued to Mr Cummins (or his nominee) 500,000 Class A Performance Rights and 500,00 Class B Performance Rights on 20 November 2020. Additional performance rights have been issued and approved at the 22 December 2021 annual general meeting and 9 May 2021 General meeting.

<b>Name</b>	<b>Mr David Greenwood</b>
Position	Non-Executive Technical Director
Date of letter of appointment	15 July 2021 (resigned 1 September 2022)
Remuneration - base	A base fee of \$36,000 per annum (plus GST)
Remuneration - other	For services beyond the typical scope of that as non-executive Director at an hourly rate of \$165 per hour (plus GST)
Sign-on options	Issued 300,000 sign-on unlisted options at a cost of \$0.001 each with an exercise price of \$0.27 and an expiry period two years from date of issue. The issue of these options has shareholder approval as at 22 December 2021.
Performance rights	Performance rights have been issued and approved at the 22 December 2021 annual general meeting and 9 May 2021 General meeting.

***Executive remuneration***

The Consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

**REMUNERATION REPORT (CONTINUED)**

**Letter of Appointment with Mr Gino D'Anna (Commercial and Corporate Director)**

On 17 November 2020, the Company and Mr Gino D'Anna entered into a letter of appointment whereby Mr D'Anna has been appointed as Commercial and Corporate Director of the Company on the following terms:

- Term - Mr D'Anna's service commenced on 17 November 2020 and will cease when he resigns, retires or is removed from office in accordance with the Company's constitution or the Corporations Act.
- Remuneration - Mr D'Anna is entitled to a base fee of \$36,000 per annum. No salary or superannuation was accrued until completion of the Offer and listing of the Company on the ASX. Any fees paid to Mr D'Anna will in any event be subject to annual review by the Board of the Company and approval by Shareholders (if required). The Company will reimburse Mr D'Anna for all reasonable expenses incurred in performing his duties.
- Mr D'Anna is entitled to charge the Company for professional consulting and corporate advisory services beyond the typical scope of that as commercial and corporate director at an hourly rate of \$125 per hour (plus GST).
- Performance Rights- In addition to the remuneration to be paid, the Company has issued to Mr D'Anna (or his nominee) 400,000 Class A Performance Rights and 400,000 Class B Performance Rights on the 20 November 2020. Additional performance rights have been issued and approved at the 22 December 2021 annual general meeting , 9 May 2021 General meeting and 18 November 2022 annual general meeting.

**C. Details of remuneration**

The key management personnel ("KMP") of the Group are the Directors of Askari Metals Limited. Details of the remuneration of the Directors of the Group are set out below:

2023	Short-term benefits			Long-term benefits	Share-based payments		Total	Remuneration linked to performance
	Cash Salary & Fees	Cash Bonus	Super-annuation	Long Service Leave	Equity-settled performance rights	Equity-settled options		%
	\$	\$	\$	\$	\$	\$	\$	%
<i>Non-Executive directors:</i>								
Mr Downey	48,000	-	-	-	73,202	-	121,202	60
Mr Cummins	6,000	-	-	-	63,340	-	69,340	91
Mr Greenwood	6,000	-	-	-	94,484	-	100,484	94
Mr Evans	44,800	-	-	-	129,369	-	174,169	74
<i>Executive directors:</i>								
Mr D'Anna	279,600	50,000	-	-	426,889	-	756,489	56
<b>Total</b>	<b>384,400</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>787,284</b>	<b>-</b>	<b>1,221,684</b>	

**ASKARI METALS LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**REMUNERATION REPORT (CONTINUED)  
Details of remuneration**

2022	Short-term benefits			Long-term benefits	Share-based payments		Total	Remuneration linked to performance
	Cash Salary & Fees	Cash Bonus	Super-annuation	Long Service Leave	Equity-settled performance rights	Equity-settled options		%
	\$	\$	\$	\$	\$	\$	\$	%
<i>Non-Executive directors:</i>								
Mr Downey	48,000	-	-	-	4,085	-	52,085	7.8
Mr Cummins	40,620	-	-	-	4,091	-	44,711	9.2
Mr Greenwood	34,500	-	-	-	7,766	21,653	63,919	46.0
Mr Evans	17,500	-	-	-	8,214	-	25,714	31.9
<i>Executive directors:</i>								
Mr D'Anna	166,200	-	-	-	23,244	-	189,444	12.3
<b>Total</b>	<b>306,820</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,400</b>	<b>21,653</b>	<b>375,873</b>	

**D. Share-based Compensation**

**Issue of performance rights**

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

**Market related performance rights**

The fair value of market related performance rights issued were based on the following:

Type of performance right:	Class Q
Valuation date	20/02/23
Spot price \$	0.565
Barrier price \$	1.00
Expiry date	20/02/26
Risk free rate	3.61%
Volatility factor	90%
Fair value per performance right \$	0.4457

Market related performance rights were valued using Hoadly Trading and Investment Tool Barrier 1 valuation model. Further information on Hoadley's employee option valuation models can be found at [www.hoadley.net](http://www.hoadley.net). The model takes into account the above assumptions.

**Non-market related performance rights**

The Company did an assessment for each non-market performance based milestone and concluded, there was insufficient data and understanding of mineralisation to make a determination that it was likely that the performance rights milestones could be achieved. Consequently no value has been assigned to them at this time. The Company will reassess this position every 6 months, in line with statutory reporting requirements and in accordance with AASB 2 – Share Based Payments. The vesting conditions are described further in this section.

Type of performance right:	Class A	Class A	Class B	Class B
Date granted	20/11/20	22/12/21	20/11/20	22/12/21
Share price at date granted/contract date \$	0.0005	0.175	0.0005	0.175



**ASKARI METALS LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**REMUNERATION REPORT (CONTINUED)**

<b>Type of performance right:</b>	<b>Class I</b>	<b>Class J</b>	<b>Class K</b>
Date granted	09/05/22	09/05/22	09/05/21
Share price at date granted/contract date \$	0.505	0.505	0.505
<b>Type of performance right:</b>	<b>Class N</b>	<b>Class O</b>	<b>Class P</b>
Date granted	20/02/23	20/02/23	20/02/23
Share price at date granted/contract date \$	0.565	0.565	0.565

Valuation of non-market related performance rights are valued at the share price on day they are granted. Value is only assigned when the non-market related condition is likely to occur.

The amount of vesting expense for each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Performance rights issued to	Number of performance rights issued	Class	Valuation	Value amortised to 30 June 2023
Mr D'Anna	400,000	A	\$200	\$179
Mr Downey	400,000	A	\$200	\$179
Mr Cummins	500,000	A	\$250	\$229
Mr Greenwood	200,000	A	\$35,000	\$31,373
Mr D'Anna	400,000	B	\$200	-
Mr Downey	400,000	B	\$200	-
Mr Cummins	500,000	B	\$250	-
Mr Greenwood	200,000	B	\$35,000	-
Mr Evans	100,000	H	\$50,500	\$46,435
Mr D'Anna	400,000	I	\$202,000	-
Mr Downey	70,000	I	\$35,350	-
Mr Cummins	70,000	I	\$35,350	-
Mr Greenwood	70,000	I	\$35,350	-
Mr Evans	70,000	I	\$35,350	-
Mr D'Anna	400,000	J	\$202,000	-
Mr Downey	70,000	J	\$35,350	-
Mr Cummins	70,000	J	\$35,350	-
Mr Greenwood	70,000	J	\$35,350	-
Mr Evans	70,000	J	\$35,350	-
Mr D'Anna	400,000	K	\$202,000	-
Mr Downey	70,000	K	\$35,350	-
Mr Cummins	70,000	K	\$35,350	-
Mr Greenwood	70,000	K	\$35,350	-
Mr Evans	70,000	K	\$35,350	-
Mr D'Anna	400,000	L	\$190,480	\$176,912
Mr Downey	70,000	L	\$33,334	\$30,960
Mr Cummins	70,000	L	\$33,334	\$30,960
Mr Greenwood	70,000	L	\$33,334	\$30,960
Mr Evans	70,000	L	\$33,334	\$30,960
Mr D'Anna	400,000	M	\$192,880	\$183,720
Mr Downey	70,000	M	\$33,754	\$32,151
Mr Cummins	70,000	M	\$33,754	\$32,151
Mr Greenwood	70,000	M	\$33,754	\$32,151
Mr Evans	70,000	M	\$33,754	\$32,151
Mr D'Anna	1,250,000	N	\$706,250	-

REMUNERATION REPORT (CONTINUED)

Performance rights issued to	Number of performance rights issued	Class	Valuation	Value amortised to 30 June 2023
Mr Downey	187,500	N	\$105,937	-
Mr Evans	375,000	N	\$211,875	-
Mr D'Anna	1,250,000	O	\$706,250	-
Mr Downey	187,500	O	\$105,937	-
Mr Evans	375,000	O	\$211,875	-
Mr D'Anna	1,250,000	P	\$706,250	-
Mr Downey	187,500	P	\$105,937	-
Mr Evans	375,000	P	\$211,875	-
Mr D'Anna	1,250,000	Q	\$557,125	66,078
Mr Downey	187,500	Q	\$83,569	9,912
Mr Evans	375,000	Q	\$167,138	19,823
				<b>\$787,284</b>

The Class A and B Performance Rights issued on 20 November 2020 have the following milestones attached to them:

- Class A:** the Class A Performance Rights will convert into Shares (on a 1:1 basis) upon:
- (i) the Company announcing no less than five (5) drill holes each intersecting a minimum gram per metre interval of 8 gram/metre on any of the Gold Projects currently held by the Company (where "Gold Projects" is defined as the Springfield Copper-Gold Project, the Springdale Copper-Gold Project, the Mt Maguire Gold Project or the Burracoppin Gold Project); or
  - (ii) the Company announcing no less than five (5) drill holes each intersecting a minimum percent per metre interval of 4 percent/metre on any of the Copper Projects currently held by the Company (where "Copper Projects" is defined as the Horry Copper Project and the Callawa Copper Project). in each case in accordance with the JORC Code and as verified by an independent competent person under the JORC Code (Class A Milestone), with the Class A Performance Rights expiring on the date that is two (2) years from the date of Admission if the Class A Milestone is not achieved.
- Class B:** the Class B Performance Rights will convert into Shares (on a 1:1 basis) upon:  
the Company announcing a JORC (2012) compliant Mineral Resource of gold, as verified by an independent competent person under the JORC Code, of at least 50,000 ounces at a grade of not less than 2g/t Au on any of the Gold Projects currently held by the Company (where "Gold Projects" is defined as the Springdale Gold Project, the Mt Maguire Gold Project and/or the Burracoppin Gold Project) (Class B Milestone), with the Class B Performance Rights expiring on the date that is three (3) years from the date of Admission if the Class B Milestone is not achieved.

The Class A & B performance rights issued to Mr Greenwood on 22 December 2021 has the same vesting criteria.

The Class H,I, J, K, L and M Performance Rights issued on 9 May 2022 have the following milestones attached to them:

- Class H:** the Class H Performance Rights will convert into an equivalent number of Shares upon the Company achieving a 20 day Volume Weighted Average Price (VWAP) of its securities as traded on the ASX of not less than 50 cents per share. This hurdle must be achieved by 14 February 2024.

REMUNERATION REPORT (CONTINUED)

D. Share-based Compensation (continued)

**Class I:** the Class I Performance Rights will convert into an equivalent number of Shares upon achievement of the Company collecting not less than 15 rock samples (Cumulative) from any of its lithium projects defined as either Red Peak Lithium Project, the Yarrie Lithium Project, or the Barrow Creek Lithium Project, that exhibit the mineralogical composition of an LCT pegmatite with geochemistry results of not less than 180PPm Li, 50pp Cs, 15ppm Ra and 700ppm Rb. This hurdle must be achieved within 2 years from the date of grant of the Performance Right.

**Class J:** the Class J Performance Rights will convert into an equivalent number of Shares upon achievement by the Company, of completion of an RC Drilling program at any of its lithium projects defined as either Red Peak Lithium Project, the Yarrie Lithium Project, or the Barrow Creek Lithium Project. Where the RC drilling program intersects a mineralised interval of not less than 5M @1% Li<sub>2</sub>O across not less than three (3) individual drill holes. This hurdle must be achieved within 3 years from the date of grant of the Performance Right.

**Class K:** the Class K Performance Rights will convert into an equivalent number of Shares upon achievement by the Company of a JORC (or N143-101) compliant resource of >1,500,000 tonnes @>0.8% Li<sub>2</sub>O at any of its lithium projects defined as either Red Peak Lithium Project, the Yarrie Lithium Project, or the Barrow Creek Lithium Project. This hurdle must be achieved within 3 years from the date of grant of the Performance Right.

**Class L:** the Class L Performance Rights will convert into an equivalent number of Shares upon achievement by the Company of a market capitalisation of not less than \$30 million. This hurdle must be achieved within 2 years from the date of grant of the Performance Right.

**Class M:** the Class M Performance Rights will convert into an equivalent number of Shares upon achievement by the Company of a 20-day VWAP shareprice >\$0.60 within 3 years from the date of grant of the Performance Right.

The Class N, O, P and Q Performance Rights, issued on 20 February 2023, have the following milestones attached to them:

**Class N:** the Class N Performance Rights will convert into an equivalent number of Shares upon achievement of the Company collecting not less than 25 rock samples (cumulative) from the Uis Lithium Project that exhibit the mineralogical composition of an LCT pegmatite with geochemistry result of not less than 300ppm Li, 70ppm Cs, 90ppm Ta, 700ppm Rb.

**REMUNERATION REPORT (CONTINUED)**

**D. Share-based Compensation (continued)**

**Class O:** the Class N Performance Rights will convert into an equivalent number of Shares upon completion of an RC drilling program at the Uis Lithium Project where the RC drilling program intersect a mineralised interval of not less than 10m @ 1% Li<sub>2</sub>O (equivalent) across not less than five (5) individual drill holes.

**Class P:** the Class N Performance Rights will convert into an equivalent number of Shares upon achievement of a JORC (or N143-101) compliant resource of >5,000,000 tonnes @ >1.0% Li<sub>2</sub>O (equivalent) in the Uis Lithium Project.

