ALVO MINERALS

2023 Annual Report

Year Ending 31 December 2023

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Corporate Directory

Directors

Graeme Slattery (Non-Executive Chair)

Robert Smakman (Managing Director and CEO)

Beau Nicholls (Non-Executive Director)

Company Secretary

Carol Marinkovich

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Share Register

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www.computershare.com

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Melbourne, VIC 3000

Tel +61 3 9824 8555

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www.squirepattonboggs.com

Banker

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Stock Exchange Listing

Alvo Minerals Limited shares are listed
on the Australian Securities Exchange (ASX code: ALV)

Website

www.alvo.com.au

Chair's Letter

Dear Shareholders

As we reflect on the milestones and achievements of the past year, it is with great pleasure that I present to you the Alvo Minerals Limited (Alvo) Annual Report for the financial year ended 31 December 2023. This year has been marked by significant progress and exciting developments across our existing projects and the acquisition of new projects and development of our position as a leading player in critical minerals exploration.

It has been yet another busy year on site in Brazil, with exploration efforts led by our Managing Director Rob Smakman and Exploration Manager Julio Liz. We have a world class team on the ground in Brazil that knows the jurisdiction from many years work. As a result we are uniquely positioned to secure maximum value for Alvo's shareholders.

One of the highlights of the year has been the acquisition and advancement of our Bluebush Ionic Clay Rare Earth Element (REE) Project. Situated in Central Brazil, adjacent to our Palmeiropolis exploration base, Bluebush holds immense promise. Through rigorous exploration efforts both during and after a due diligence period, we have successfully confirmed its potential as an ionic clay REE project, paving the way for simplified mining and processing operations. Initial exploration drilling has also yielded exceptional results, with widespread REE mineralisation identified, including high-grade magnet REE zones. We are encouraged by the outcomes of our metallurgical testwork, which further indicate the viability of the project.

In line with our commitment to growth and expansion, we have also made significant advancements in our Palma VMS Cu-Zn Project. With a focus on Phase 2 drilling at the C3 and C1 deposits, we exceeded expectations with remarkable intercepts, underscoring the Project's considerable growth potential. Furthermore, our maiden diamond drill program at the C4 prospect delivered a brownfields discovery marking a significant milestone in our exploration efforts.

Subsequent to the reporting period, we were excited to announce the acquisition of the Ipora REE Project, complementing our existing portfolio and underscoring our commitment to unlocking value for our shareholders. With this addition, we are well-positioned to capitalise on emerging opportunities in the REE market, leveraging our expertise and resources in country to drive sustainable growth.

On the corporate front, we were pleased to report the successful completion of a Placement raising A$5.1 million, supporting the acquisition of Bluebush. This achievement is a testament to the confidence and support of our investors, enabling us to pursue our strategic objectives with vigour and determination. Additionally, I am delighted to welcome Gary Elwell as our new Chief Financial Officer, bringing with him a wealth of experience and expertise to our leadership team.

The board is excited to continue the journey of developing our projects and to growing your company. As we navigate the opportunities and challenges that lie ahead, I am confident in our ability to deliver value and drive sustainable growth for our shareholders. With a strong foundation, a talented team, and a clear vision for the future, we are well-equipped to seize the opportunities that await us.

My sincere thanks goes to our shareholders for joining Alvo on this journey, and for your continued support and belief in the Company.

Yours sincerely

Graeme Slattery

Chair

"We have a world class team on the ground in Brazil that knows the jurisdiction from many years work. As a result we are uniquely positioned to secure maximum value for Alvo's shareholders."

– Graeme Slattery, Chair


Sao Luis
Juruti (Al)
Centaurus (Ni)
Carajas District
Sossego (Cu)
S11D (Fe)
BRAZIL
Aripuana (Zn)
Palma VMS
Cu-Zn Project
Bluebush IAC
REE Project
Dias dAvila
(Parapenema Cu)
Salvador
Carina REE Module
Aclara Resources
Serra Verde (REE)
Itafos (P)
Chapada (Au)
Codemin (Ni)
Ilhéus
PCH REE Project
Appia Rare Earths and Uranium Corp
BRASILIA
Paracatu (Au)
Morro Agudo (Zn)
Vazante (Zn)
Ipora
REE Project
Trés Marias (Nexa Zn)
Minas Rio (Fe)
Cuiaba (Au)
Iron Quadrilateral-Fe Mines
BELO HORIZONTE
Ouro Preto-
Multiple Gold
Mines (Au)
Vitória
Juiz de Fora (Nexa Zn)
SAO PAULO
Rio de Janeiro
Santos
Alvo's Projects
Other Deposits
Smelters
Ports
Cities

Review of Operations

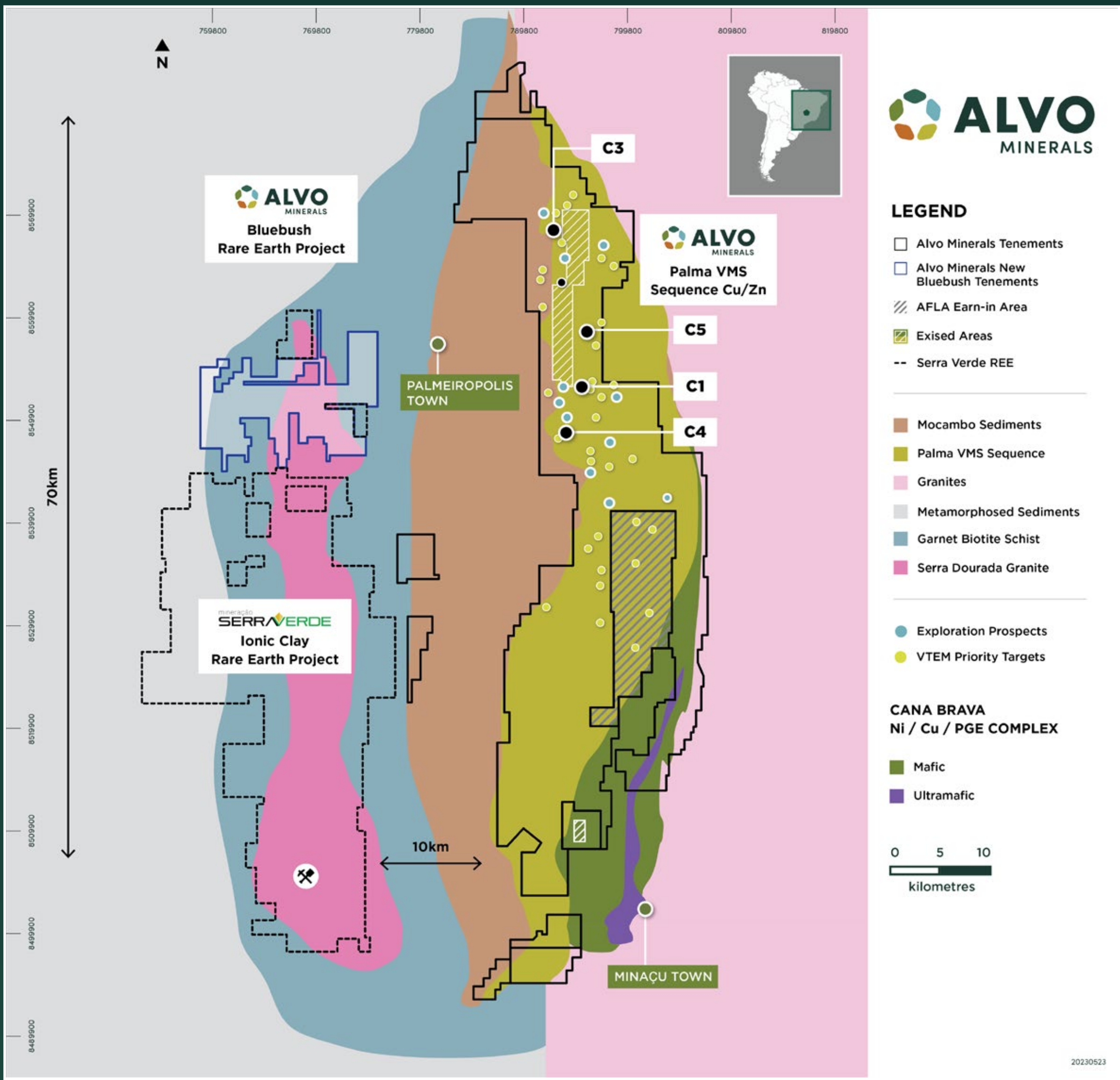


Figure 1: Regional geology and tenement holdings for Alvo's Bluebush REE and Palma project areas