**Class Q:** the Class N Performance Rights will convert into an equivalent number of Shares upon achievement of a 20-day VWAP share price >AUD\$1.00.

**Issue of options**

No directors received options as remuneration during the financial year.

**E. Additional statutory information**

The losses of the Consolidated entity for the two years since listing to 30 June 2023 are summarised below:

	<b>2023</b>	<b>2022</b>
(Loss) after income tax	(\$6,206,928)	(\$2,253,389)

The factors that are considered to affect total shareholders return are summarised below:

	<b>2023</b>	<b>2022</b>
Share price at financial year end	\$0.285	\$0.235
Total dividends declared	-	-
Basic loss per share	(\$0.104)	(\$0.049)

*Company's Annual General Meeting*

The Company's Annual General Meeting was held on 18 November 2022.

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**REMUNERATION REPORT (CONTINUED)**

**F. Additional disclosures relating to key management personnel**

**Share holdings**

The number of shares in the Company held during the financial year by each Director and other key management personnel of the Group are set out below.

<b>2023</b>	<b>Balance at the start of the year</b>	<b>Received as Remuneration</b>	<b>Purchased during year</b>	<b>Disposal during the year</b>	<b>Performance Rights Converted</b>	<b>Balance at the end of the year</b>
<b>KMP</b>						
Mr D'Anna <sup>1</sup>	5,061,300	-	8,500	-	1,200,000	6,269,800
Mr Downey <sup>2</sup>	300,000	-	-	-	540,000	840,000
Mr Cummins <sup>3 5</sup>	525,000	-	-	(525,000)	-	-
Mr Greenwood <sup>4</sup>	-	-	-	-	-	-
Mr Evans	-	-	-	-	240,000	240,000
	<b>5,886,300</b>	<b>-</b>	<b>8,500</b>	<b>(525,000)</b>	<b>1,980,000</b>	<b>7,349,800</b>

<sup>1</sup> Includes shares held by a related trust

<sup>2</sup> Includes shares held by spouse

<sup>3</sup> Includes shares held by a related entity

<sup>4</sup> Mr Greenwood resigned 1 September 2022

<sup>5</sup> Mr Cummins resigned 1 September 2022

**Other transactions with key management personnel and their related parties**

There were no related party transactions with key management personnel.

**Performance Rights holdings**

The numbers of performance rights in the Company held during the financial year by each Director and other key management personnel of the Group are set out below.

<b>2023</b>	<b>Balance at the start of the year</b>	<b>Received as Remuneration</b>	<b>Disposal during the year</b>	<b>Exercised</b>	<b>Balance at the end of the year</b>
<b>KMP</b>					
Mr D'Anna <sup>1</sup>	2,800,000	5,000,000	-	(1,200,000)	6,600,000
Mr Downey <sup>2</sup>	1,150,000	750,000	-	(540,000)	1,360,000
Mr Cummins <sup>3 5</sup>	1,350,000	-	(1,350,000)	-	-
Mr Greenwood <sup>4</sup>	750,000	-	(750,000)	-	-
Mr Evans	450,000	1,500,000	-	(240,000)	1,710,000
	<b>6,500,000</b>	<b>7,250,000</b>	<b>(2,100,000)</b>	<b>(1,980,000)</b>	<b>9,670,000</b>

<sup>1</sup> Includes shares held by a related trust

<sup>2</sup> Includes shares held by spouse

<sup>3</sup> Includes shares held by a related entity

<sup>4</sup> Mr Greenwood resigned 1 September 2022

<sup>5</sup> Mr Cummins resigned 1 September 2022



**ASKARI METALS LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**REMUNERATION REPORT (CONTINUED)**

**F. Additional disclosures relating to key management personnel**

***Option holdings***

The numbers of options in the Company held during the financial year by each Director and other key management personnel of the Group are set out below.

<b>2023</b>	<b>Balance at the start of the year</b>	<b>Received as Remuneration</b>	<b>Purchased as loyalty options</b>	<b>Disposals</b>	<b>Balance at the end of the year</b>
<b>KMP</b>					
Mr D'Anna <sup>1</sup>	2,000,301	-	-	-	2,000,301
Mr Downey <sup>2</sup>	195,000	-	-	-	195,000
Mr Cummins <sup>3,5</sup>	251,250	-	-	(251,250)	-
Mr Greenwood <sup>4</sup>	420,000	-	-	(420,000)	-
Mr Evans	-	-	-	-	-
	<b>2,866,551</b>	<b>-</b>	<b>-</b>	<b>(671,250)</b>	<b>2,195,301</b>

<sup>1</sup> Includes shares held by a related trust

<sup>2</sup> Includes shares held by spouse

<sup>3</sup> Includes shares held by a related entity

<sup>4</sup> Mr Greenwood resigned 1 September 2022

Mr Cummins resigned 1 September 2022

**End of Audited Remuneration Report**

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**ASKARI METALS LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2023**

**Shares under option**

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

Expiry date	Exercise price	Balance at start of year	Issued up to the date of this report	Converted/Cancelled or lapsed	Balance at the date of this report
25 June 2024	\$0.25	2,500,000	-	-	2,500,000
25 June 2023**	\$0.25	281,250	-	(250,000)	31,250
6 September 2023	\$0.25	80,000	-	-	80,000
31 October 2024 *	\$0.25	13,369,612	3,666,667	(259,784)	16,776,495
29 December 2023	\$0.27	300,000	-	-	300,000
15 May 2026	\$0.80	-	2,500,000	-	2,500,000
		16,530,862	6,166,667	(509,784)	22,187,745

\* Listed options

\*\* Not cancelled at time of this report

**Indemnification of officers**

During the financial year the Group paid a premium of \$25,000 to insure the directors and officers of the Company and its Australian based controlled entities against a liability incurred as such a director or officer to the extent permitted by the Corporations Act 2001.

The Group has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Group against a liability incurred as such as an officer or auditor.

**Indemnification of auditors**

No indemnities have been given or insurance premiums paid, during or since the end of the period, for any person who is or has been an auditor of the Company.

**Auditor's independence declaration**

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 can be found on page 37.

**Non-Audit Services**

Details of the non-audit services provided to the Group from entities related to the Company's external auditor HLB Mann Judd (WA Partnership) during the year ended 30 June 2023 are outlined in the following table. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and the scope of each type of non-audit service provided means that auditor independence was not compromised.

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

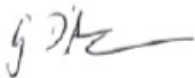
	30-June-23	30-June-22
	\$	\$
<i>Other services – HLB Mann Judd (WA Partnership)</i>		
Preparation of Income tax and FBT returns and tax advisory	9,150	4,750
	9,150	4,750

**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 to intervene in any proceedings to which the Group is a party, for the purposes of taking responsibility on behalf of the Group for all or part of those proceedings.

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

On behalf of the directors



**Gino D'Anna**  
**Director**  
**29 September 2023**

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**AUDITOR'S INDEPENDENCE DECLARATION**

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

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

Perth, Western Australia  
29 September 2023



**D I Buckley**  
Partner

**hlb.com.au**

**HLB Mann Judd (WA Partnership) ABN 22 193 232 714**

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

**T:** +61 (0)8 9227 7500 **E:** mailbox@hbw.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

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



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

	Notes	30-June-23	30-June-22
		\$	\$
<b>Revenue</b>			
Other revenue		20,678	-
		<b>20,678</b>	<b>-</b>
<b>Expenses</b>			
Administration expense	7	(1,961,120)	(1,032,100)
Share based payment expense	7	(1,349,251)	(158,666)
Depreciation expense	7	(237,908)	(52,594)
Finance expense	7	(6,538)	(7,647)
Loss on sale of property, plant & equipment	7	-	(6,410)
Exploration – Employee on-costs and expense		(6,782)	(175,383)
Exploration and evaluation expense	7	(2,505,178)	(638,541)
Exploration costs written off	7	(160,829)	(103,658)
Prospectus and IPO costs		-	(78,390)
<b>Loss from continuing operations before income tax</b>		<b>(6,206,928)</b>	<b>(2,253,389)</b>
Income tax expense	5	-	-
<b>Loss from continuing operations after income tax</b>		<b>(6,206,928)</b>	<b>(2,253,389)</b>
<b>Loss attributable to non-controlling interest</b>		<b>-</b>	<b>-</b>
<b>Loss attributable to parent entity</b>		<b>(6,206,928)</b>	<b>(2,253,389)</b>
		<b>(6,206,928)</b>	<b>(2,253,389)</b>
<b>Other comprehensive income, net of tax</b>			
Items that may be reclassified subsequently to profit or loss:		(7,998)	-
<b>Total comprehensive loss for the year</b>		<b>(6,214,926)</b>	<b>(2,253,389)</b>
		<b>Cents</b>	<b>Cents</b>
Loss per share from continuing operations attributable to the ordinary equity holders of the Company:			
Basic and diluted loss per share	19	(10.44)	(4.87)

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

**ASKARI METALS LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

	Notes	30-June-23 \$	30-June-22 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	8	3,455,498	4,352,794
Trade and other receivables	9	297,830	300,106
<b>Total Current Assets</b>		<b>3,753,328</b>	<b>4,652,900</b>
<b>Non-Current Assets</b>			
Exploration and evaluation expenditure	11	8,289,855	2,326,716
Property, plant & equipment	10	167,347	178,076
Right-of-use asset	12	55,791	92,984
Security deposit		20,840	23,200
<b>Total Non-Current Assets</b>		<b>8,533,833</b>	<b>2,620,976</b>
<b>TOTAL ASSETS</b>		<b>12,287,161</b>	<b>7,273,876</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	13	1,232,442	250,406
Provisions	15	-	39,830
Lease liability	14	35,592	34,792
<b>Total Current Liabilities</b>		<b>1,268,034</b>	<b>325,028</b>
<b>Non-Current Liabilities</b>			
Lease liability	14	20,198	58,192
<b>Total Non-Current Liabilities</b>		<b>20,198</b>	<b>58,192</b>
<b>TOTAL LIABILITIES</b>		<b>1,288,232</b>	<b>383,220</b>
<b>NET ASSETS</b>		<b>10,998,929</b>	<b>6,890,656</b>
<b>EQUITY</b>			
Share capital	16	18,999,210	9,103,920
Reserves	17	830,509	410,662
Accumulated losses	18	(8,830,854)	(2,623,926)
Parent entity interest		10,998,865	6,890,656
Non-controlling interest		64	-
<b>TOTAL EQUITY</b>		<b>10,998,929</b>	<b>6,890,656</b>

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

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

	Share Capital	Reserves	Accumulated Losses	Total	Non- controlling Interests	Total Equity
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	9,103,920	410,662	(2,623,926)	6,890,656	-	6,890,656
Loss for year	-	-	(6,206,928)	(6,206,928)	-	(6,206,928)
Foreign exchange differences on translation of foreign operations	-	(7,998)	-	(7,998)	-	(7,998)
Total comprehensive loss for the year	-	-	(6,206,923)	(6,214,926)	-	(6,214,926)
Transactions with owners in their capacity as owners:						
Purchase of Myrnas Hill	125,000	-	-	125,000	-	125,000
Conversion of options	127,445	-	-	127,445	-	127,445
Conversion of performance rights	921,342	(921,342)	-	-	-	-
Purchase of 80% of Earth Dimensions	1,840,000	-	-	1,840,000	-	1,840,000
Issue of capital raising shares	5,725,000	-	-	5,725,000	-	5,725,000
Expense of capital raising	(331,050)	-	-	(331,050)	-	(331,050)
Purchase of Hillside	221,130	-	-	221,130	-	221,130
Purchase of Kokerboom	1,266,423	-	-	1,266,423	-	1,266,423
Options issued to lead manager	-	391,500	-	391,500	-	391,500
Vesting of Performance rights	-	957,751	-	957,751	-	957,751
Free carried share of net assets	-	(64)	-	(64)	64	-
At 30 June 2023	<b>18,999,210</b>	<b>830,509</b>	<b>(8,830,854)</b>	<b>10,998,865</b>	<b>64</b>	<b>10,998,929</b>

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

	Share Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2021	6,162,618	249,359	(370,537)	6,041,440
Loss for year	-	-	(2,253,389)	(2,253,389)
Total comprehensive loss for the year	-	-	(2,253,389)	(2,253,389)
Transactions with owners in their capacity as owners:				
Issue of shares - capital raising	2,600,000	-	-	2,600,000
Issue of loyalty options	-	21,261	-	21,261
Issue of sign-on options	-	40,622	-	40,622
Conversion of options	211,176	-	-	211,176
Options issued to lead manager	-	78,503	-	78,503
Payment to contractor	120,000	-	-	120,000
Purchase of exclusivity option	100,000	-	-	100,000
Purchase of Talga East tenement	75,000	-	-	75,000
Issue of performance rights	-	59,404	-	59,404
Conversion of performance rights to shares	58,940	-	-	58,940
Expense of raising capital & options	(223,814)	(38,487)	-	(262,301)
At 30 June 2022	<b>9,103,920</b>	<b>410,662</b>	<b>(2,623,926)</b>	<b>6,890,656</b>

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.



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

	Notes	30-June-23 \$	30-June-22 \$
<b>Cash flows from operating activities</b>			
Payment to suppliers and employees (includes GST)		(4,159,442)	(1,859,658)
Proceeds on sale of assets		-	-
Interest paid on finance		(6,538)	(7,647)
<b>Net cash (outflows) from operating activities</b>	24	<b>(4,165,980)</b>	<b>(1,867,305)</b>
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation expenditure		(2,046,211)	(1,442,449)
Purchase of property, plant & equipment		(201,902)	(219,592)
Sale of fixed assets		18,480	-
Payments for application for tenements		-	(140,448)
Security deposit		-	(13,200)
<b>Net cash (outflows) from investing activities</b>		<b>(2,229,633)</b>	<b>(1,815,689)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		5,725,000	2,600,000
Payment for capital raising costs		(331,050)	(554,691)
Proceeds from exercise of options		127,446	211,176
Proceeds from issue of options		-	21,561
Payment for issue of options costs		-	(7,233)
Lease payments		(37,194)	(14,167)
Interest received		14,115	-
Repayment of loan		-	(23,750)
<b>Net cash inflows from financing activities</b>		<b>5,498,317</b>	<b>2,232,896</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(897,296)</b>	<b>(1,450,098)</b>
Cash and cash equivalents at beginning of financial year		4,352,794	5,802,892
<b>Cash and cash equivalents at the end of the financial year</b>	8	<b>3,455,498</b>	<b>4,352,794</b>

The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

**ASKARI METALS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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**NOTE 1: REPORTING ENTITY**

Askari Metals Limited (the “Company” or “Askari”) is a Company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange Limited (“ASX”). The address of its registered office and principal place of business are disclosed in the Corporate Directory at the beginning of the Annual Report.