Bluebush Ionic Clay REE Project

Bluebush is a highly prospective Rare Earth Element ("**REE**") project in Central Brazil, adjacent to Alvo's Palmeiropolis exploration base in Central Brazil (*Figure 1*). Alvo signed a binding deal with the Mata Azul company in June 2023[1] for an exclusive 6-month purchase option over 100% of the Bluebush project, exercising the option in December.

The Bluebush Project is located along strike from, and on the northern half of the biotite-rich granitic intrusion Serra Dourada, host of the Serra Verde Ionic Clay REE deposit[2] ("**Serra Verde**").

Serre Verde is a tier-one, ionic clay REE project, the only REE mine in production outside of China, with an estimated Mineral Resource of 911Mt @ 1,200ppm TREO and a Mineral reserve of 350Mt @ 1,500ppm TREO. With a high percentage of the higher value heavy and magnet REEs, Serra Verde is projecting a mine life of over 20 years initiating in late CY2023 (refer https://serraverde.com).

1 Refer to ASX Announcement 7 June 2023 - Tier 1 Ionic Clay Bluebush Acquisition

2 For more information on the Serra Verde operation, please refer to the company website: https://serraverde.com/en/our-operation

Initial Exploration Drilling

Bluebush is within 10km of Alvo's existing Palmeiropolis exploration base where Alvo has the team, the tools and expertise to conduct a timely and cost-effective exploration program to rapidly advance the Bluebush Project.

Alvo completed a maiden drill program at Bluebush[3,4] utilising the Company's in-house truck mounted auger drill rig. The auger drill covered the Boa Vista, and Sao Bento (*Figure 2*), focused on testing the depth and lateral extensions of existing mineralisation as well as extensive sampling of the saprolite to confirm ionic clay mineralisation.

Initial results from the maiden drill program indicated widespread REE mineralisation at Bluebush, with several exceptional high-grade magnet REE Zones identified[5]. Reported are both Total Rare Earth Oxides ("**TREO**") and the more valuable Magnet Rare Earth Oxides ("**MREO**"), with results exhibiting impressive dysprosium and terbium levels, considered as the highest value oxides of the MREOs.

Auger Drillhole highlights included:

- BLG08: **6m @ 2,537ppm TREO (21% MREO)** to end of hole (EOH) from 0m
  - Inc. **3m @ 3,415ppm TREO (24% MREO)** to EOH from 3m
- BLG05: **6m @ 1,243ppm TREO (23% MREO)** to EOH from 8m
- BLG09: **7m @ 1,183ppm TREO (26% MREO)** to EOH from 3m
- BLG12: **4m @ 1,230ppm TREO (26% MREO)** to EOH from 2m
  - Inc. **2m @ 1,512ppm TREO (29% MREO)** to EOH from 4m

Following the successful auger drill program, Alvo mobilised a diamond drill rig to Bluebush, to test the depth profile of the saprolite clay across the Boa Vista prospect[6]. 6 holes were completed at Boa Vista, focusing on testing the saprolite clay depth profile.

Drilling confirmed that all holes intersected saprolite clay zones of up to 28m, with an average of 18m[7] and significantly extended the depth of clay horizons compared to the auger drilling results which are depth restricted. Results from the priority hole BLD004 returned a broad intercept of **34m at 1,090ppm TREO (24% MREO) from surface (0.5m)**[8], containing shallow, high-grade intervals including (*Table 1, Figure 3*):

- **18.5m @ 1,396ppm TREO (25% MREO) from 0.5m;**
  - Inc. **10.5m @ 1,868ppm TREO (26% MREO) from 0.5m;**
    - Inc. **3.5m @ 2,963ppm TREO (28% MREO) from 4.1m;**
- **6m @ 1,019ppm TREO (21% MREO) from 29m**

3 Refer to ASX Announcement 15 June 2023 – Maiden Drilling Commences at Bluebush REE Project

4 Refer to ASX Announcement 7 July 2023 – Bluebush REE Drilling Advancing

5 Refer to ASX Announcement 28 September 2023 – Exceptional Highgrade Magnet REE Zone Identified at Bluebush

6 Refer to ASX Announcement 10 October 2023 – Diamond Drill Rig Mobilised as Conviction Grows at Bluebush

7 Refer to ASX Announcement 8 November 2023 – Thick Saprolite Clays Intercepted at Bluebush Project

8 Refer to ASX Announcement 6 December 2023 – Bluebush Option Signed Diamond Hole Results Thick High Grade

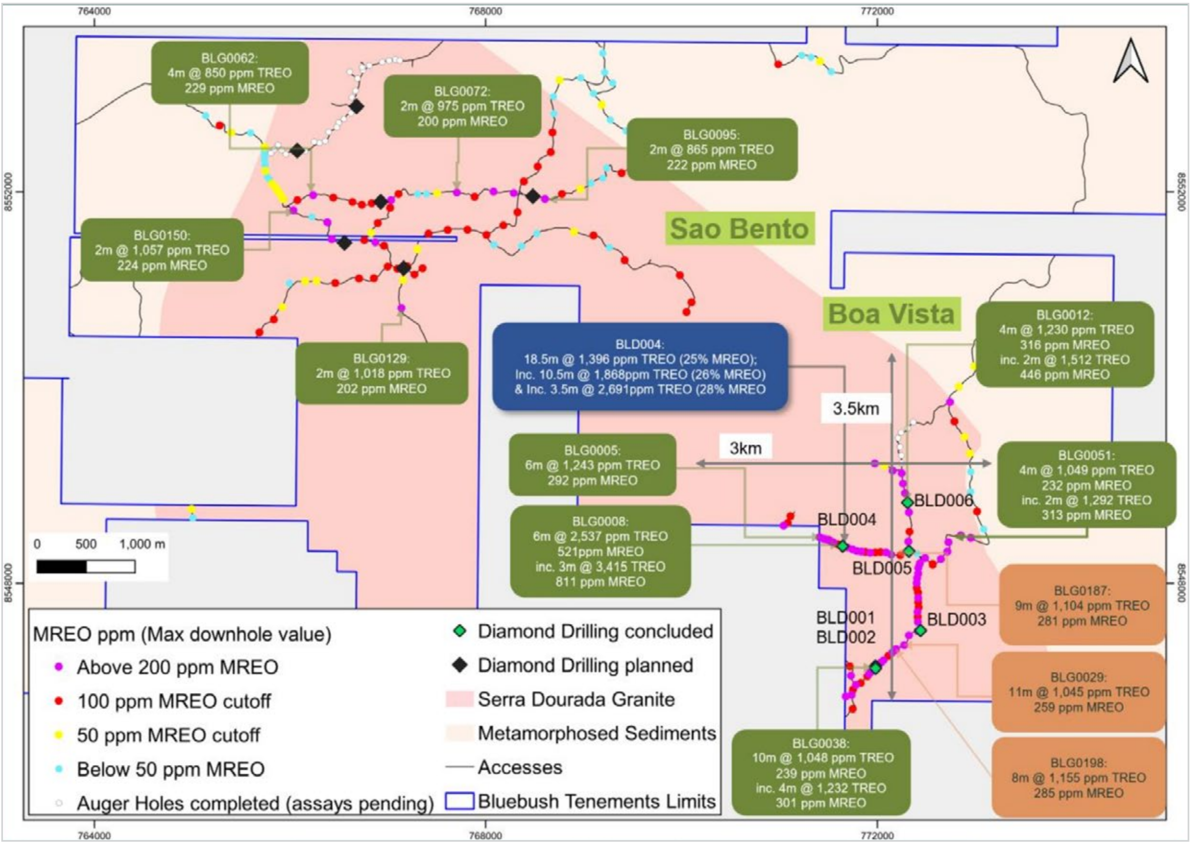


Figure 2: Plan view Bluebush IAC Project with completed diamond holes and significant drilling intercepts

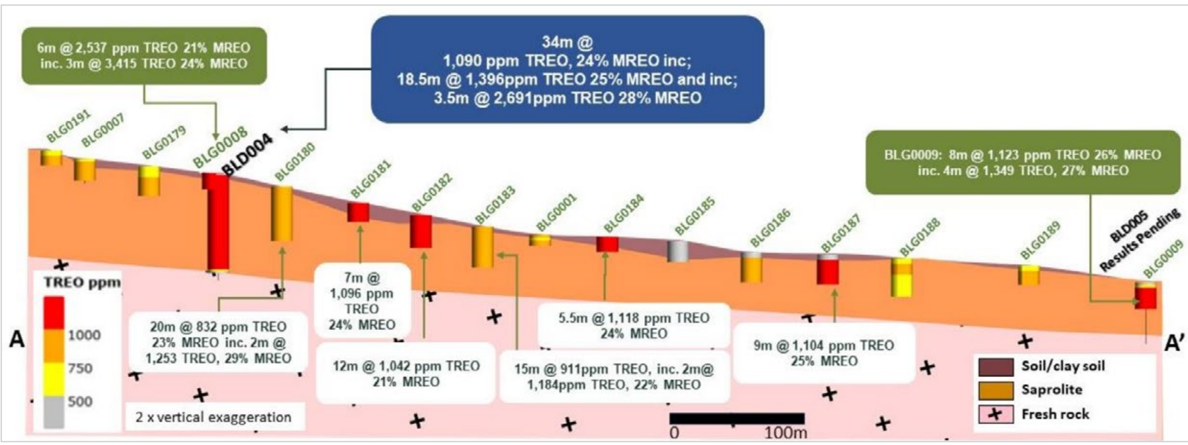


Figure 3: Cross Section A-A' through diamond holes BLD004 and BLD005. Diamond results are in blue, new auger results in white and previously reported results in green

BLD004	Length (m)	From	Nd_2O_3 ppm	Pr_6O_{11} ppm	Dy_2O_3 ppm	Tb_4O_7 ppm	TREO ppm	MREO ppm	HREO ppm	% MREO / TREO
	34.3	0.5	177	55	25	4	**1090**	260	219	**24%**
Inc.	**18.5**	0.5	240	74	34	6	**1396**	354	288	**25%**
Inc.	**10.5**	0.5	329	102	48	8	**1868**	488	414	**26%**
Inc.	**3.5**	4.05	517	162	73	13	**2691**	766	635	**28%**

Table 1: Significant intercepts from diamond BLD004

Confirmation as Ionic Adsorption Clay REE Project

Following metallurgical testwork on auger drill samples from the Boa Vista and Sao Bento prospects, the status of Bluebush as an ionic clay (adsorption) REE project was confirmed[9]. The confirmation was crucial due to simpler potential mining and processing costs with associated lower capital and operating costs than other hard rock or clay hosted REE prospects.

The ionic adsorption clay-hosted rare earth element leach test used a diluted solution of 0.5 molar ammonium sulphate at room temperature and a pH 4 for 30 minutes. Recoveries above 30% were considered by Alvo to confirm the ionic nature of the mineralisation:

- Neodymium (Nd): up to 89% averaging 60%.
- Praseodymium (Pr): up to 86%, averaging 57%.
- Dysprosium (Dy): up to 53%, averaging 37%.
- Terbium (Tb): up to 69%, averaging 48%.
- **Total MRE extractions (Nd,Pr,Dy +Tb): up to 83%, averaging 56%.**

Project Acquisition

As a result of the exceptional first diamond drilling assay results, previous reported exploration results and excellent ionic adsorption testwork recoveries, Alvo exercised the purchase option over 100% of the Bluebush Ionic Adsorption Clay REE Project[8].

Bluebush IAC due diligence successfully delivered against Alvo's key acquisition criteria, being:

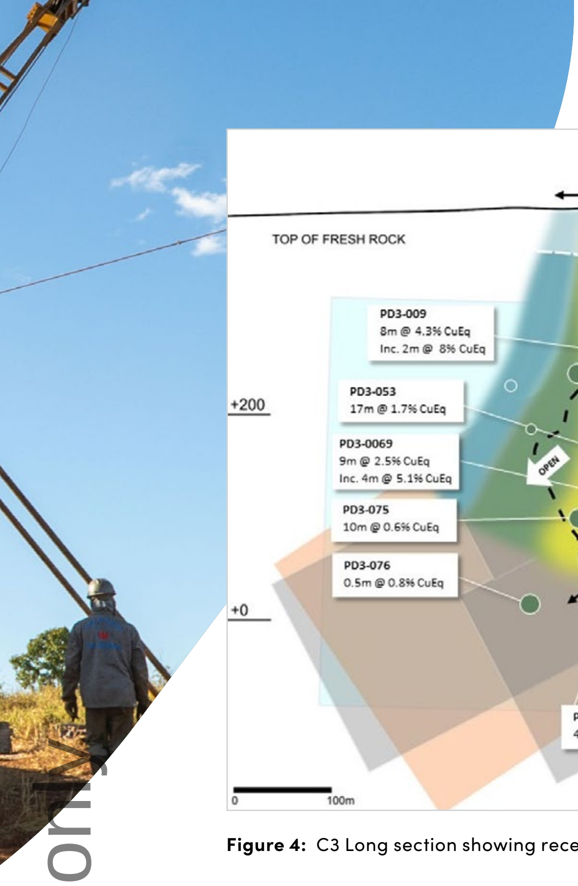
Grade: Identified high-grade TREO and MREO zones at Boa Vista.

Scale: Mineralisation defined over an initial 3.5km strike and 3.0km width (and open), with Alvo diamond drilling intercepting saprolite clay depths of up to 28m.

Ionic Clay Extraction: Magnet rare earth extractions up to 83% (averaging 56%) using weakly acidic (pH 4), ammonium sulphate wash at ambient temperatures.

Additional work across Bluebush is underway, utilising geological mapping, soil sampling, auger drilling and geophysical techniques to discover high-grade zones, close to surface with ionic clay properties.