The financial statements were authorised for issue by the Board of Directors on 29 September 2023.

The nature of the operations and principal activities of the Group are described in the Directors’ Report.

**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

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

**a) *New or amended Accounting Standards and Interpretations adopted***

The Consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There was no impact on accounting policies of the Consolidated entity.

Any new or amended Accounting Standards or Interpretations on issue that are not yet mandatory have not been early adopted and are not considered to have a material impact on the Consolidated entity.

**b) *Principles of consolidation***

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2023 and the results of all subsidiaries for the year then ended. Askari Metals Limited and its subsidiaries together are referred to in these financial statements as the “Group” or “Consolidated entity”.

*Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

*Transactions eliminated on consolidation*

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

*Acquisition of Subsidiaries*

The acquisition method of accounting is used to account for business combinations by the Group.

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**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**c) Basis of preparation of the financial report**

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 as appropriate for for-profit orientated entities. The consolidated financial statements comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board.

The consolidated financial statements were approved by the Board of Directors on the date the directors' report and declaration was signed. Askari Metals Limited is a for-profit entity for the purpose of preparing the financial statements.

*Historical Cost Convention*

The financial report has been prepared under the historical cost convention, except as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

*Functional and presentation currency*

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

At the balance date the assets and liabilities of subsidiaries with a foreign currency are translated into the presentation currency of Askari Metals Ltd at the rate of exchange ruling at balance date and their statement of profit and loss and comprehensive income are translated at weighted average exchange for the year. The exchange difference arising on the translation is taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

**d) Going concern**

For the year ended 30 June 2023 the Group has incurred a net loss of \$6,206,928 (2022: \$2,253,389), experienced net cash outflows from operations of \$4,160,092 (2022: \$1,867,305) and net cash inflows from financing activities of \$5,492,429 (2022: \$2,232,896). As at 30 June 2023 the cash balance was \$3,455,498 (2022: \$4,352,794).

Given the potential funding options and cash management initiatives noted below, the Directors believe the going concern basis is appropriate. The Company will continue to exercise appropriate cash management and monitoring of operating cashflows according to exploration success. Future exploration expenditure is generally discretionary in nature and exploration activities may be slowed or suspended as part of the Company's cash management strategy. The Company has demonstrated its ability to raise capital via equity placements to shareholders during the period. Given the strong support of substantial shareholders and the prospectivity of the Company's current projects the Directors are confident that any future capital raising will be successful.

**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Should the Company be unable to obtain sufficient future funding, there is a material uncertainty which may cause significant doubt as to whether the Company will be able to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

**e) Revenue recognition**

Revenue is recognised when or as the Group transfers control of goods or services to a customer at the amount to which the Group expected to be entitled. If the consideration promised includes a variable amount, the Group estimates the amount of consideration to which it will be entitled.

Interest income is recognised on a time proportion basis using the effective interest method.

**f) Segment reporting**

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

**g) Income tax**

The charge for current income tax expenses is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the statement of financial position date.

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

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary difference can be utilised. The amount of benefits brought to account or which may be released in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

**h) 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 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.



**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

A liability is classified as current when: it is either expected to be settled in 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.

**i) Cash and cash equivalents**

Cash and cash equivalents include 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.

**j) Financial instruments**

Trade and other receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Trade and other receivables are recognised at amortised cost using the effective interest rate method, less any allowance for expected credit losses.

The Group assesses at each reporting date whether there is an expectation that a financial asset or group of financial assets is impaired. For trade and other receivables, the Group applies the simplified approach permitted by AASB 9 to determine any allowances for expected credit losses, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience. The amounts held in trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these trade and other receivables, it is expected that the amounts will be received when due.

The Group's financial risk management objectives and policies are set out in Note 21.

Due to the short-term nature of these receivables their carrying value is assumed to approximate their fair value.

Financial assets are recognised and derecognised on settlement date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time-frame established by the market concerned. They are initially measured at fair value, net of transaction costs, except for those financial assets classified as fair value through profit or loss, which are initially measured at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

The Group classifies its financial assets as either financial assets at fair value through profit or loss ("FVPL"), fair value through other comprehensive income ("FVOCI") or at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For investments in equity instruments, the classification depends on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVPL or FVOCI.

**Financial assets at FVPL**

For assets measured at FVPL, gains and losses will be recorded in profit or loss. The Group's derivative financial instruments are recognised at FVPL. Assets in this category are subsequently measured at fair value. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Financial assets at OCI***

For assets measured at FVOCI, gains and losses will be recorded in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. The Group has elected to measure its listed equities at FVOCI.

Assets in this category are subsequently measured at fair value. The fair values of quoted investments are based on current bid prices in an active market. Refer to Note 21 for additional details.

***k) Property, plant and equipment***

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Exploration plant and equipment	2-5 years
Motor vehicles	7-12 years
Electronic equipment and computers	2-4 years
Office furniture and equipment	5-10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

***l) Right-of-use assets***

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The Consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

**m) Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**n) Exploration and evaluation expenditure**

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 or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

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.

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

Exploration and evaluation expenditure is tested for impairment when any of the following facts and circumstances exist:

- The term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area are not budgeted nor planned;
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the decision was made to discontinue such activities in the specified area; or
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the decision was made to discontinue such activities in the specified area.

***o) Trade and other payables***

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the Group that remain unpaid. Due to the short-term nature of these payables their carrying amount is assumed to approximate their fair value.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

***p) Lease liabilities***

A lease liability is recognised at the commencement date of a lease.

The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

***q) Employee benefits***

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.



**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**r) Share-based payments**

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

The fair value is determined using an appropriate 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 volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of shares of Askari Metals Limited ('market conditions'). (Refer Note 18 for further details).

For equity-settled share-based payment transactions, the Group will measure the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably or where the fair value deemed in the agreement is materially different, then the value of the equity instruments on the date control passes. If the Group cannot estimate reliably the fair value of the goods or services received, the Group shall measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

**s) 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.

**NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**t) 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.

**u) Business combinations**

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

**v) Earnings per share**

*(i) Basic earnings per share*

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

*(ii) Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

**w) Goods and Services Tax**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST) and value added tax (VAT), except where the amount of GST/VAT incurred is not recoverable from the taxation authority. In these circumstances, the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST/VAT included. The net amount of GST/VAT recoverable or payable is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST/VAT components of cash flows arising from investing and financing activities which are recoverable or payable are classified as operating cash flows.

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

**NOTE 3: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

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

**NOTE 3: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)**

adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Share-based payments*

The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted or where an asset is purchased, the day the Group gains control of the asset. The fair value is determined using valuation methods including the Black Scholes valuation model and the Binomial – barrier up and in model taking into account the terms and conditions upon which the instruments were granted or the share price of the Company on the day the Company gains control of the asset.

The Group measures the cost of equity settled transactions with directors and employees by reference to the fair value of equity instruments at the date at which they are granted. Management have assessed that the achievement of the non-market performance conditions attached to the Performance Rights are 'less than likely' for class B, E, G, I, J, K, N, O and P.

*Fair value measurement hierarchy*

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

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

Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective. The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

*Estimation of useful lives of assets*

The Consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

*Income tax*

The Consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Consolidated entity recognises liabilities for anticipated tax audit issues based on the Consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

**NOTE 3: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)**

*Lease term*

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

*Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

*Employee benefits provision*

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

*Recoverability of deferred exploration and evaluation expenditure*

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at reporting date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. The Board and Management have assessed whether the carrying value of the Exploration and Evaluation Expenditure needs to be impaired. Refer to the accounting policy stated in note 2(n) and to note 11 for movements in the exploration and evaluation expenditure balance.

*Asset acquisition not constituting a business*

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

In determining when an acquisition is determined to be an asset acquisition and not a business combination, significant judgement is required to assess whether the concentration test is passed, or the assets acquired constitute a business in accordance with AASB 3. Under AASB 3 a business is an integrated set of activities and assets that is capable of being conducted or managed for the purpose of providing a return, and consists of inputs and processes, which when applied to those inputs has the ability to create outputs.

**ASKARI METALS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 4: SEGMENT INFORMATION**

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Company operates in 2 segments being in Australia and Namibia in the mineral exploration sector.

The Company owns tenements in Australia and Namibia. Other than this the group's assets comprise cash and minor receivables or prepayments.

	<b>30 June 23</b>	<b>30 June 22</b>
	<b>\$</b>	<b>\$</b>
<b>Current Assets</b>		
Australia	3,692,303	4,652,900
Namibia	61,026	-
	<u>3,753,329</u>	<u>4,652,900</u>
<b>Non-Current Assets</b>		
Australia	4,334,090	2,620,976
Namibia	4,199,743	-
	<u>8,533,833</u>	<u>2,620,976</u>
	<b>30 June 23</b>	<b>30 June 22</b>
	<b>\$</b>	<b>\$</b>
<b>Current Liabilities</b>		
Australia	934,221	325,028
Namibia	333,813	-
	<u>1,268,034</u>	<u>325,028</u>
<b>Non-Current Liabilities</b>		
Australia	20,198	58,192
Namibia	-	-
	<u>20,198</u>	<u>58,192</u>
	<b>30 June 23</b>	<b>30 June 22</b>
	<b>\$</b>	<b>\$</b>
<b>Profit and Loss after tax</b>		
Australia	(4,202,090)	(2,253,389)
Namibia	(2,004,838)	-
	<u>(6,206,928)</u>	<u>(2,253,389)</u>

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**ASKARI METALS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 5: INCOME TAX EXPENSES**

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
<b>Reconciliation</b>		
Accounting (loss) before tax from continuing operations	(6,206,928)	(2,253,389)
Income tax expense calculated at 30%	1,862,078	(676,017)
Non-deductible expenses	1,052,952	48,222
Tax losses for which no deferred tax asset was recognised	1,067,744	999,679
Other deferred tax assets and tax liabilities not recognised	(258,618)	(371,885)
<b>Income tax expense/(benefit) reported in the Statement of Profit and Loss and Other Comprehensive Income</b>	<b>-</b>	<b>-</b>
<b>Deferred tax assets comprise:</b>		
Losses available for offset against future taxable income	2,325,846	1,212,421
Blackhole expenditure	42,930	53,359
Accrued expenses	19,044	13,950
Employee entitlements	-	11,949
Superannuation payable	-	5,446
Deferred gains and losses on foreign exchange	682	112
ROU leases	16,737	27,895
Deferred tax assets not recognised	(1,258,840)	(738,593)
	<b>1,146,399</b>	<b>586,539</b>
<b>Deferred tax liabilities comprise:</b>		
Exploration expenditure	(1,129,662)	(558,644)
ROU Assets	(16,737)	(27,895)
	<b>(1,146,399)</b>	<b>(586,539)</b>
<b>Income tax not recognised directly to equity:</b>		
Share issue costs	122,502	64,575
Deferred tax assets not recognised	(122,502)	(64,575)
	<b>-</b>	<b>-</b>

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

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

**NOTE 6: DIVIDENDS**

There are no dividends declared or paid during the period ended 30 June 2023 (2022: \$nil).

**ASKARI METALS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 7: EXPENSES**

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
<b>Depreciation expense</b>		
Depreciation – Property, plant & equipment	200,714	35,106
Depreciation – Right-of-use asset	37,194	17,488
<b>Total depreciation expense</b>	<b>237,908</b>	<b>52,594</b>
<b>Finance expense</b>		
Finance Interest – Loan	-	1,329
Finance Interest – Lease for right-of-use asset	6,538	6,318
<b>Total finance expense</b>	<b>6,538</b>	<b>7,647</b>
<b>Share-based payment expense</b>		
Employee share-based payment expense	106,620	85,527
Key management share-based payment expense	787,841	69,053
Management consultant share based payment	391,500	-
Other share-based payment expense - consultant	63,290	4,086
<b>Total share-based payment expense</b>	<b>1,349,251</b>	<b>158,666</b>
<b>Loss on sale of property, plant &amp; equipment</b>		
Write-off general expense	-	6,410
<b>Total loss on sale of property, plant &amp; equipment</b>	<b>-</b>	<b>6,410</b>
<b>Exploration costs written off</b>		
Exploration costs written off	160,829	103,658
<b>Total exploration costs written off</b>	<b>160,829</b>	<b>103,658</b>
<b>Administration expense</b>		
Accounting and statutory expense	319,502	309,497
General administration expense	310,974	45,769
Corporate expense	885,288	184,911
Key management fees	384,400	302,200
Legal fees	58,956	22,083
Advisory – Geological	2,000	167,640
<b>Total administration expense</b>	<b>1,961,120</b>	<b>1,032,100</b>
<b>Exploration and evaluation expense</b>		
Exploration and application on pending tenements at Yarrie pending	86,518	222,359
Exploration - Barrow Creek tenement EL32804	271,196	122,729
Exploration - Red Peak E52/4025 tenement prior to granting 2 Feb 2022	-	92,111
Exploration and application for Queensland lithium tenements	30,887	53,668
Exploration - Mt Maguire tenement E47/4170 pending	14,167	37,480
Exploration - Mt Deverell tenement E52/4010	39,327	12,284
Exploration - Callawa tenement E45/5842	-	4,872
Exploration – Rouse Creek E08/3486	55,217	-
Exploration Namibia EPL7345 Kokerboom	627,384	-
Exploration Namibia EPL8535 Earth Dimensions	763,898	-
Exploration Namibia various projects	238,555	-
Exploration Namibia EPL7626	375,000	-
Exploration - general expenses and new project assessments,	3,029	93,038
<b>Total exploration and evaluation expense</b>	<b>2,505,178</b>	<b>638,541</b>

ASKARI METALS LIMITED  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTE 8: CASH AND CASH EQUIVALENTS**

	Consolidated	
	30-June-23	30-June-22
	\$	\$
Cash at bank and in hand	3,455,498	4,352,794
<b>Total cash and cash equivalents</b>	<b>3,455,498</b>	<b>4,352,794</b>

**NOTE 9: TRADE AND OTHER RECEIVABLES**

	Consolidated	
	30-June-23	30-June-22
	\$	\$
Trade receivables (GST)	149,859	137,495
Other receivables	8,539	5,000
Prepayments	38,984	57,163
Prepayments (Rent for tenement applications)*	100,448	100,448
<b>Total trade and other receivables</b>	<b>297,830</b>	<b>300,106</b>

\*Refundable if application is not successful.

***Trade receivables past due but not impaired***

There were no trade receivables past due nor impaired.

***Fair value and credit risk***

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to note 21 for more information on the risk management policy of the group and the credit quality of the Group's trade receivables.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 10: PROPERTY, PLANT AND EQUIPMENT**

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
Property, plant & equipment – at Cost	388,706	210,804
<i>Less: Accumulated Depreciation</i>	<i>(221,359)</i>	<i>(32,728)</i>
<b>Total Property, plant and equipment</b>	<b>167,347</b>	<b>178,076</b>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	<b>Office &amp; Computer Equipment</b>	<b>Exploration Equipment</b>	<b>Motor Vehicles</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 30 June 2021</b>	-	-	-	-
<i>Additions</i>				
Acquisitions	50,887	37,508	131,197	219,592
<i>Less</i>				
Depreciation	(16,612)	(13,093)	(5,401)	(35,106)
Disposals	(6,056)	(354)	-	(6,410)
<b>Balance at 30 June 2022</b>	<b>28,219</b>	<b>24,061</b>	<b>125,796</b>	<b>178,076</b>
<i>Additions</i>				
Acquisitions	38,631	162,683	588	201,902
<i>Less</i>				
Depreciation	(25,670)	(159,691)	(15,353)	(200,714)
Disposals	-	(11,917)	-	(11,917)
<b>Balance at 30 June 2023</b>	<b>41,180</b>	<b>15,136</b>	<b>111,031</b>	<b>167,347</b>

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**ASKARI METALS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 11: EXPLORATION AND EVALUATION**

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
Exploration and evaluation expenditure	8,289,855	2,326,716
<b>Total exploration and evaluation expenditure</b>	<b>8,289,855</b>	<b>2,326,716</b>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
Opening balance	2,326,716	763,531
Exploration expenditure	2,366,416	1,529,343
Purchase of Myrnas Hill tenement	220,000	-
Purchase of Hillside tenements	421,130	-
Purchase of Earth Dimensions	1,840,000	-
Purchase of Kokerboom	1,276,422	-
Purchase of tenement Talga East	-	137,500
Exploration cost written-off	(160,829)	(103,658)
<b>Total exploration and evaluation expenditure</b>	<b>8,289,855</b>	<b>2,326,716</b>

Exploration costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale 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 and rights to tenure are current.

**NOTE 12: RIGHT-OF-USE ASSET**

The lease for premises has been accounted for as follows:

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
Opening balance	92,984	-
Commencement of right-of-use asset	-	174,889
Reassessment of lease term	-	(64,417)
Accumulated amortisation	(37,194)	(17,488)
<b>Total right-of-use assets</b>	<b>55,790</b>	<b>92,984</b>

The Company signed an agreement to rent commercial offices in Prowse Street, West Perth. The rental agreement commenced on 1 January 2022, at which time the Company formed the view that it was likely that the option to extend the lease for a further 2 years tenancy would be exercised.

The Company has implemented actions to streamline the operations of the Company and as a result is unable to predict with certainty that an additional tenancy term will be taken. The Company has taken a number of factors into account, including the stage of development of its projects and its staffing requirements.

**ASKARI METALS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 13: TRADE AND OTHER PAYABLES**

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
Trade & other payables	769,965	133,456
Accrued expenses	462,477	63,480
Employee benefits	-	53,470
<b>Total Trade and other payables</b>	<b>1,232,442</b>	<b>250,406</b>

Refer to note 21 for further information on financial instruments.

**NOTE 14: LEASE LIABILITIES**

The lease for premises has been accounted for as follows:

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
Current liability	35,592	34,792
Non-current liability	20,198	58,192
<b>Total lease liability</b>	<b>55,790</b>	<b>92,984</b>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	92,984	-
Lease for right-of-use asset	-	171,566
Interest	5,888	6,318
Repayments	(43,082)	(20,508)
Reassessment of lease term	-	(64,392)
<b>Total lease liability</b>	<b>55,790</b>	<b>92,984</b>

**NOTE 15: PROVISIONS – EMPLOYEE BENEFITS**

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
Provisions – employee benefits	-	39,830
<b>Total provisions – employee benefits</b>	<b>-</b>	<b>39,830</b>



**ASKARI METALS LIMITED**  
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**NOTE 16: ISSUED CAPITAL**

	Consolidated		Consolidated	
	30-June-23	30-June-23	30-June-22	30-June-22
	\$	Number	\$	Number
Ordinary shares – fully paid	20,231,606	75,589,707	10,005,266	52,133,237
Cost of shares issued	(1,232,396)	-	(901,346)	-
<b>Total issued capital</b>	<b>18,999,210</b>	<b>75,589,707</b>	<b>9,103,920</b>	<b>52,133,237</b>

**Movements in ordinary shares**

Date	Details	\$	Number of shares	Issue price
<b>01/07/21</b>	<b>Balance at beginning of the year</b>	<b>6,162,618</b>	<b>42,521,000</b>	
18/10/21	Shares issued to contractor	120,000	545,454	\$0.2200
31/01/22	Issue of capital raising shares	2,600,000	7,428,571	\$0.3500
22/03/22	Conversion of Class D performance rights	29,614	200,000	\$0.1481
23/03/22	Shares issued for Barrow Creek tenement option	100,000	269,542	\$0.3710
04/05/22	Conversion of Class F performance rights	29,326	200,000	\$0.1466
23/05/22	Shares issued to acquire project	75,000	123,967	\$0.6050
	Exercise of options	211,176	844,703	\$0.2500
	Cost of shares issued	(223,814)	-	-
<b>30/06/22</b>	<b>Balance at end of year</b>	<b>9,103,920</b>	<b>52,133,237</b>	
<b>01/07/22</b>	<b>Balance at beginning of the year</b>	<b>9,103,920</b>	<b>52,133,237</b>	
31/08/22	Shares issued to acquire project	125,000	277,778	\$0.4500
19/09/22	Exercise of options	714	2,857	\$0.2500
03/10/22	Exercise of options	1,313	5,250	\$0.2500
25/10/22	Conversion of Class A,C,H, L&M Performance rights	921,342	3,860,000	
09/01/22	Exercise of options	1,601	6,407	\$0.2500
23/01/22	Exercise of options	10,000	40,000	\$0.2500
06/02/23	Exercise of options	12,500	50,000	\$0.2500
08/02/23	Exercise of options	6,500	26,000	\$0.2500
09/02/23	Exercise of options	1,000	4,000	\$0.2500
15/02/23	Exercise of options	8,000	32,000	\$0.2500
24/03/23	Shares issued to acquire projects	1,840,000	4,000,000	\$0.4600
27/03/23	Issue of capital raising shares	3,250,000	6,500,000	\$0.5000
30/03/23	Exercise of options	8,250	33,000	\$0.2500
06/04/23	Shares issued to acquire project	1,172,872	2,792,553	\$0.4200
17/04/23	Exercise of options	15,068	60,270	\$0.2500

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**NOTE 16: ISSUED CAPITAL (CONTINUED)**

<b>Date</b>	<b>Details</b>	<b>\$</b>	<b>Number of</b>	<b>Issue price</b>
03/05/23	Shares issued to acquire project	93,550	279,255	\$0.3350
09/05/23	Issued of capital raising shares	2,475,000	4,500,000	\$0.5500
19/06/23	Exercise of options	37,500	150,000	\$0.2500
19/06/23	Shares issued to acquire project	221,130	737,100	\$0.3000
26/06/23	Exercise of options	25,000	100,000	\$0.2500
	Cost of shares issued	(331,050)	-	
<b>30/06/23</b>	<b>Balance at end of year</b>	<b>18,999,210</b>	<b>75,589,707</b>	

**Ordinary shares**

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company 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.

**Share buy-back**

There is no current on-market share buy-back.

**Capital risk management**

When managing capital, management's objective is to ensure the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. This is achieved through the monitoring of historical and forecast performance and cash flows.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment.

**ASKARI METALS LIMITED**  
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**NOTE 17: RESERVES**

	Consolidated		Consolidated	
	30-June-23	30-June-23	30-June-22	30-June-22
	\$	Number	\$	Number
Option reserve	742,758	22,187,745	351,258	16,530,862
Performance rights reserve	95,812	12,280,000	59,404	8,890,000
FX revaluation reserve	(7,997)	-	-	-
Contribution reserve	(64)	-	-	-
<b>Total Reserves</b>	<b>830,509</b>	<b>34,467,745</b>	<b>410,662</b>	<b>25,420,862</b>

**Option reserve**

The reserve is used to recognise increments and decrements in options issued, forfeited or converted, either through premiums paid for options, or share based payments.

**Contribution reserve**

Movements in the contribution reserve are used to recognise the free carried non-controlling interest in the Group's subsidiary (refer note 23), carried by owners of the parent.

**Movements in option reserves**

Movements in option reserve during the current and previous financial year are set out below:

Date	Details	\$	Number of Options	Issue price
<b>01/07/21</b>	<b>Balance at beginning of the year</b>	<b>249,359</b>	<b>2,781,250</b>	
06/09/21	Issue of sign-on options to employee	18,669	200,000	\$0.1069
01/11/21	Issue of loyalty options	16,798	8,398,759	\$0.0020
10/11/21	Issue of shortfall options	2,220	1,110,000	\$0.0020
10/11/21	Issue of options to lead manager	31,253	637,815	\$0.0490
22/12/21	Issue of sign-in options to director	21,953	300,000	\$0.1350
13/01/22	Issue of loyalty options to directors	2,243	1,121,551	\$0.0020
01/02/22	Placement options	-	2,476,190	\$0.0000
01/02/22	Issue of options to lead manager	47,250	350,000	\$0.1350
01/04/22	Exercise of sign-on options to employee	-	(40,000)	\$0.0000
13/04/22	Exercise of sign-on options to employee	-	(80,000)	\$0.0000
	Exercise of loyalty options	-	(724,703)	\$0.6050
	Cost of options issued	(38,487)	-	-
30/06/22	Balance at end of the year	<b>351,258</b>	<b>16,530,862</b>	
<b>01/07/22</b>	<b>Balance at beginning of the year</b>	<b>351,258</b>	<b>16,530,862</b>	
29/03/23	Placement options	-	2,166,667	\$0.0000
09/05/23	Placement options	-	1,500,000	\$0.0000
15/05/23	Issue of options to corporate advisor	391,500	2,500,000	\$0.1566
	Exercise of loyalty options	-	(509,784)	\$0.2500
30/06/23	Balance at end of the year	<b>742,758</b>	<b>22,187,745</b>	

**ASKARI METALS LIMITED**  
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**NOTE 17: RESERVES (CONTINUED)**

***Performance rights reserve***

The reserve is used to recognise increments and decrements in performance rights issued, forfeited or converted.

***Movements in performance rights reserves***

Movements in option reserve during the current and previous financial year are set out below:

Date	Details	Vesting expense for year \$	Number of Performance Rights
<b>01/07/21</b>	<b>Balance at beginning of the year</b>	-	<b>3,400,000</b>
06/09/21	Issue of employee performance rights	63,171	1,000,000
22/12/21	Issue of director's performance rights	3,702	400,000
09/03/22	Conversion of Class D performance rights	(29,614)	(200,000)
04/05/22	Conversion of Class F performance rights	(29,326)	(200,000)
09/05/22	Issue of employee performance rights	7,752	990,000
09/05/22	Issue of director's performance rights	43,629	3,500,000
30/06/22	Class A commenced vesting	90	-
30/06/22	Balance at end of period	<b>59,404</b>	<b>8,890,000</b>
<b>01/07/22</b>	<b>Balance at beginning of the year</b>	<b>59,404</b>	<b>8,890,000</b>
20/02/23	Issue of director's performance rights	95,813	7,250,000
26/09/22	Vesting of prior years performance rights	861,938	
26/09/22	Exercise Class A,C,H,L &M performance rights	(921,342)	(3,860,000)
30/06/23	Balance at end of period	<b>95,813</b>	<b>12,280,000</b>

**NOTE 18: ACCUMULATED LOSSES**

	Consolidated	
	30-June-23	30-June-22
	\$	\$
<b>Balance at the beginning of the year</b>	<b>2,623,926</b>	<b>370,537</b>
Loss after income tax expense for the year	6,206,928	2,253,389
<b>Balance at the end of the year</b>	<b>8,830,854</b>	<b>2,623,926</b>

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**ASKARI METALS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 19: EARNINGS PER SHARE**

***Basic loss per share***

The calculation of basic loss per share is based on the loss attributable to ordinary shareholders of \$5,831,928 (2022: \$2,253,389) divided by a weighted average number of ordinary shares outstanding during the year ended 30 June 2023 of 59,426,345 (2022: 46,303,239):

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
Loss attributable to ordinary shareholders (\$)	6,206,928	(2,253,389)
Weighted average number of ordinary shares (number)	59,426,345	46,303,239
Basic loss per share (cents per share)	(10.44)	(4.87)

***Diluted loss per share***

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

**NOTE 20: KEY MANAGEMENT PERSONNEL DISCLOSURES**

***Compensation***

The aggregate compensation made to directors of the Consolidated entity is set out below:

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	434,400	306,820
Share-based payments	787,284	69,053
<b>Total key management personnel expense</b>	<b>1,221,684</b>	<b>375,873</b>

There was no other transactions with key management personnel.