9 Refer to ASX Announcement 2 November 2023 - Metallurgical Tests Confirm Bluebush as Ionic Clay



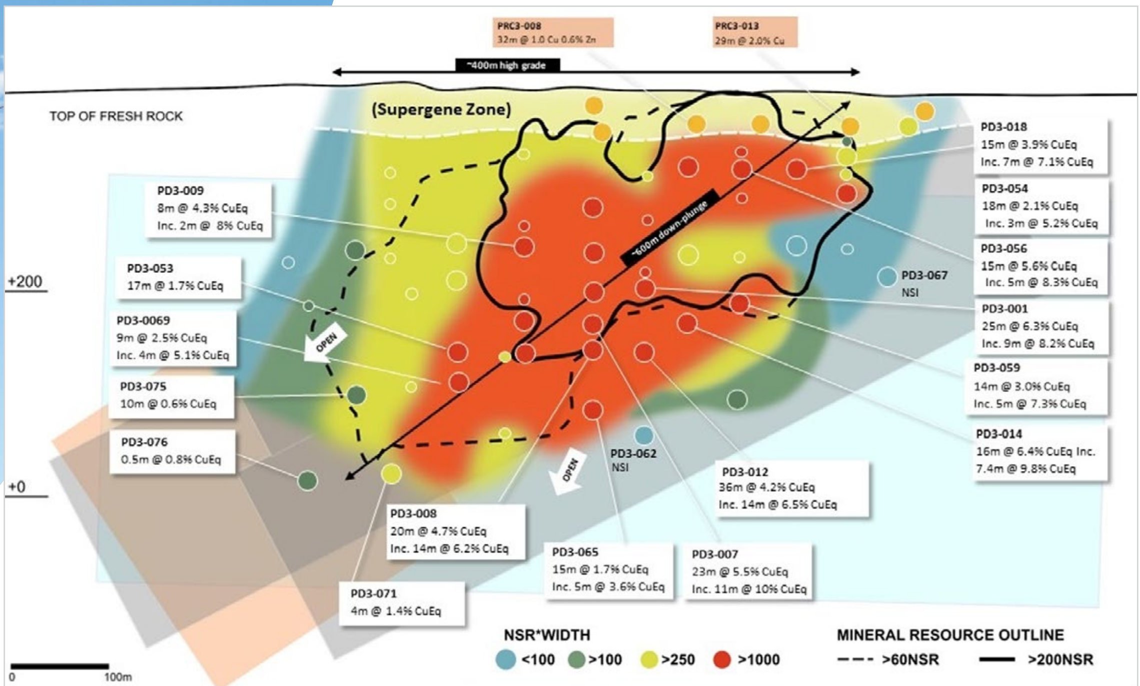


Figure 4: C3 Long section showing recent and historic drilling pierce points

Palma VMS Cu-Zn Project

Alvo's Palma Volcanogenic Massive Sulphide ("**VMS**") Copper-Zinc Project is located in a known VMS District comprised of 2 high-grade Copper and Zinc dominated, shallow mineralised deposits and multiple VMS prospects in Central Brazil. Alvo controls >80% of this district with >850km^2 of contiguous and highly prospective ground (*Figure 1*). The district that is 90% controlled by Alvo has been largely idle for over 40 years since the first discovery in the 1970s and presents an extraordinary opportunity to make new discoveries by applying modern exploration techniques.

VMS mineralisation around the world is known to accumulate in clusters of deposits which can collectively into world-class districts. Alvo believes it has an exciting opportunity at Palma to build on the known deposits by making discoveries amongst the multiple prospects it has been working-up over the last 2 years.

Phase 2 Drilling – C3 Deposit

During the reporting period, assay results were returned from an extensional Phase 2 drill program at the C3 deposit[10] which was planned to significantly expand the JORC compliant Mineral Resource Estimate ("**MRE**") of **4.6Mt @ 1.0% Cu, 3.9% Zn, 0.4% Pb & 20g/t Ag**. Drilling results to date have exceeded expectations on grade and thickness when compared to the existing MRE which was based on historical drilling only. Significant intercepts from Alvo drilling at C3 during 2023 included:

- **PD3-059: 14.2m @ 3.0% CuEq** (1.1% Cu, 6.1% Zn, 0.2% Pb, 12g/t Ag & 0.04g/t Au) from 228m
  - Inc. **4.8m @ 7.3% CuEq** (1.8% Cu, 16.8% Zn, 0.4% Pb, 24g/t Ag & 0.1g/t Au) from 237m
- **PD3-065: 13.0m @ 1.5% CuEq** (1.0% Cu, 1.8% Zn, 0.1% Pb, 8g/t Ag & 0.02g/t Au) from 333m
  - Inc. **4.7m @ 3.1% CuEq** (1.9% Cu, 4.6% Zn, 0.31% Pb, 21g/t Ag & 0.05g/t Au) from 340m
- **PD3-065: 14m @ 1.7% CuEq** (0.7% Cu, 3.3% Zn, 0.2% Pb, 10g/t Ag & 0.03g/t Au) from 376m
  - Inc. **5.3m @ 3.6% CuEq** (1% Cu, 8% Zn, 0.5% Pb, 25g/t Ag & 0.05g/t Au) from 379m

Further assay results continued to deliver high-grade mineralisation[11] (*Figure 4*), remaining open down-plunge to the south-west. Significant results included:

- **PD3-069: 9m @ 2.5% CuEq** or 6.21% ZnEq from 342m
  - Inc. **4m @ 5.1% CuEq** or 12.5% ZnEq from 347m
- **PD3-071: 4m @ 1.4% CuEq** or 3.45% ZnEq from 433m

10 Refer to ASX Announcement 19 January 2023 - Large High Grade Copper Extensions
11 Refer to ASX Announcement 1 May 2023 - Major Step Out Extends VMS Mineralisation

Phase 2 Drilling - C1 Deposit

Phase 2 diamond drilling was completed at the C1 deposit, with final assay results from the 6 hole 1,550m program including:

- PD1-082: **14m @ 2.5% CuEq or 6.17% ZnEq** (0.9% Cu, 4.6% Zn, 1.5% Pb, 34g/t Ag & 0.08g/t Au) from 112m
  - Inc. **4m @ 7.7% CuEq or 18.7% ZnEq** (2.5% Cu, 14.3% Zn, 4.6% Pb, 105g/t Ag & 0.23g/t Au) from 121m
- PD1-079: **3m @ 1.6% CuEq or 3.98% ZnEq** (0.6% Cu, 2.9% Zn, 0.6% Pb, 18g/t Ag & 0.01g/t Au) from 46m

C1 is located approximately 15km from C3, with mineralisation controlled by a folded contact that outcrops close to surface. Updated results from diamond drilling at C1 will be incorporated in an updated MRE to be completed in early 2024.

Brownfields Discovery - C4 Prospect

Alvo released results from early holes at its maiden diamond drill program at the regional C4 Prospect. C4 is located approximately 5km to the SW of C1 and was historically drilled by the Brazilian Geological Survey ("**CPRM**") in the 1980's. The CPRM drilling intersected mineralisation, however utilising advanced geophysical surveys, Alvo drilled further south than the CPRM and discovered higher grade Zn VMS mineralisation, associated with Cu, Pb, Ag and Au mineralisation.

The 'Discovery hole' at C4 (hole PD4-084), returned the broadest intercept drilled to date at the Palma Project[12].

Highlight results included:

- **PD4-084: 37m** @ 4.6% ZnEq or **1.9%** CuEq (0.2% Cu, 4.3% Zn, 1.5% Pb, 36g/t Ag & 0.06g/t Au) from 127m
  - Inc. **2m** @ **8.8% ZnEq** or **3.6% CuEq** (0.2% Cu, 4.3% Zn, 1.5% Pb, 36g/t Ag & 0.06g/t Au) from 132m
  - Inc. **4m** @ 6.9% ZnEq or **2.8%** CuEq (0.6% Cu, 6.1% Zn, 1.7% Pb, 51g/t Ag & 0.09g/t Au) from 157m

Drilling indicates C4 mineralisation appears to be flat lying, with multiple lenses interpreted to be Zn dominant (see *Figure 5*). Additional results from drilling are due in early 2024. Continued positive and consistent results could be included in a maiden MRE for C4 during 2024.

VMS Targets Identified

During the reporting period, Alvo continued an extensive regional exploration program across multiple Palma prospects[13], aimed at advancing the copper-rich VMS prospects into drill-ready targets. The field activities included geological mapping and sampling, soil sampling, Auger drilling ("**Auger**"), Induced Polarisation Surveys ("**IP**") and Fixed Loop electromagnetic surveys ("**FLEM**").