**NOTE 21: FINANCIAL INSTRUMENTS**

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>		
Cash and cash equivalents	3,455,498	4,352,794
Trade and other receivables	297,830	300,106
<b>Total financial assets</b>	<b>3,753,328</b>	<b>4,652,900</b>
<b>Financial liabilities</b>		
Trade and other payables	1,232,442	250,406
Lease liability	55,790	92,984
<b>Total financial liabilities</b>	<b>1,288,232</b>	<b>343,390</b>

***Financial risk management objectives***

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

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**NOTE 21: FINANCIAL INSTRUMENTS (CONTINUED)**

The Board of Directors co-ordinate domestic and international financial markets, monitor and manage the financial risks relating to the operations of the Consolidated entity through internal risk reports which analyse exposures by degree and magnitude of risks. The Consolidated entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

**Market risk - Foreign currency risk**

The Consolidated entity undertakes certain transactions denominated in foreign currency and is not materially exposed to foreign currency risk through foreign exchange rate fluctuations. As foreign cash is used infrequently, and not forecastable, the foreign exchange risk on the day is used.

**Interest rate risk**

The Consolidated entity's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and liabilities is set out below:

	Consolidated		Consolidated	
	30-June-23		30-June-22	
	Weighted average interest rate	\$	Weighted average interest rate	\$
<b>Financial assets</b>				
Cash & cash equivalents	0.00%	3,455,498	0.00%	4,352,794
<b>Financial liabilities</b>				
Lease liability	7.65%	55,790	7.65%	92,984

The Consolidated entity does not have significant interest-bearing assets or liabilities and percentage changes in interest rates would not have a material impact on the results. The Consolidated entity's sensitivity to movement is not material.

**Fair value of financial instruments**

Unless otherwise stated, the carry amounts of the financial instruments approximate their fair value.

**Price risk**

The Consolidated entity does not hold investments and therefore is not exposed to equity securities price risk.

**Credit risk**

The Consolidated entity has no significant concentration of credit risk. The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings. The Consolidated entity does not hold any collateral.

**Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash to meet commitments as and when they fall due. The Consolidated entity has no long term or short term debt and its risk with regard to liquidity relates to its ability to maintain its current operations.



**ASKARI METALS LIMITED**  
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**NOTE 21: FINANCIAL INSTRUMENTS (CONTINUED)**

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
Bankwest	-	5,019
Commonwealth Bank	3,455,498	4,347,775
<b>Total cash and cash equivalents</b>	<b>3,455,498</b>	<b>4,352,794</b>

The Consolidated entity's ability to raise equity funding in the market is paramount in this regard. The Consolidated entity manages liquidity by monitoring forecast and actual cash flows.

The tables below analyses the Consolidated entity's financial liabilities into relevant maturity groupings. The amounts disclosed in the table are the contractual undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid.

<b>Consolidated - 2023</b>	<b>1 year or less</b>	<b>Between 1-3 years</b>	<b>Over 5 years</b>	<b>Remaining contractual maturities</b>	<b>Carry values</b>
	\$	\$	\$	\$	\$
<b>Non-interest bearing</b>					
Trade and other payables	1,232,442	-	-	-	1,232,442
<b>Interest bearing</b>					
Lease liability	35,592	20,198		61,995	55,790

<b>Consolidated - 2022</b>	<b>1 year or less</b>	<b>Between 1-3 years</b>	<b>Over 5 years</b>	<b>Remaining contractual maturities</b>	<b>Carry values</b>
	\$	\$	\$	\$	\$
<b>Non-interest bearing</b>					
Trade and other payables	250,406	-	-	-	250,406
<b>Interest bearing</b>					
Lease liability	41,330	61,995	-	103,325	92,984

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**ASKARI METALS LIMITED**  
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**NOTE 22: REMUNERATION OF AUDITORS**

During the financial period the following fees were paid or payable for services provided by HLB Mann Judd, the auditor of the Company:

	Consolidated	
	30-June-23	30-June-22
	\$	\$
<i>Audit services – HLB Mann Judd (WA Partnership)</i>		
Audit of the financial statements	39,295	30,767
<b>Total audit expense</b>	<b>39,295</b>	<b>30,767</b>
<i>Other services – HLB Mann Judd (WA Partnership)</i>		
Preparation of income tax and FBT returns and tax advisory	9,150	4,750
	<b>9,150</b>	<b>4,750</b>

**NOTE 23: RELATED PARTY TRANSACTIONS**

**Parent entities**

The parent entity within the Consolidated entity is Askari Metals Limited.

**Subsidiaries**

Consolidated entity structure	Country of incorporation	Date of Incorporation	Class of shares	Ownership interest 2023	Ownership Interest 2022
<b>Parent Entity</b>					
Askari Metals Limited	Australia	20/11/2020	Ordinary		
<b>Subsidiaries</b>					
Springdale Gold Pty Ltd	Australia	20/11/2020	Ordinary	100%	100%
First Western Gold Pty Ltd	Australia	19/02/2021	Ordinary	100%	100%
Kokerboom Minerals Processing (Proprietary)	Namibia	15/11/2021	Ordinary	100%	-
Earth Dimensions Consulting (Proprietary) Limited	Namibia	29/03/2022	Ordinary	80%	-
Askari Lithium Namibia Pty Ltd	Australia	27/02/2023	Ordinary	100%	-
Askari Lithium Holdings Namibia (Pty) Ltd	Namibia	13/01/2023	Ordinary	100%	-

**Key management personnel compensation**

Disclosures relating to key management personnel are set out in note 20 and the remuneration report included in the directors report.

**Loans to/from related parties**

There were no loans to or from related parties at the current and previous reporting date.

**Terms and conditions**

All transactions were made on normal commercial terms and conditions and at market rates.

**ASKARI METALS LIMITED**  
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**NOTE 23: RELATED PARTY TRANSACTIONS (CONTINUED)**

***Transactions with related parties***

There was no other related party transactions during year ending 30 June 2023 or the period ending 30 June 2022 that have not been covered in the remuneration report for key management personnel services provided by the directors management entities.

**NOTE 24: PARENT ENTITY FINANCIAL INFORMATION**

Set out below is the supplementary information about the parent entity.

***Statement of profit or loss and other comprehensive income***

	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax	7,049,122	1,508,696
<b>Total comprehensive loss for the year</b>	<b>7,049,122</b>	<b>1,508,696</b>
Current assets	3,464,853	4,319,419
Non-current assets	8,444,015	3,743,554
<b>Total assets</b>	<b>11,908,868</b>	<b>8,062,973</b>
Current liabilities	889,741	279,930
Non-current liabilities	20,198	58,192
<b>Total liabilities</b>	<b>909,939</b>	<b>338,122</b>
Contribution equity	18,999,210	9,151,170
Reserves	838,572	363,412
Accumulated losses	(8,838,853)	(1,789,731)
<b>Total Equity</b>	<b>10,998,929</b>	<b>7,724,851</b>

**NOTE 25: RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FROM OPERATING ACTIVITIES**

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	<b>\$</b>	<b>\$</b>
<b>Loss after income tax expense for the year</b>	<b>(6,206,928)</b>	<b>(2,253,389)</b>
Adjustments for:		
Depreciation expense	237,908	52,594
Exploration write-off expense	160,829	103,658
(Gain)/Loss on disposal of asset	(6,563)	6,410
Interest income	(14,115)	-
Share-based payments	957,751	378,967
Share based payment to corporate advisor	391,500	-

**ASKARI METALS LIMITED**  
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**NOTE 25: RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FROM OPERATING ACTIVITIES (CONTINUED)**

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	\$	\$
Changes in operating assets and liabilities:		
Decrease/(Increase) in trade and other receivables	2,275	(76,068)
Decrease/(Increase) in other current assets	2,360	(100,000)
Decrease/(Increase) in right-of-use asset	37,193	(110,474)
(Decrease)/Increase in trade and other payables	348,834	(15,684)
(Decrease)/Increase in provisions	(39,830)	39,830
(Decrease)/Increase in short-term lease	800	34,793
(Decrease)/Increase in long-term lease	(37,994)	72,058
<b>Net cashflows used in operating activities</b>	<b>(4,165,980)</b>	<b>(1,867,305)</b>

**NOTE 26: NON-CASH INVESTING AND FINANCING ACTIVITIES**

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	\$	\$
Additions to the right-of-use assets	-	174,889
Reassessment of lease term	-	(64,417)
Share-based payments- acquisition of assets	3,452,552	75,000
<b>Total non-cash investing and financing activities</b>	<b>3,452,552</b>	<b>185,472</b>

**NOTE 27: CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES**

<b>Consolidated</b>	<b>Bank Loan</b>	<b>Lease</b>	<b>Total</b>
	\$	\$	\$
<b>Balance at 1 July 2021</b>	<b>23,750</b>	-	<b>23,750</b>
Net cash used in financing activities	(23,750)	(14,167)	(37,917)
Acquisition of lease	-	171,566	171,566
Reassessment of lease terms	-	(64,415)	(64,415)
<b>Balance at 30 June 2022</b>	<b>-</b>	<b>92,984</b>	<b>92,984</b>
<b>Balance at 1 July 2022</b>	<b>-</b>	<b>92,984</b>	<b>92,984</b>
Net cash used in financing activities	-	(37,194)	(37,194)
<b>Balance at 30 June 2023</b>	<b>-</b>	<b>55,790</b>	<b>55,790</b>

**NOTE 28: ASSET ACQUISITIONS**

On 16 March 2023, Askari Metals Limited acquired 90% of the issued capital of Kokerboom Minerals Processing (Proprietary) Ltd, a company incorporated in Namibia. Kokerboom Minerals Processing (Proprietary) Ltd owns a tenement in Namibia. Askari Metals Limited issued 2,792,553 ordinary fully paid shares for a value of \$1,172,872 and paid \$100,000 in cash.

On 3 May 2023, Askari Metals Limited acquired the remaining 10% of the issued capital of Kokerboom Minerals Processing (Proprietary) Ltd. Askari Metals Limited issued 279,255 ordinary fully paid shares for a value of \$93,550 and paid \$10,000 in cash.

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**NOTE 28: ASSET ACQUISITIONS (CONTINUED)**

On 8 March 2023, Askari Metals Limited acquired 80% of the issued capital of Earth Dimensions Consulting (Proprietary) Ltd, a company incorporated in Namibia. Earth Dimensions Consulting (Proprietary) Ltd owns a tenement in Namibia. To acquire 80% of the issued capital of this entity, Askari Metals Limited issued 4,000,000 ordinary fully paid shares for a value of \$1,840,000.

	<b>Kokerboom Minerals Processing (Proprietary) Ltd</b>	<b>Earth Dimensions Consulting (Proprietary) Ltd</b>
<b>Consideration</b>		
Issue of shares	1,266,422	1,840,000
Cash	110,000	-
<b>Total consideration</b>	<b>1,376,422</b>	<b>1,840,000</b>
<b>Fair value of net assets acquired</b>		
Exploration and evaluation expenditure	1,376,422	1,840,000
	<b>1,376,422</b>	<b>1,840,000</b>

See also note 11, Exploration and Evaluation expenditure.

**NOTE 29: SHARE-BASED PAYMENTS**

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	\$	\$
Share related payments	3,452,552	295,000
Option related payments	391,500	119,125
Performance right related payments	957,815	118,344
<b>Total share related payments</b>	<b>4,801,867</b>	<b>532,469</b>

***Share related payments***

Total share-based payment transactions granted during the year

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	\$	\$
Shares issued to acquire subsidiary (note 16)	3,106,422	-
Shares issued to acquire project (note 16)	346,130	75,000
Shares issued to contractor (note 16)	-	120,000
Shares issued to acquire exclusivity option to purchase Barrow Creek Lithium Project, NT (note 16)	-	100,000
<b>Total shares related payments</b>	<b>3,452,552</b>	<b>295,000</b>

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**NOTE 29: SHARE-BASED PAYMENTS (CONTINUED)**

***Option related payments***

Total option payment transactions granted during the year:

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	\$	\$
Options issued to lead manager in connection with capital raising (note 18)	-	47,250
Options issued for employee sign-on (note 17)	-	18,669
Options issued for director sign-on (note 17)	-	21,953
Options issued to lead manager for option raising	-	31,253
Options issued to corporate consultant (note 17)	391,500	-
Total option related payments	391,500	119,125

***Performance rights related payments***

Total performance rights payment transactions granted during the year:

	<b>Consolidated</b>	
	<b>30-June-23</b>	<b>30-June-22</b>
	\$	\$
Performance rights class Q issued that are market related (note 17)	95,813	51,381
Conversion of Class A performance rights (note 17)	32,141	
Conversion of Class C performance rights (note 17)	35,855	
Conversion of Class H performance rights (note 17)	46,435	
Conversion of Class L performance rights (note 17)	402,474	
Conversion of Class M performance rights (note 17)	344,476	
Performance rights issued that are non-market related and vesting (note 17)	-	8,023
Conversion of Class D performance rights (note 17)	-	29,614
Conversion of Class F performance rights (note 17)	-	29,326
Total performance rights related payments	957,751	118,344

***Options on issue for services provided***

Share option plans have been established by the Consolidated entity and approved by shareholders at the annual general meeting 22 December 2021 or at the general meetings of 9 May 2022. The approved options on issue relate to share based payments to directors or employees, brokers and consultants for services provided. All options have fully vested.

Set out below are summaries of options granted to directors or employees, brokers and consultants for services provided at 30 June 2023:

Grant Date	Expiry Date	Exercise Price	Balance at start of the year Number	Issued during the year Number	Exercised during the year Number	Cancelled or Expired during the year Number	Balance at end of the year Number
25/06/21	25/06/24	\$0.25	2,500,000	-	-	-	2,500,000
25/06/21	25/06/23	\$0.25	281,250	-	(250,000)	-	31,250



**ASKARI METALS LIMITED**  
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**NOTE 29: SHARE-BASED PAYMENTS (CONTINUED)**

Grant Date	Expiry Date	Exercise Price	Balance at start of the year	Issued during the year	Exercised during the year	Cancelled or Expired during the year	Balance at end of the year
			Number	Number	Number	Number	Number
06/09/21	05/09/23	\$0.25	80,000	-	-	-	80,000
10/11/21	31/10/24	\$0.25	637,815	-	-	-	637,815
22/12/21	21/12/23	\$0.27	300,000	-	-	-	300,000
01/02/22	31/10/24	\$0.25	350,000	-	-	-	350,000
15/05/23	15/05/26	\$0.80		2,500,000	-	-	2,500,000
			4,149,065	2,500,000	(250,000)	(31,250)	6,399,065
Weighted average exercise price			\$0.25	\$0.80	\$0.25	\$0.25	\$0.47
Weighted average remaining contracted life of options (Years)							1.75 Years

**Valuations of unlisted options issued**

There were 2,500,000 (2022: 500,000) unlisted options issued during the year ended 30 June 2023. The fair value at grant date was determined using the Black-Scholes valuation method that takes into account the valuation date, the spot price, the exercise price, the vesting date, the term of the option, and expected price volatility of the underlying share, and the risk-free interest rate for the term of the option. The fair value of the unlisted options issued during the current and prior years were based on the following:

**Valuations of unlisted options issued**

Type of Options:	2021 Options issued to broker in connection with capital raising	2021 Options issued to acquire project	2022 Options issued to employee sign-on	2022 Options issued to director sign-on	2023 Options issued to corporate advisor
Number of options issued	2,500,000	281,250	200,000	300,000	2,500,000
Exercise price \$	0.25	0.25	0.25	0.27	0.80
Share price at date granted/contract date	0.20	0.20	0.20	0.175	0.405
Type of Options:	2021 Options issued to broker in connection with capital raising	2021 Options issued to acquire project	2022 Options issued to employee sign-on	2022 Options issued to director sign-on	2023 Options issued to corporate advisor
Risk free rate	0.1%	0.1%	0.01%	0.47%	3.15%
Volatility factor	80%	80%	100%	100%	90%
Number of years to expiry	3	2	2	2	3
Fair value per option	0.092	0.073	0.093	0.0732	0.1566
<b>Valuation</b>	<b>228,780</b>	<b>20,579</b>	<b>18,669</b>	<b>21,953</b>	<b>391,500</b>

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**NOTE 29: SHARE-BASED PAYMENTS (CONTINUED)**

**Valuations of listed options issued**

There were no listed options issued during the year ended 30 June 2023. In 2022 there were 14,094,315 listed options issued, of which 987,815 were issued for services provided. The listed options were valued based on closing price on the measurement date.

<b>Type of Options:</b>	<b>Options issued to Lead manager (Jan 2022)</b>
Number of options issued	350,000
Exercise price	0.25
Market value of option	0.135
<b>Valuation</b>	<b>47,250</b>

**Performance rights on issue**

All performance rights on issue relate to share based payments to directors or employees, brokers and consultants for services provided.

Year ended 30 June 2023:

Class	Grant date	Opening Balance	Issued during the year	Exercised during the year	Cancelled or Expired during the year	Balance at end of the year
		Number	Number	Number	Number	Number
Class A	20/11/20	1,700,000	-	(1,700,000)	-	-
Class B	20/11/20	1,700,000	-	-	-	1,700,000
Class C	06/09/21	200,000	-	(200,000)	-	-
Class E	06/09/21	200,000	-	-	-	200,000
Class G	06/09/21	200,000	-	-	-	200,000
Class A	22/12/21	200,000	-	(200,000)	-	-
Class B	22/12/21	200,000	-	-	-	200,000
Class H	09/05/22	100,000	-	(100,000)	-	-
Class I	09/05/22	910,000	-	-	-	910,000
Class J	09/05/22	910,000	-	-	-	910,000
Class K	09/05/22	910,000	-	-	-	910,000
Class L	09/05/22	910,000	-	(910,000)	-	-
Class M	09/05/22	750,000	-	(750,000)	-	-
Class N	20/02/23		1,812,500			1,812,500
Class O	20/02/23		1,812,500			1,812,500
Class P	20/02/23		1,812,500			1,812,500
Class Q	20/02/23		1,812,500			1,812,500
Total		8,890,000	7,250,000	(3,860,000)	-	12,280,000

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**NOTE 29: SHARE-BASED PAYMENTS (CONTINUED)**

***Performance rights on issue***

Year ended 30 June 2022:

Class	Grant date	Opening Balance	Issued during the year	Exercised during the year	Cancelled or Expired during the year	Balance at end of the year
		Number	Number	Number	Number	Number
Class A	20/11/20	1,700,000	-	-	-	1,700,000
Class B	20/11/20	1,700,000	-	-	-	1,700,000
Class C	06/09/21	-	200,000	-	-	200,000
Class D	06/09/21	-	200,000	(200,000)	-	-
Class E	06/09/21	-	200,000	-	-	200,000
Class F	06/09/21	-	200,000	(200,000)	-	-
Class G	06/09/21	-	200,000	-	-	200,000
Class A	22/12/21	-	400,000	-	-	400,000
Class B	22/12/21	-	400,000	-	-	400,000
Class H	09/05/22	-	100,000	-	-	100,000
Class I	09/05/22	-	910,000	-	-	910,000
Class J	09/05/22	-	910,000	-	-	910,000
Class K	09/05/22	-	910,000	-	-	910,000
Class L	09/05/22	-	910,000	-	-	910,000
Class M	09/05/22	-	750,000	-	-	750,000
Total		3,400,000	5,890,000	(400,000)	-	8,890,000

The Performance Rights issued on 20 November 2020 and 22 December 2021 for David Greenwood, have the following milestones attached to them:

- Class A:** the Class A Performance Rights will convert into Shares (on a 1:1 basis) upon:
- (i) the Company announcing no less than five (5) drill holes each intersecting a minimum gram per metre interval of 8 gram/metre on any of the Gold Projects currently held by the Company (where "Gold Projects" is defined as the Springfield Copper-Gold Project, the Springdale Copper-Gold Project, the Mt Maguire Gold Project or the Burracoppin Gold Project); or
  - (ii) the Company announcing no less than five (5) drill holes each intersecting a minimum percent per metre interval of 4 percent/metre on any of the Copper Projects currently held by the Company (where "Copper Projects" is defined as the Horry Copper Project and the Callawa Copper Project). in each case in accordance with the JORC Code and as verified by an independent competent person under the JORC Code (Class A Milestone), with the Class A Performance Rights expiring on the date that is two (2) years from the date of Admission if the Class A Milestone is not achieved.

**NOTE 29: SHARE-BASED PAYMENTS (CONTINUED)**

*Performance rights on issue*

**Class B:** the Class B Performance Rights will convert into Shares (on a 1:1 basis) upon: the Company announcing a JORC (2012) compliant Mineral Resource of gold, as verified by an independent competent person under the JORC Code, of at least 50,000 ounces at a grade of not less than 2g/t Au on any of the Gold Projects currently held by the Company (where “Gold Projects” is defined as the Springdale Gold Project, the Mt Maguire Gold Project and/or the Burracoppin Gold Project) (Class B Milestone), with the Class B Performance Rights expiring on the date that is three (3) years from the date of Admission if the Class B Milestone is not achieved.

The Class C, D, E, F and G Performance Rights were issued on 6 September 2021 and have the following milestones attached to them:

**Class C:** the Class C Performance Rights will convert into an equivalent number of Shares upon the Company announcing:

- (i) no less than five (5) drill holes each intersecting a minimum gram per metre interval of 8 gram/metre on any of the Gold Projects currently held by the Company (where “Gold Projects” is defined as the Springdale Copper-Gold Project, the Mt Maguire Gold Project or the Burracoppin Gold Project); or
- (ii) the Company announcing no less than five (5) drill holes each intersecting a minimum percent per metre interval of 4 percent/metre on any of the Copper Projects currently held by the Company (where “Copper Projects” is defined as the Horry Copper Project and the Callawa Copper Project), with the Class C Performance Rights expiring on the date that is two (2) years from the date of Admission, being 7 July 2021, if the Class C Milestone is not achieved.

**Class D:** the Class D Performance Rights will convert into an equivalent number of Shares upon the achievement of a 20-day VWAP share price >AUD\$0.40 within 2 years from the date of the Company being admitted to the Official List of ASX, being 7 July 2021, or an alternate public market transaction.

**Class E:** the Class E Performance Rights will convert into an equivalent number of Shares upon the Company announcing a JORC (2012) compliant Mineral Resource of gold at a grade of not less than 2g/t Au on any of the Gold Projects currently held by the Company (where “Gold Projects” is defined as the Springdale Gold Project, the Mt Maguire Gold Project and/or the Burracoppin Gold Project) with an inground value of no less than \$50,000,000 (Class E Milestone), with the Class E Performance Rights expiring on the date that is three (3) years from the date of Admission, being 7 July 2021, if the Class E Milestone is not achieved.

**Class F:** the Class F Performance Rights will convert into an equivalent number of Shares upon the achievement of a 20-day VWAP share price >AUD\$0.60 within 3 years from the date of the Company being admitted to the Official List of ASX, being 7 July 2021, or an alternate public market transaction.

**NOTE 29: SHARE-BASED PAYMENTS (CONTINUED)**

**Class G:** the Class G Performance Rights will convert into an equivalent number of Shares upon the Company achieving delivery of a positive NPV (8% post-tax discount rate) of over A\$65m as determined by a Scoping Study on any of its current or future projects within the next 5 years from the date of the Company being admitted to the Official List of ASX, being 7 July 2021.

The Classes I, J, K, L and M Performance Rights were issued on 9 May 2022 and have the following milestones attached to them:

**Class H:** the Class H Performance Rights will convert into an equivalent number of Shares upon the Company achieving a 20 day Volume Weighted Average Price (VWAP) of its securities as traded on the ASX of not less than 50 cents per share. This hurdle must be achieved by 14 February 2024.

**Class I:** the Class I Performance Rights will convert into an equivalent number of Shares upon achievement of the Company collecting not less than 15 rock samples (Cumulative) from any of its lithium projects defined as either Red Peak Lithium Project, the Yarrie Lithium Project, or the Barrow Creek Lithium Project, that exhibit the mineralogical composition of an LCT pegmatite with geochemistry results of not less than 180PPm Li, 50pp Cs, 15ppm Ra and 700pm Rb. This hurdle must be achieved within 2 years from the date of grant of the Performance Right.

**Class J:** the Class J Performance Rights will convert into an equivalent number of Shares upon achievement by the Company, of completion of an RC Drilling program at any of its lithium projects defined as either Red Peak Lithium Project, the Yarrie Lithium Project, or the Barrow Creek Lithium Project. Where the RC drilling program intersects a mineralised interval of not less than 5M @1% Li<sub>2</sub>O across not less than three (3) individual drill holes. This hurdle must be achieved within 3 years from the date of grant of the Performance Right.

**Class K:** the Class K Performance Rights will convert into an equivalent number of Shares upon achievement by the Company of a JORC (or N143-101) compliant resource of >1,500,000 tonnes @>0.8% Li<sub>2</sub>O at any of its lithium projects defined as either Red Peak Lithium Project, the Yarrie Lithium Project, or the Barrow Creek Lithium Project. This hurdle must be achieved within 3 years from the date of grant of the Performance Right.

**Class L:** the Class L Performance Rights will convert into an equivalent number of Shares upon achievement by the Company of a market capitalisation of not less than \$30 million. This hurdle must be achieved within 2 years from the date of grant of the Performance Right.

**Class M:** the Class M Performance Rights will convert into an equivalent number of Shares upon achievement by the Company of a 20-day VWAP shareprice >\$0.60 within 3 years from the date of grant of the Performance Right.

**Class N:** the Class N Performance Rights will convert into an equivalent number of Shares upon achievement by the Company collecting not less than 25 rock samples (sumulative) from the Uis Lithium Project that exhibit the mineralogical composition of an LCT pegmatite with geochemistry result of not less than 300ppm Li, 70ppm Cs, 90ppm Tz, 700ppm Rb within 2 year from the date of grant of the Performance Right.

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**NOTE 29: SHARE-BASED PAYMENTS (CONTINUED)**

**Class O:** the Class O Performance Rights will convert into an equivalent number of Shares upon completion of any RC drilling program at the Uis Lithium Project where the RC drilling program intersects a mineralised interval of not less than 10m @ 1% Li<sub>2</sub>O (equivalent) across not less than five (5) individual drill holes within 3 years from the date of grant of the Performance Right.

**Class P:** the Class P Performance Rights will convert into an equivalent number of Shares upon achievement of a JORC (or NI43-101) compliant resource of >5,000,000 tonnes @1.0% Li<sub>2</sub>O (equivalent) the Uis Lithium Project within 3 years from the date of grant of the Performance Right.

**Class Q:** the Class Q Performance Rights will convert into an equivalent number of Shares upon achievement of a 20-day VWAP share price >AUD\$1.00 within 3 years from the date of grant of the Performance Right.

**Valuation of Performance Rights Issued**

Askari has market related and non-market related performance rights.

*Market related performance rights*

Market related performance rights were valued using Hoadly Trading and Investment Tool Barrier 1 valuation model. Further information on Hoadly's employee option valuation models can be found at [www.hoadley.net](http://www.hoadley.net). The model takes into account the below assumptions.

The fair value of the unlisted performance rights issued were based on the following:

<b>Type of performance right:</b>	<b>Class H</b>	<b>Class L</b>	<b>Class M</b>	<b>Class Q</b>
Valuation date	09/05/22	09/05/22	09/05/22	20/02/23
Spot price \$	0.5050	0.5050	0.5050	0.5650
Barrier price \$	0.50	0.558	0.60	1.00
Expiry date	14/02/24	08/05/24	08/05/25	20/02/26
Risk free rate	2.78%	2.78%	3.04%	3.61%
Volatility factor	100%	100%	100%	90%

**Valuation**

Number of performance rights issued	100,000	910,000	750,000	1,812,500
Fair value per performance right \$	0.5050	0.4762	0.4822	0.4457
Valuation \$	50,500	433,342	361,650	807,777
<b>Value amortised to 30 June 2023 (Note 17) \$</b>	<b>50,500</b>	<b>433,342</b>	<b>361,650</b>	<b>95,813</b>

*Non-market related performance rights*

The Company did an assessment of the non vested Classes B, E,G ,I, J, K, N, O and P, which have non-market performance based milestones and concluded, as all the projects were still at the greenfields/early exploration stage, there was insufficient data and understanding of mineralisation to make a determination that it was likely that the Performance Rights milestones could be achieved. Consequently no value has been assigned to them at this time. The Company will reassess this position every 6 months, in line with statutory reporting requirements and in accordance with AASB 2 – Share Based Payments.