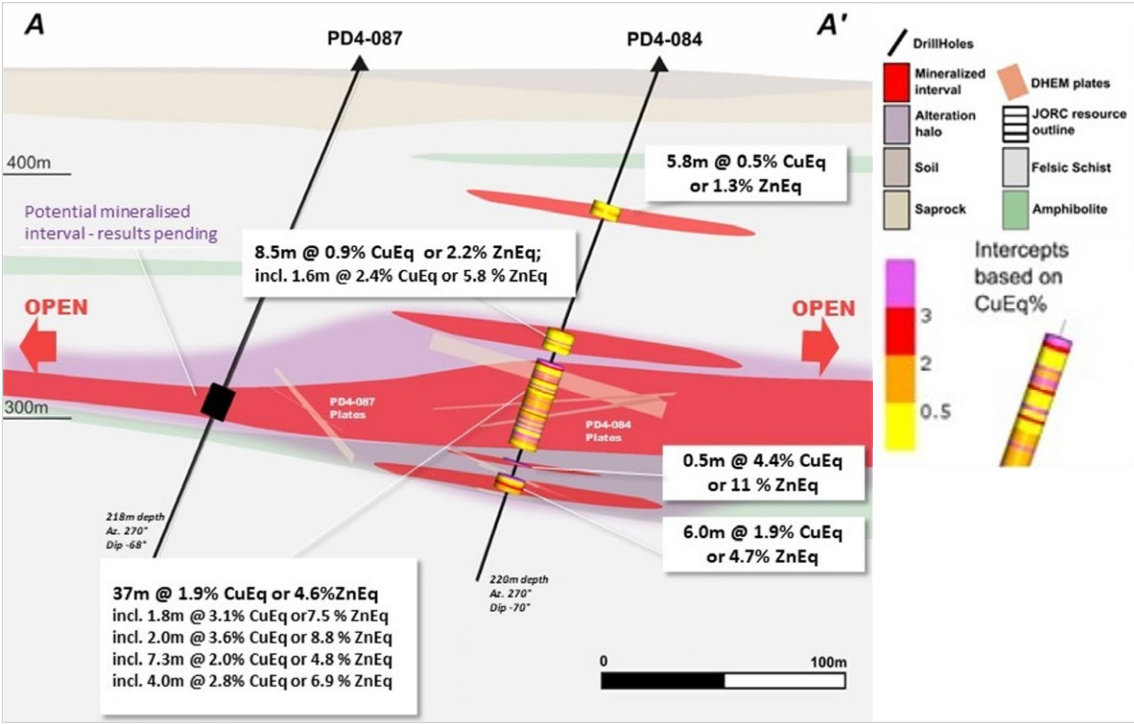


Figure 5: Cross section through C4 including discovery hole PD4-084. Multiple sub-horizontal lenses of mineralisation are interpreted

12 Refer to ASX Announcement 1 August 2023 - New VMS Discovery at Palma

13 Refer to ASX Announcement 10 February 2023 - Regional Targeting Program Underway at Palma Project

Systematic regional exploration successfully identified two high-priority near drill-ready VMS prospects[14], and a multitude of advanced prospects, discovered through a combination of exploration disciplines including, geology, geochemistry sampling and geophysical surveys:

- **Urubu:** FLEM survey results show multiple extensive and coherent conductors with similar conductive and thickness values to C3, closely coinciding with the soil geochemistry, auger and IP results. Urubu is interpreted as the faulted extension of C3.
- **C5:** Extensive areas of coincident soil sampling, auger and IP anomalies. Historical CPRM reports reference a single mineralised hole (unknown location) to be followed up with FLEM surveys.

Alvo considers the regional work to bring these new prospects to drill readiness a fundamental part of the strategy to build an inventory of resources in the Pama VMS district. Drilling of these and other new prospects is expected in 2024.

Afla Project Earn-In

During the reporting period, Alvo was pleased to report the signing of a binding agreement to earn-in to the highly prospective Afla Project[15] ("**Afla**"), consolidating the broader Palma VMS belt (*Figure 6*). The Afla Project covers 98km^2, located adjacent to Alvo's Palma Project covering a strategic southern portion of the target host rocks of the VMS sequence.

Exploration at Afla is progressing with geological mapping, soil sampling, auger drilling and ground geophysical work (both IP and EM) combining to define a prospective trend at the Anta Prospect. Should the ongoing exploration work at Anta continue positively, Alvo intends to drill the prospect in 2024.

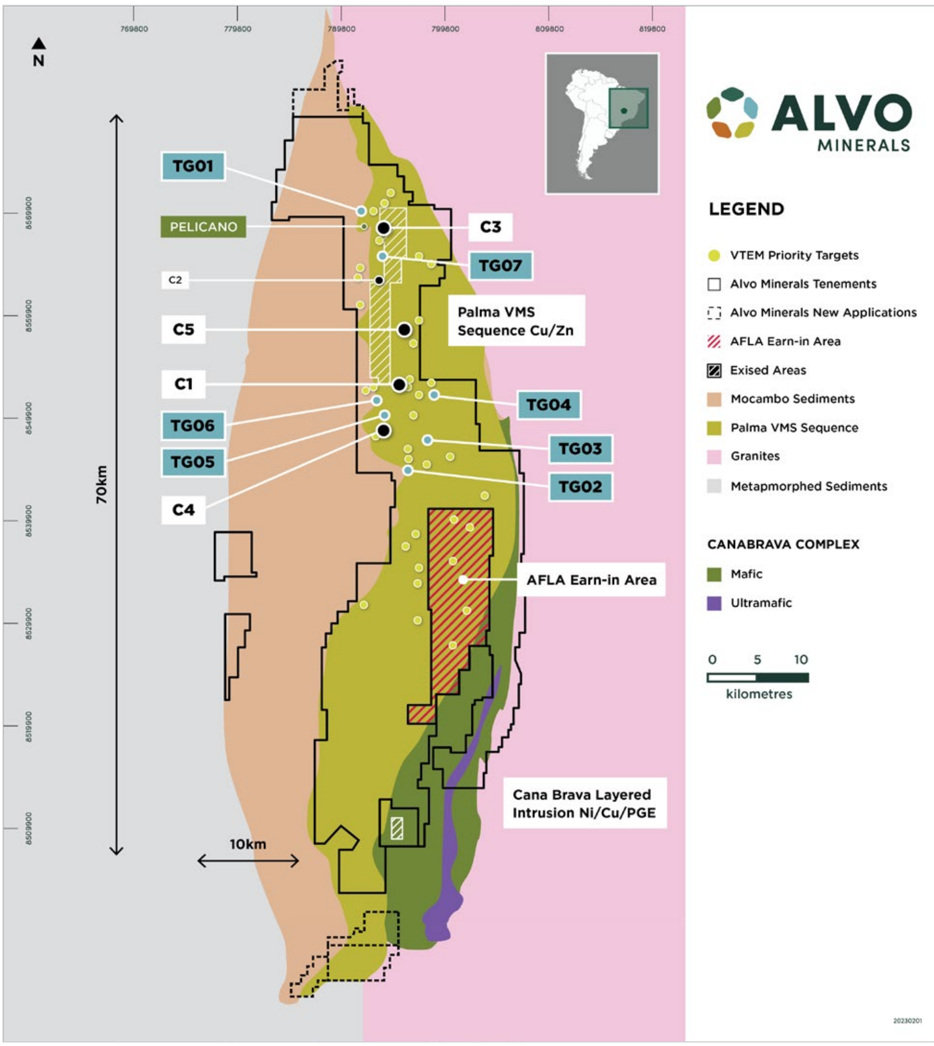


Figure 6: Palma Project including known deposits (C3 & C1); advanced mineralised prospects (C4, C5 and C2[16]); emerging exploration prospects; and Afla Project area in red hash