**ASKARI METALS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**NOTE 29: SHARE-BASED PAYMENTS (CONTINUED)**

Valuation of non-market related performance rights are valued at the share price on day they are granted. Vesting expense is only recognised when the non-market related condition is likely to occur.

<b>Type of performance right:</b>	<b>Class A</b>	<b>Class A</b>	<b>Class B</b>	<b>Class B</b>	<b>Class C</b>
Number of options issued	1,700,000	200,000	1,700,000	200,000	200,000
Date granted	20/11/20	22/12/21	20/11/20	22/12/21	06/09/21
Share price at date granted/contract date \$	0.0005	0.175	0.0005	0.175	0.200
Valuation \$	850	35,000	850	35,000	40,000
<b>Value amortised to 30 June 2023 (Note 17) \$</b>	<b>850</b>	<b>35,000</b>	-	-	<b>40,000</b>
<b>Type of performance right:</b>	<b>Class E</b>	<b>Class G</b>	<b>Class I</b>	<b>Class J</b>	<b>Class K</b>
Number of options issued	200,000	200,000	910,000	910,000	910,000
Date granted	06/09/21	06/09/21	20/11/20	22/12/21	06/09/21
Share price at date granted/contract date \$	0.200	0.200	0.505	0.505	0.505
Valuation \$	40,000	40,000	459,550	459,550	459,550
<b>Value amortised to 30 June 2023 (Note 17) \$</b>	-	-	-	-	-
<b>Type of performance right:</b>	<b>Class N</b>	<b>Class O</b>	<b>Class P</b>		
Number of options issued	1,812,500	1,812,500	1,812,500		
Date granted	20/02/23	20/02/23	20/02/23		
Share price at date granted/contract date \$	0.565	0.565	0.565		
Valuation \$	1,024,062	1,024,062	1,024,062		
<b>Value amortised to 30 June 2023 (Note 17) \$</b>	-	-	-		

**NOTE 30: CONTINGENT LIABILITIES AND CONTRACTUAL ARRANGEMENTS**

**Royalty**

A 1% Net Smelter Royalty is payable on the tenements acquired via the acquisition of all the issued capital of First Western Gold Pty Ltd.

**Contingent Consideration**

*Springdale Project*

Under the terms of the agreement to acquire the Springdale Gold project a Performance Bonus of 450,000 fully paid shares is payable :

In the event that the Purchasers delineates, as verified by an independent competent person, a JORC (2012) Mineral Resources on the tenement of at least 100,000 ounces of gold using a cut-off grade of not less than 0.6 g/t within 3 years of the Settlement Date, the Company agrees to immediately issue 450,000 fully paid ordinary shares in the capital of the company to the Vendor (or Vendor's nominee)

No value has been amortised at 30 June 2023 as the vesting condition has been assessed as not probable.

**NOTE 30: CONTINGENT LIABILITIES AND CONTRACTUAL ARRANGEMENTS (CONTINUED)**

*Uis Lithium-Tantalum-Tin Project (EPL 7345) (90%) (Kookerboom)*

Under the terms of the agreement to acquire 90% of the Uis Lithium-Tantalum-Tin Project (EPL 7345), the following deferred consideration exists:

- (i) \$450,000 worth of Shares (Milestone One Shares), subject to the completion of a reverse circulation (RC) drilling program(s) at the Licence of not less than 4,000m, where at least ten (10) RC drill holes intersects a mineralised interval containing a minimum lithium-oxide (Li<sub>2</sub>O) grade of 10 percent (Li<sub>2</sub>O equivalent)/ metre across not less than ten (10) individual drill holes anywhere over the Licence within 12 months of execution of this Agreement (Milestone One). For example, if +0.5% Li<sub>2</sub>O eq. over 20m is attained across at least ten (10) individual drill holes anywhere over the Licence, Milestone Two is satisfied. The Milestone Two Shares will be issued within 7 business days of the satisfaction of Milestone Two, at a deemed issue price equal to the 10-day VWAP prior to the day on which the results of the relevant successful RC drilling program are announced to ASX by the Purchaser; and
- (ii) \$750,000 worth of Shares (Milestone Two Shares), subject to the Purchaser announcing to ASX a JORC (2012) compliant resource of >5,000,000 tonnes @ 1.0% Li<sub>2</sub>O on the Licence within 24 months of execution of this Agreement (Milestone Two Resource). The Milestone Two Shares will be issued within 7 business days of the satisfaction of Milestone Two, at a deemed issue price equal to the 10-day VWAP prior to the day on which the relevant resource is announced to ASX by the Purchaser, (together, the Milestone Consideration); and
- (iii) with effect on and from Settlement, to grant the Vendor a royalty of 1.5% of the net smelter return on all minerals produced from the Licence by the Purchaser or its successors in title (Royalty), which shall otherwise be granted on customary (AMPLA) terms.
- (iv) In the event that Milestone One is not achieved, but the Purchaser continues with exploration and declares a Milestone Two Resource, 100% of the Milestone One Shares will be issued to the Vendor upon the issue of Milestone Two Shares on the same terms as they would have been issued pursuant to (i).

**Contingent Consideration**

*Uis Lithium-Tantalum-Tin Project (EPL 7345) (10%) (Kookerboom)*

Under the terms of the agreement to acquire 10% of the Uis Lithium-Tantalum-Tin Project (EPL 7345), the following deferred consideration exists:

- (i) \$45,000 worth of Shares (Milestone One Shares), subject to the completion of a reverse circulation (RC) drilling program(s) at the Licence of not less than 4,000m, where at least ten (10) RC drill holes intersects a mineralised interval containing a minimum lithium-oxide (Li<sub>2</sub>O) grade of 10 percent (Li<sub>2</sub>O equivalent)/ metre across not less than ten (10) individual drill holes anywhere over the Licence within 12 months of execution of this Agreement (Milestone One). For example, if +0.5% Li<sub>2</sub>O eq. over 20m is attained across at least ten (10) individual drill holes anywhere over the Licence, Milestone Two is satisfied. The Milestone Two Shares will be issued within 7 business days of the satisfaction of Milestone Two, at a deemed issue price equal to the 10-day VWAP prior to the day on which the results of the relevant successful RC drilling program are announced to ASX by the Purchaser; and

**NOTE 30: CONTINGENT LIABILITIES AND CONTRACTUAL ARRANGEMENTS (CONTINUED)**

- (ii) \$75,000 worth of Shares (Milestone Two Shares), subject to the Purchaser announcing to ASX a JORC (2012) compliant resource of >5,000,000 tonnes @ 1.0% Li<sub>2</sub>O on the Licence within 24 months of execution of this Agreement (Milestone Two Resource). The Milestone Two Shares will be issued within 7 business days of the satisfaction of Milestone Two, at a deemed issue price equal to the 10-day VWAP prior to the day on which the relevant resource is announced to ASX by the Purchaser, (together, the Milestone Consideration); and
- (iii) with effect on and from Settlement, to grant the Vendor a royalty of .15% of the net smelter return on all minerals produced from the Licence by the Purchaser or its successors in title (Royalty), which shall otherwise be granted on customary (AMPLA) terms.
- (iv) In the event that Milestone One is not achieved, but the Purchaser continues with exploration and declares a Milestone Two Resource, 100% of the Milestone One Shares will be issued to the Vendor upon the issue of Milestone Two Shares on the same terms as they would have been issued pursuant to (i).

***Contingent Consideration***

*Hillside Lithium Project*

Under the terms of the agreement to acquire the Hillside Lithium Project, the following deferred consideration exists:

- (i) AS2 agrees to issue the Vendors (or its nominee) A\$500,000 worth of fully paid ordinary shares in AS2 (M2 Shares) at a deemed issue price equal to the 10-day VWAP of the securities of AS2 upon completion of an RC drilling program at the Project where the RC drilling program intersects a mineralised interval of not less than 10m @ 1% Li<sub>2</sub>O across not less than ten (10) individual drill holes. The M2 Shares will be issued within 7 business days of the satisfaction of Milestone Two, at a deemed issue price equal to the 10-day VWAP up to and including the day on which the relevant announcement is made to ASX by the Purchaser; (M2 Consideration Shares)
- (ii) AS2 agrees to issue the Vendors (or its nominee) A\$1,000,000 worth of fully paid ordinary shares in AS2 (M3 Shares) at a deemed issue price equal to the 10-day VWAP of the securities of AS2 upon achievement of a JORC (2012) (or NI 43-101) compliant resource of >5,000,000 tonnes @ 1.0% Li<sub>2</sub>O. The M3 Shares will be issued within 7 business days of the satisfaction of Milestone Three, at a deemed issue price equal to the 10-day VWAP up to and including the day on which the relevant announcement is made to ASX by the Purchaser. (M3 Consideration Shares) (together, the Milestone Consideration); and
- (iii) with effect on and from Settlement, to grant the Vendors a royalty of 1.0% of the net smelter return on all minerals produced from the Licence by the Purchaser (Royalty), which shall otherwise be granted on customary (AMPLA) terms

***Purchase of Northern Territory tenement EL32804***

Through its exclusivity deal with Consolidated Lithium Trading Pty Ltd, the Company has a 12 month option to purchase 100% interest in Northern Territory tenement EL32804 (Barrow Creek Lithium Project) by paying Consolidated Lithium Trading Pty Ltd or its nominee a total of \$1,000,000 in either cash or shares, with a minimum payable in cash of 30%. This option term of 12 months can be extended in 12 month intervals on up to 2 occasions for a payment of \$50,000 and \$80,000 respectively.

**NOTE 31: COMMITMENTS**

*Exploration expenditure commitments*

Minimum expenditure requirements on the company's mineral tenements are as follows:

Project Name	Tenement Number	Status	Location	Minimum Expenditure Amount
Springdale Copper-Gold Project	EL9217	Granted	NSW	\$45,000
Horry Copper Project	E80/5313	Granted	WA	\$10,000
Callawa Copper Project	E45/5842	Granted	WA	\$52,000
Myrna's Hill	E45/4907	Granted	WA	\$50,000
Mt Maguire Gold Project	E52/3718	Granted	WA	\$15,000
Mt Maguire Gold Project	E52/3719	Granted	WA	\$15,000
Burracoppin Gold Project	E70/5049	Granted	WA	\$30,000
Red Peak Lithium Project	E52/4025	Granted	WA	\$142,000
Crossroads Project	E70/5997	Granted	WA	\$15,000
Crossroads Project	E70/5998	Granted	WA	\$20,000
Hillside Project	E45/6224	Granted	WA	\$20,000
Hillside Project	E45/5966	Granted	WA	\$20,000
Talga East Project	E45/5982	Granted	WA	\$15,000
Kokerboom project	EPL7345	Granted	Namibia	nil
Earth Dimensions project	EPL 8535	Granted	Namibia	nil

Total minimum commitment is \$449,000 (2022:\$ 425,000).

**NOTE 32: EVENTS SUBSEQUENT TO REPORTING DATE**

Other than below, there have been no matters or circumstances which have arisen since 30 June 2023 that have significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2023, of the Company,
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2023, of the Company.

***Issue of Performance Rights***

The company issued the following performance rights on 18 July 2023 to the Chief Exploration and Project Manager – Africa.

Class	Milestone	Expiry	Number of performance rights
Class R	Upon the achievement of a 20-day VWAP share price >/AUD\$0.60	This hurdle must be achieved within 2 years from the date of grant of the Performance Right	100,000
Class S	Upon the achievement of a 20-day VWAP share price >/AUD\$0.80	This hurdle must be achieved within 3 years from the date of grant of the Performance Right	100,000

**NOTE 32: EVENTS SUBSEQUENT TO REPORTING DATE (CONTINUED)**

Class T	Upon the completion by the Company of at least 3,000m of diamond drilling at the Uis Lithium Project	This hurdle must be achieved within 3 years from the date of grant of the Performance Right	200,000
Class U	Upon the delivery of a JORC (2012) mineral resource at the Uis Lithium Project of >5Mt @ 1.0% Li <sub>2</sub> O	This hurdle must be achieved within 4 years from the date of grant of the Performance Right	300,000
Class V	Upon completion of a scoping study at the Uis Lithium Project generated an NPV of >US\$100M and an IRR >20% using a discount factor of 8%	This hurdle must be achieved within 5 years from the date of grant of the Performance Right	400,000

***Issue of Shares***

On 10 August 2023 the Company issued 6,940,000 ordinary shares as the result of expiration of a 24 month escrow period.

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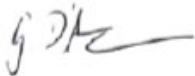
**ASKARI METALS LIMITED  
DIRECTORS' DECLARATION  
FOR THE YEAR ENDED 30 JUNE 2022**

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In the opinion of the Directors of Askari Metals Limited (the "Company"):

1. The attached consolidated financial statements, notes thereto and the additional disclosures included in the Directors' Report designated as audited are in accordance with the Corporations Act 2001, including:
  - (a) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
  - (b) giving a true and fair view of the Consolidated entity's financial position as at 30 June 2023 and of its performance for the period ended on that date; and
  - (c) the financial statements also comply with International Financial Reporting Standards as disclosed in note 2(a) to the financial statements.
2. There are reasonable grounds to believe that the Consolidated entity will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with sections 295A of the Corporations Act 2001 for the period ended 30 June 2023.



**Gino D'Anna**  
**Director**  
**29 September 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Askari Metals Limited

### Report on the Audit of the Financial Report

#### *Opinion*

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

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

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

#### *Basis for Opinion*

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

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

#### *Material Uncertainty Related to Going Concern*

We draw attention to Note 2d in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in 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.