14 Refer to ASX Announcement 9 May 2023 - Multiple High-Priority Regional VMS Targets Identified

15 Refer to ASX Announcement 28 March 2023 - Earn-In on Afla Cu/Zn Project Consolidates Palma VMS Belt

16 C2 is not owned by the company - included as it is a known mineralised prospect within the belt.

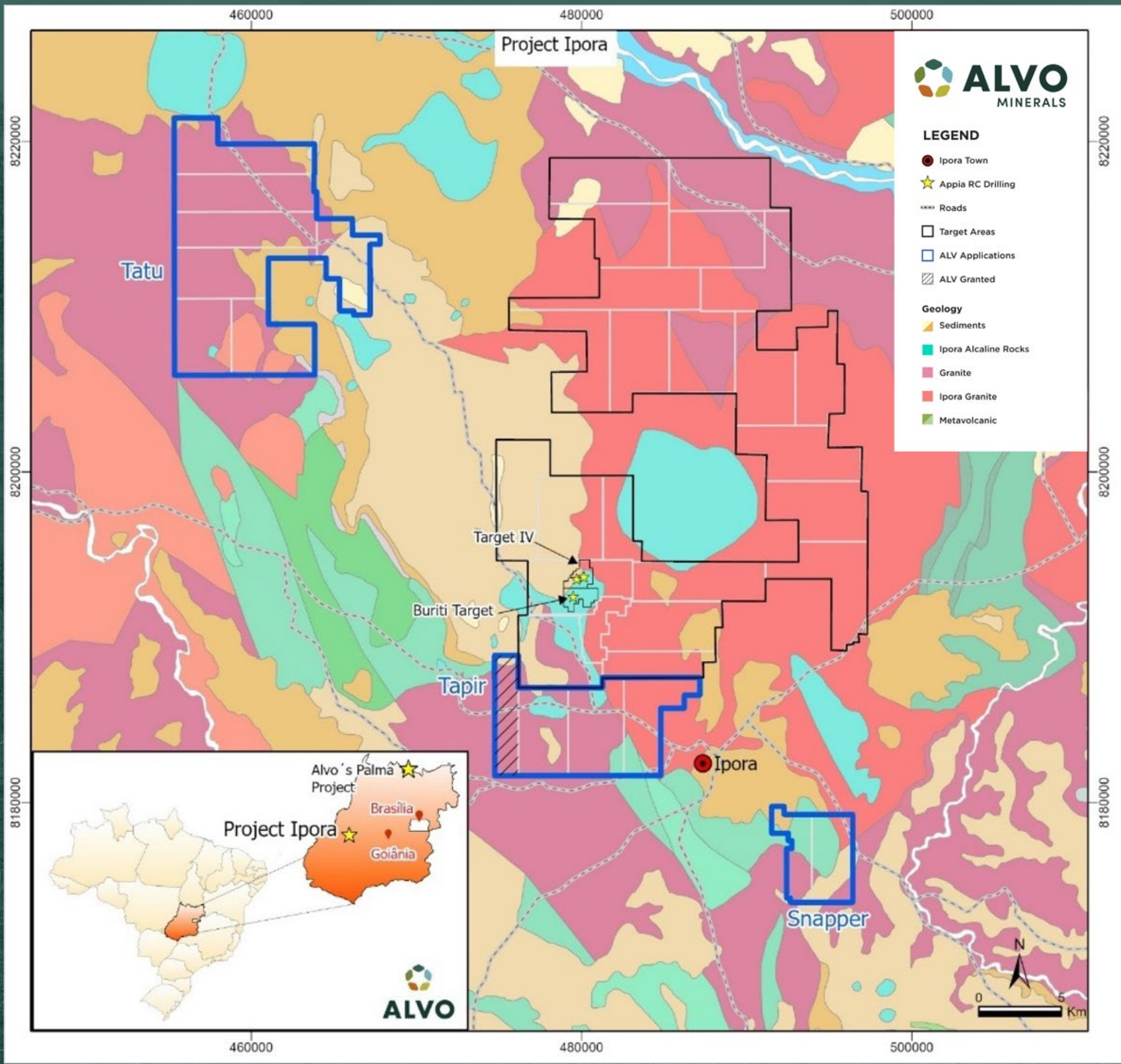


Figure 7: Geological map of Ipora REE Project

Ipora REE Project Acquisition

Subsequent to the reporting period, Alvo announced the application for 211km² of tenements in Goias State, along strike from an emerging high-grade REE discovery[17]. The new "Ipora" REE Project complements Alvo's existing Bluebush IAC REE Project located ~600km to the northeast (*Figure 7*).

The Ipora Project is located on similar geology and adjacent to the PCH Project owned by Canadian listed Appia Rare Earths and Uranium Corporation ("**Appia**") (CSE:API), where recent extraordinarily high REE results were reported from surface over broad widths, including an area of elevated scandium (Sc). On 16 January 2024 Appia announced an intersection of 24m @ 38,655ppm (3.9%) TREO, 6,869ppm MREO to end of hole (EOH), incl. 2m @ 92,758ppm (9.3%) TREO, 13,798ppm (1.4%) MREO from 10m at its ionic adsorption clay PCH Project.

The first of the tenements were granted by the Brazilian Mines Department on 26 January 2024, with fieldwork to commence once the bulk of the areas are granted.

17 Refer to ASX Announcement 30 January 2024 - Alvo Acquires REE Project in New High Grade Province

Corporate

Funds Raised

During the reporting period, Alvo raised A$5.1 million before costs ("**Placement**")[18]. The Placement was strongly supported by a number of high quality new and existing, domestic and international institutional investors and Alvo's Directors.

Appointment of CFO

Alvo announced the appointment of Gary Elwell as Chief Financial Officer, succeeding David Warlond who stepped down to pursue other career opportunities[19]. Mr Elwell is a seasoned Chartered Management Accountant with over 20 years of experience in CFO/Financial Controller roles with ASX listed companies.

18 Refer to ASX Announcement 14 June 2023 - Alvo Funded to Accelerate Exploration at Bluebush REE

19 Refer to Announcement 31 October 2023 – Appointment of CFO

Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Alvo Minerals Limited (referred to hereafter as 'Alvo' or the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2023.

Directors
The following persons were directors of Alvo during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Graeme Slattery, Non-Executive Chair
Mr Robert Smakman, Managing Director and Chief Executive Officer (CEO)
Mr Beau Nicholls, Non-Executive Director

Principal activities
During the financial year ended 31 December 2023, Alvo continued its mineral exploration activities at their Brazilian Palma VMS Cu-Zn Project.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $5,642,393 (31 December 2022: $5,985,370).

Alvo is currently exploring the Palma VMS Cu-Zn and Bluebush IAC REE Projects in Brazil, which it considers prospective for rare earth and base and precious metals. Alvo in Brazil operates with an office in the town of Palmeiropolis (Central Brazil) to support ongoing exploration activities.

Risks and uncertainties
The Company is subject to general risks as well as risks that are specific to the Company and the Company's business activities.

Economics General
Economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

Brazilian country risk
The Company is subject to the risks associated with operating in Brazil. Failure to comply with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in the loss or reduction of entitlements.

Exploration and Operating
The Projects are at various stages of exploration and investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that the exploration of any of the Projects, will result in the discovery of an economic resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited.

The exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company is also dependent upon the Company being able to maintain title to the mineral tenements comprising the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes at any Project prove to be unsuccessful this could lead to a diminution in the value of that Project, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the mineral tenements comprising that Project

Regulatory Compliance
The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

While the Company believes that it is in substantial compliance with all material current laws and regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects.

Obtaining necessary permits can be a time-consuming process and there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the mining claims comprised in a Project.

Reliance on key personnel
The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.

Dependence on service providers and third-party collaborators
There is no guarantee that the Company will be able to find suitable third-party providers and third-partly collaborators to complete the exploration work. The Company therefore is exposed to the risk that any of these parties can experience problems related to operations, financial strength or other issues, and collaborative agreements may be terminable by the Company's partners. Non-performance, suspension or termination of relevant agreements could negatively impact the progress or success of the Company's exploration efforts, financial condition and results of operations.

Government Policy Changes
Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Brazil may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

Future funding risks
The Company is involved in exploration for minerals in Brazil and is yet to generate revenues. The Company has a cash and cash equivalents balance, inclusive of $1.15m cash on short term deposits, of $1.70 million and net assets of $2.18 million at 31 December 2023. Additional funding will be required in the future for the costs of the Company's exploration programs to effectively implement its business and operations plans, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

In addition, should the Company consider that its exploration results justify commencement of production on any of its Projects, additional funding will be required to implement the Company's development plans, the quantum of which remains unknown at the date of this report. The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

Market conditions
Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

(i) general economic outlook;
(ii) introduction of tax reform or other new legislation;
(iii) interest rates and inflation rates;
(iv) changes in investor sentiment toward particular market sectors;
(v) the demand for, and supply of, capital; and
(vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Commodity price volatility and exchange rate risks
If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account in Australian and Brazilian currencies, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar, the Australian dollar and the Brazilian Real, as determined in international markets.

Litigation
The Company is not currently involved in any litigation. However, the Company may in the ordinary course of business become involved in litigation and disputes, for example with its contractors or employees over a broad range of matters. Any such litigation or dispute could involve significant economic costs and damage to relationships with contractors or other stakeholders. Any such outcomes may have an adverse impact on the Company's business, market reputation and financial condition and financial performance.

IT system failure and cyber security risks
Any information technology system is potentially vulnerable to interruption and/or damage from a number of sources, including but not limited to computer viruses, cyber security attacks and other security breaches, power, systems, internet and data network failures, and natural disasters.

The Company is committed to preventing and reducing cyber security risks through outsourced the IT management to a reputable services provider.

Local Community
The Company's Projects are situated throughout Palmeiropolis and Minacu districts of Brazil. While the Company is and will do all in its power to maintain good working relationships with the local community and will pursue a mining plan designed to minimize any community impact, there is a risk that this will not be sufficient to satisfy community expectations. In that event, the activities of the Company could potentially be disrupted and/or delayed.

Mine Development
Possible future development of mining operations at the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production on one of the Projects, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of any of the Projects.

Directors' Report

The risks associated with the development of a mine will be considered in full should any of the Projects reach that stage and will be managed with ongoing consideration of stakeholder interests.

Environmental
The operations and proposed activities of the Company are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Climate Risk
There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:

(i) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and

(ii) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Significant changes in the state of affairs
During the year the Company raised $5,075,000 before issue costs through the placement of 20,300,000 shares at an issue price of $0.25 per share. The placement was completed in two tranches, the second being subject to shareholder approval which was granted at a general meeting of the Company held on 28 July 2023. At the same general meeting shareholders approved the issue of 1,000,000 options to Discovery Capital, who acted as Lead Manager in the placement. The options have an exercise price of $0.50 per option and an expiry date of 14 August 2026.

On 29 August 2023 2,166,189 shares were released from escrow. On 20 October 2023 16,634,198 shares were released from escrow.

During the year the consolidated entity exercised a purchase option over 100% of the Bluebush Ionic Clay REE project located on the northern half of the Serra Dourada granite the same host rock of the Serra Verde Ionic Clay REE Deposit, believed to be the only ionic clay project currently being commissioned outside of China. The purchase option was secured for a consideration of BRL100,000 (approx..AUD$30,000).

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

Matters subsequent to the end of the financial year
Subsequent to the end of the financial year the consolidated entity was successful in the first of 13 tenement applications over 211km^2 of tenements in Goais State, Brazil with exceptional potential for ionic clay rare earth mineralisation, along strike from an emerging high-grade discovery.

Other than the above, no matter or circumstance has arisen since 31 December 2023 that has significantly affected or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
The consolidated entity will continue to pursue the continued exploration and evaluation of its prospective tenements and the opportunities intrinsic therein.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Directors' Report

The consolidated entity holds interests in a number of exploration tenements. The various authorities granting rights over tenements require the tenement holder to comply with the terms of the grant of the tenement. There have been no known breaches of the tenements' conditions, as they relate to environmental provisions and no such breaches have been notified by any government agency during the financial year ended 31 December 2023 or previously.

Corporate governance
In recognising the need for high standards of corporate behaviour and accountability, the Directors support and have substantially adhered to the best practice recommendations set by the ASX Corporate Governance Council. The Company's corporate governance policies are all available on the Company's website at www.alvo.com.au.

Information on directors

Name:	Graeme Slattery
Title:	Non-Executive Chair
Experience and expertise:	Graeme is a practising lawyer with over 20 years of experience advising listed and unlisted companies in the mining and resources sector on aspects of corporate and commercial law. He has extensive experience dealing with foreign jurisdictions and regulatory issues and serves on numerous international boards. His experience includes being involved in the start-up and management of a successful international mining services business. Graeme has extensive experience and knowledge of corporate governance, risk and regulatory issues which serve him well in his role as chairman on a number of private operating companies. He also served on the boards of a number of not for profit organisations including serving as Chairman of a large independent private school. Graeme is currently the Managing Partner at Squire Patton Boggs where he provides advice on corporate and commercial disputes, regulatory investigations and prosecutions and with strategic and risk management advice.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of Audit and Risk Committee
Interests in shares:	1,106,250 (shares held by GM & LA Slattery Family A/C and MMH Capital Ltd) 280,000 (shares held by MMH Capital Pty Ltd, which entity Mr Slattery is associated with being a director and shareholder holding a 10% voting interest of 2,800,000 Fully paid Ordinary Shares)
Interests in options:	1,250,000 (unlisted options held by GM & LA Slattery Family Trust) 300,000 (unlisted options held by Graeme Slattery)

Name:	Robert Smakman
Title:	Managing Director and CEO
Experience and expertise:	Rob is a geologist with over 25 years international experience, over 10 of which have been in Brazil where the Company's Project is located. Fluent in Portuguese, his experience in Brazil has included sourcing, negotiating, exploring and building minerals projects. Rob has raised more than $US100M in capital (equity and debt) for multiple Brazilian projects including gold, iron ore and base metals. Rob is a Fellow of the AusIMM.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of Audit and Risk Committee
Interests in shares:	8,936,565 (shares held by Spezia 55 Pty Ltd and The Bundi Family Fund) 1 (share held by Itta Somaia) 700,000 (shares held by MMH Capital Pty Ltd, which entity Mr Smakman is associated with being a director and shareholder holding a 25% voting interest of 2,800,000 fully paid Ordinary Shares
Interests in options:	2,500,000 (unlisted options held by Spezia 55 Pty Ltd 3,000,000 (unlisted options held by the Bundi Family Fund)

Directors' Report

Name:	Beau Nicholls
Title:	Non-Executive Director
Experience and expertise:	Beau is a Geologist with over 25 years international experience, including 9 years in Brazil as the principal consultant for Coffey Mining a leading international consulting firm. Beau is fluent in Portuguese. Beau is Principal Consultant for Sahara Natural Resources, specialising in exploration and mining services in Africa and a member the Australian Institute of Geoscientists.
Other current directorships:	None
Former directorships (last 3 years):	Executive Director, Big River Gold Ltd (ASX:BRV)
Special responsibilities:	Chair of Audit and Risk Committee
Interests in shares:	3,985,000 shares (held by Silvanicholls Pty Ltd) 840,000 shares (held by MMH Capital Pty Ltd, which entity Mr Nicholls is associated with being a director and shareholder holding a 30% voting interest of 2,800,000 Fully Paid Ordinary Shares)
Interests in options:	1,250,000 unlisted options (held by Silvanicholls Pty Ltd) 300,000 unlisted options (held by Beau Nicholls)

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
Carol Marinkovich

Carol has over 25 years' experience in the mining industry. She has extensive experience in Company Secretary and Corporate Governance Practices both within Australia and Internationally working with companies in the ASX200, ASX300 and for other listed junior explorers. Mrs Marinkovich is a Member of the Governance Institute of Australia and the Institute of Chartered Secretaries and Administrators in London.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2023, and the number of meetings attended by each director were:

	Full Board		Audit and Risk Committee	
	Attended	Held	Attended	Held
Graeme Slattery	6	6	2	2
Robert Smakman	6	6	2	2
Beau Nicholls	6	6	2	2

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the consolidated 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 the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Executive Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- having remuneration framework linked to the goals of shareholders
- focusing on sustained growth in shareholder wealth, consisting of growth in share price
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:
- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

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 Board. 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. No remuneration consultant was used during the financial year. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

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.