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#### **HLB Mann Judd (WA Partnership) ABN 22 193 232 714**

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In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
<p><b>Carrying value of exploration and evaluation expenditure</b> Refer to Note 11</p>	
<p>The Group has capitalised exploration and evaluation expenditure of \$8,289,855 as at 30 June 2023.</p> <p>Our audit procedures determined that the carrying value of exploration and evaluation expenditure was a key audit matter as it was an area which required the most communication with those charged with governance and was determined to be of key importance to the users of the financial statements.</p>	<p>Our procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>- We obtained an understanding of the key processes associated with management's review of the carrying amount of exploration and evaluation expenditure;</li> <li>- We reviewed acquisition agreements and substantiated purchase consideration for exploration projects acquired during the year;</li> <li>- We obtained evidence that the Group has current rights to tenure of its areas of interest;</li> <li>- We substantiated a sample of additions of exploration and evaluation expenditure during the year;</li> <li>- We considered the potential existence of indicators of impairment;</li> <li>- We enquired with management and reviewed ASX announcements and minutes of Directors' meetings to ensure that the Group had not decided to discontinue exploration and evaluation at its areas of interest; and</li> <li>- We examined the disclosure made in the financial report.</li> </ul>

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

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

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

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

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

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### *Responsibilities of the Directors for the Financial Report*

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

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

### *Auditor's Responsibilities for the Audit of the Financial Report*

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

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

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

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

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

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

## REPORT ON THE REMUNERATION REPORT


### *Opinion on the Remuneration Report*

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

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

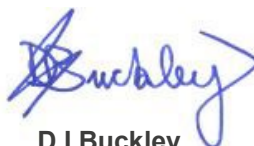
### *Responsibilities*

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



**HLB Mann Judd**  
Chartered Accountants

**Perth, Western Australia**  
**29 September 2023**



**D I Buckley**  
Partner

**ASX ADDITIONAL INFORMATION**

**DESCRIPTION OF MINING RIGHTS**

<b>Project Name</b>	<b>Tenement Number (s)</b>	<b>Grant Date</b>	<b>Period of Grant</b>	<b>Status</b>	<b>Minimum Commitment</b>
Springdale Cu-Au Project	EL9217	19 Jul 2021	3 years	Granted	\$45,000
Hillside Project	E45/6224	25 January 2023	5 years	Granted	\$20,000
Horry Copper Project	E80/5313	1 Jul 2020	5 years	Granted	\$10,000
Callawa Copper Project	E45/5842	12 Aug 2021	5 years	Granted	\$52,000
Callawa Copper Project	E45/6053	N/A	N/A	Application	
Mt Maguire Gold Project	E47/4170	N/A	N/A	Application	
Mt Maguire Gold Project	E52/3718	26 Nov 2020	5 years	Granted	\$15,000
Mt Maguire Gold Project	E52/3719	26 Nov 2020	5 years	Granted	\$15,000
Burracoppin Gold Project	E70/5049	10 Jul 2018	5 years	Granted	\$30,000
Crossroads Project	E70/5997	27 October 2022	5 years	Granted	15,000
Crossroads Project	E70/5998	27 October 2022	5 years	Granted	20,000
Burracoppin Gold Project	E70/6127	N/A	N/A	Application	
Red Peak Gold Project	E52/4025	2 Feb 2022	5 Years	Granted	\$142,000
Tagla East Project	E45/5982	15 Mar 2022	5 Years	Granted	\$15,000
Rouse Creek Project	E08/3486	N/A	N/A	Application	
Myrna's Hill	E45/4907	21 November 2022	5 years	Granted	\$50,000
Barrow Creek Lithium Project (not owned by First Western, only option to purchase)	ELA32804	23 Feb 2022	6 years	Granted – Option to purchase	\$13,650
Yarrie Project	E45/6117	N/A	N/A	Application	-
Yarrie Project	E45/6118	N/A	N/A	Application	-
Yarrie Project	E45/6119	N/A	N/A	Application	-
Yarrie Project	E45/6120	N/A	N/A	Application	-
Yarrie Project	E45/6121	N/A	N/A	Application	-
Yarrie Project	E45/6122	N/A	N/A	Application	-
Yarrie Project	E45/6123	N/A	N/A	Application	-
Yarrie Project	E45/6124	N/A	N/A	Application	-
Yarrie Project	E45/6125	N/A	N/A	Application	-

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**ASX ADDITIONAL INFORMATION**

**STATEMENT OF QUOTED SECURITIES AS AT 30 AUGUST 2023**

a)	Distribution of Shareholders	<b>Number of Shareholders</b>
	<b>Size of Holding</b>	
	1 – 1,000	84
	1,001 – 5,000	579
	5,001 – 10,000	273
	10,001 – 100,000	452
	100,001 and over	99
	<b>Total</b>	<b>1,487</b>

b) Number of holders of less than marketable parcels: 301

c) There are four substantial shareholders listed in the Company’s register being:

BNP Paribas Nominees Pty Ltd – 9,900,944 shares

10 Bolivianos Pty Ltd – 7,240,652 shares

Mr Gino D’Anna - 6,269,800 shares

Huayou International – 4,500,000 shares

	<b>Holder Name</b>	<b>Holding</b>	<b>%</b>
1	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	9,900,944	13.10%
2	10 BOLIVIANOS PTY LTD	7,240,652	9.58%
3	MR GINO D'ANNA <THE INTERNATZIONALE A/C>	6,269,800	8.29%
4	HUAYOU INTERNATIONAL RESOURCES (HONG KONG) LIMITED	4,500,000	5.95%
5	LEXROX EXPLORATION (PTY) LTD	2,094,415	2.77%
6	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	1,133,029	1.50%
7	CITICORP NOMINEES PTY LIMITED	1,047,524	1.39%
8	BNP PARIBAS NOMS PTY LTD <DRP>	975,933	1.29%
9	MR LISIAS AMUPOLO NEGONGA	864,000	1.14%
10	TONEHILL PTY LTD <THE TONEHILL A/C>	736,000	0.97%
11	MR JOHANNES FOURIE LAMBRECHTS	725,000	0.96%
12	HAWSON INVESTMENTS PTY LTD <HAWSON FAMILY A/C>	688,846	0.91%
13	MINING EQUITIES PTY LTD	664,625	0.88%
14	MBE FINANCE PTY LTD <HILLSDEN FAMILY A/C>	640,000	0.85%
14	ICON CUSTODIANS PTY LTD <CUMMINS FAMILY A/C>	640,000	0.85%
15	MR YUANJIU QIN & MRS HONG WAN	607,600	0.80%
16	LEXROX EXPLORATION (PROPRIETARY) LIMITED	603,391	0.80%
17	MR JOSIA SHILUNGA	576,000	0.76%
18	MRS STELLA EMILY DOWNEY	540,000	0.71%
19	ICON CUSTODIANS PTY LTD <CUMMINS FAMILY A/C>	525,000	0.69%
20	COREKS SUPER PTY LTD <COREKS SUPER FUND A/C>	512,000	0.68%
20	BREAMLINE PTY LTD <BREAMLINE MINISTRIES A/C>	512,000	0.68%
	<b>Total</b>	<b>41,996,759</b>	<b>55.56%</b>
	<b>Total issued capital - selected security class(es)</b>	<b>75,589,707</b>	<b>100.00%</b>

## ASX ADDITIONAL INFORMATION

Unquoted ordinary shares	Number of holders 8	Balance 6,490,000
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e) Voting Rights

Registered holders of ordinary shares in the capital of the Company may attend and vote at general meetings of the Company in person or by proxy and may exercise one vote for each share held. Every person present at a general meeting as an ordinary shareholder shall have one vote on a show of hands.

f) The name of the Company Secretary is Paul Fromson.

g) The address of the registered office is: 17 Lacey Street Perth WA 6008.

h) Registers of securities are held at Automic Group, Level 2, 267 St Georges Terrace Perth WA 6000.

i) Quotation has been granted for all the ordinary shares of the Company on the Australian Securities Exchange Ltd.

k) Unquoted Options over Unissued Shares:

Expiry date	Exercise price	Number of holders	Balance
25 June 2024	\$0.25	3	2,500,000
25 June 2023	\$0.25	1	31,250
6 September 2023	\$0.25	1	80,000
29 December 2023	\$0.27	1	300,000
15 May 2026	\$0.80	1	2,500,000
			5,411,250

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## ASX ADDITIONAL INFORMATION

### I) Unquoted Performance Rights

Class B	Class E	Class G	Class I	Class J	Class K
1900,000	200,000	200,000	910,000	910,000	910,000

Class N	Class O	Class P	Class Q	Class R	Class S
1,812,500	1,812,500	1,812,500	1,812,500	100,000	100,000

Class T	Class U	Class V
200,000	300,000	400,000

The Performance Rights were issued on 20 November 2020 (1,700,000 for Class B) and 22 December 2021 (200,000 for Class B), have the following milestones attached to them:

**Class B:** the Class B Performance Rights will convert into Shares (on a 1:1 basis) upon: the Company announcing a JORC (2012) compliant Mineral Resource of gold, as verified by an independent competent person under the JORC Code, of at least 50,000 ounces at a grade of not less than 2g/t Au on any of the Gold Projects currently held by the Company (where “Gold Projects” is defined as the Springdale Gold Project, the Mt Maguire Gold Project and/or the Burracoppin Gold Project) (Class B Milestone), with the Class B Performance Rights expiring on the date that is three (3) years from the date of Admission if the Class B Milestone is not achieved.

The Class E, and G Performance Rights were issued on 6 September 2021 and have the following milestones attached to them:

**Class E:** the Class E Performance Rights will convert into an equivalent number of Shares upon the Company announcing a JORC (2012) compliant Mineral Resource of gold at a grade of not less than 2g/t Au on any of the Gold Projects currently held by the Company (where “Gold Projects” is defined as the Springdale Gold Project, the Mt Maguire Gold Project and/or the Burracoppin Gold Project) with an inground value of no less than \$50,000,000 (Class E Milestone), with the Class E Performance Rights expiring on the date that is three (3) years from the date of Admission, being 7 July 2021, if the Class E Milestone is not achieved.

**Class G:** the Class G Performance Rights will convert into an equivalent number of Shares upon the Company achieving delivery of a positive NPV (8% post-tax discount rate) of over A\$65m as determined by a Scoping Study on any of its current or future projects within the next 5 years from the date of the Company being admitted to the Official List of ASX, being 7 July 2021.

The Class I, J and K Performance Rights were issued on 9 May 2022 and have the following milestones attached to them:



## ASX ADDITIONAL INFORMATION

**Class I:** the Class I Performance Rights will convert into an equivalent number of Shares upon achievement of the Company collecting not less than 15 rock samples (Cumulative) from any of its lithium projects defined as either Red Peak Lithium Project, the Yarrie Lithium Project, or the Barrow Creek Lithium Project, that exhibit the mineralogical composition of an LCT pegmatite with geochemistry results of not less than 180PPm Li, 50pp Cs, 15ppm Ra and 700ppm Rb. This hurdle must be achieved within 2 years from the date of grant of the Performance Right.

**Class J:** the Class J Performance Rights will convert into an equivalent number of Shares upon achievement by the Company, of completion of an RC Drilling program at any of its lithium projects defined as either Red Peak Lithium Project, the Yarrie Lithium Project, or the Barrow Creek Lithium Project. Where the RC drilling program intersects a mineralised interval of not less than 5M @1% Li<sub>2</sub>O across not less than three (3) individual drill holes. This hurdle must be achieved within 3 years from the date of grant of the Performance Right.

**Class K:** the Class K Performance Rights will convert into an equivalent number of Shares upon achievement by the Company of a JORC (or N143-101) compliant resource of >1,500,000 tonnes @>0.8% Li<sub>2</sub>O at any of its lithium projects defined as either Red Peak Lithium Project, the Yarrie Lithium Project, or the Barrow Creek Lithium Project. This hurdle must be achieved within 3 years from the date of grant of the Performance Right.

The class O, P and Q Performance Rights were issued on 02 February 2023 and have the following milestones attached to them:

**Class O:** the Class O Performance Rights will convert into an equivalent number of Shares upon completion of any RC drilling program at the Uis Lithium Project where the RC drilling program intersects a mineralised interval of not less than 10m @ 1% Li<sub>2</sub>O (equivalent) across not less than five (5) individual drill holes within 3 years from the date of grant of the Performance Right.

**Class P:** the Class P Performance Rights will convert into an equivalent number of Shares upon achievement of a JORC (or NI43-101) compliant resource of >5,000,000 tonnes @1.0% Li<sub>2</sub>O (equivalent) the Uis Lithium Project within 3 years from the date of grant of the Performance Right.

**Class Q:** the Class Q Performance Rights will convert into an equivalent number of Shares upon achievement of a 20-day VWAP share price >AUD\$1.00 within 3 years from the date of grant of the Performance Right.

The R, S, T, U and V Performance Rights were issued on 18 July 2023 and have the following milestones attached to them:

**Class R:** the Class R Performance Rights will convert into equivalent number of Shares upon achievement of a 20 day VWAP share price >AUD\$0.60 within 2 years from the date of grant of the Performance Right.

**Class S:** the Class S Performance Rights will convert into an equivalent number of Shares upon achievement of a a 20-day VWAP shares price >AUD\$0.80 within 3 years from the date of grant of the Performance Right.

## ASX ADDITIONAL INFORMATION

- Class T:** the Class T Performance Rights will convert into an equivalent number of Shares upon completion by the Company of at least 3,000m of diamond drilling at the Uis Lithium Project within 3 years from the date of grant of the Performance Right.
- Class U:** the Class U Performance Rights will convert into an equivalent number of Shares upon the delivery of a JORC (2012) mineral resource at the Uis Lithium Project of >5Mt @ 1.0% Li<sub>2</sub>O within 4 years from the date of grant of the Performance Right.
- Class V:** the Class V Performance Rights will convert into an equivalent number of Shares upon completion of a scoping study at the Uis Lithium Project generated an NPV of >US\$100M and an IRR >20% using a discount factor of 8% within 5 years from the date of grant of the Performance Right.

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