The executive remuneration and reward framework has three components:
- base pay
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary and superannuation, are reviewed annually by the Board based on individual's performance and the overall performance of the consolidated entity and comparable market remunerations.

The long-term incentives ('LTI') include long service leave and share-based payments. The Board may seek to incentivise the executive by long term incentives such as the issue of options or performance rights (subject to Shareholder approval).

Consolidated entity performance and link to remuneration
Remuneration for the CEO is directly linked to the performance of the consolidated entity. This is achieved through consideration of those actions including but not limited to the identification, analysis, acquisition and development of tenements which enhance shareholder wealth.

Use of remuneration consultants
During the financial year ended 31 December 2023, the consolidated entity did not engage any remuneration consultants.

Voting and comments made at the company's 10 May 2023 Annual General Meeting ('AGM')
At the 10 May 2023 AGM, 99.72% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2022. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors of Alvo Minerals Limited:
- Mr Graeme Slattery, Non-Executive Chair
- Mr Robert Smakman, Managing Director and CEO
- Mr Beau Nicholls, Non-Executive Director

	Short-term benefits			Post-employment benefits	Long-term benefits		
31 December 2023	Cash salary and fees $	Annual leave $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled share-based payments (i) $	Total $
Non-Executive Directors:							
Graeme Slattery	66,000	-	-	6,930	-	25,340	98,270
Beau Nicholls	44,000	-	-	4,620	-	25,340	73,960
Executive Directors:							
Robert Smakman	270,000	9,507	-	29,300	3,850	131,260	443,917
	380,000	9,507	-	40,850	3,850	181,940	616,147

	Short-term benefits			Post-employment benefits	Long-term benefits		
31 December 2022	Cash salary and fees $	Annual leave $	Non-monetary $	Super-annuation $	Long service leave $	Equity-settled share-based payments (i) $	Total $
Non-Executive Directors:							
Graeme Slattery	66,000	-	-	6,765	-	39,955	112,720
Beau Nicholls	44,000	-	-	4,510	-	39,955	88,465
Executive Directors:							
Robert Smakman	253,333	26,862	-	26,008	1,515	78,396	386,114
	363,333	26,862	-	37,283	1,515	158,306	587,299

(i) In May 2022, the AGM approved the grant of 3,600,000 options over fully paid ordinary shares, of which 3,000,000 options were granted to Mr R Smakman with an exercise price of $0.45 (45 cents) per option and an expiry date of 27 May 2026 and a further 300,000 options with an exercise price of nil granted to Mr G Slattery and Mr B Nicholls, 100,000 of these options expiring 1 January 2027, 100,000 options expiring 1 January 2028 and 100,000 options expiring 1 January 2029

Directors' Report

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

Name	Fixed remuneration 31 December 2023 %	Fixed remuneration 31 December 2022 %	At risk - LTI 31 December 2023 %	At risk - LTI 31 December 2022 %
Non-Executive Directors:				
Graeme Slattery	74%	65%	26%	35%
Beau Nicholls	66%	55%	34%	45%
Executive Directors:				
Robert Smakman	70%	80%	30%	20%

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

Name:	Robert Smakman
Title:	Managing Director and CEO
Agreement commenced:	1 March 2021
Term of agreement:	The term is not fixed
Details:	Base salary of $270,000 (excluding statutory superannuation) plus entitlements (such as sick leave, annual leave, and long service leave) effective from 1 May 2022. The remuneration of the Executive shall be reviewed at least every 12 months from the Commencement Date or as otherwise agreed between the Parties. The Company may seek to incentivise the Executive by short or long term incentives such as the issue of options or performance rights (subject to Shareholder approval). The executive can terminate the contract with 6 months' notice. The Company can terminate the agreement with 6 months' notice, or payment in lieu thereof. Termination without notice by the Company in the event of serious misconduct or breach of law or the employment agreement.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 31 December 2023.

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

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Graeme Slattery	100,000	27/05/2022	01/01/2023	01/01/2027	$0.0000	$0.2500
Graeme Slattery	100,000	27/05/2022	01/01/2024	01/01/2028	$0.0000	$0.2500
Graeme Slattery	100,000	27/05/2022	01/01/2025	01/01/2029	$0.0000	$0.2500
Beau Nicholls	100,000	27/05/2022	01/01/2023	01/01/2027	$0.0000	$0.2500
Beau Nicholls	100,000	27/05/2022	01/01/2025	01/01/2029	$0.0000	$0.2500
Beau Nicholls	100,000	27/05/2022	01/01/2024	01/01/2028	$0.0000	$0.2500
Robert Smakman	1,200,000	27/05/2022	27/05/2026	27/05/2026	$0.4500	$0.1500
Robert Smakman	900,000	27/05/2022	27/05/2026	27/05/2026	$0.4500	$0.1923
Robert Smakman	900,000	27/05/2022	27/05/2026	27/05/2026	$0.4500	$0.1915

Directors' Report

Options granted carry no dividend or voting rights.

There were no options over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 31 December 2023

Additional information
The earnings of the consolidated entity for the three years to 31 December 2023 are summarised below:

	2023 $	2022 $	2021 $
Other income	53,485	20,864	9,596
Loss after income tax	(5,642,393)	(5,985,370)	(2,249,045)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2023	2022	2021
Share price at financial year end ($)	0.165	0.160	0.315
Total dividends declared (cents per share)	-	-	-
Basic losses per share (cents per share)	6.842	8.218	5.569
Diluted losses per share (cents per share)	6.842	8.218	5.569

Additional disclosures relating to key management personnel
Shareholding

The number of shares in the company at the date of the report by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares				
Graeme Slattery	1,306,250	80,000	-	1,386,250
Robert Smakman	9,516,565	120,000	-	9,636,565
Beau Nicholls	4,825,000	100,000	-	4,925,000
	15,647,815	300,000	-	15,947,815

Option holding
The number of options over ordinary shares in the company at the date of the report by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Addition	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Graeme Slattery	1,550,000	-	-	-	1,550,000
Robert Smakman	5,500,000	-	-	-	5,500,000
Beau Nicholls	1,550,000	-	-	-	1,550,000
	8,600,000	-	-	-	8,600,000

This concludes the remuneration report, which has been audited.

Directors' Report

Shares under option
Unissued ordinary shares of Alvo Minerals Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
21/07/2021	21/07/2024	$0.3500	4,000,000
21/07/2021	21/07/2025	$0.3500	5,000,000
27/05/2022	01/01/2027	$0.0000	200,000
27/05/2022	01/01/2028	$0.0000	200,000
27/05/2022	01/01/2029	$0.0000	200,000
27/05/2022	27/05/2026	$0.4500	3,000,000
28/07/2023	14/08/2026	$0.5000	1,000,000
			13,600,000

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

Shares issued on the exercise of options
There were no ordinary shares of Alvo Minerals Limited issued on the exercise of options during the year ended 31 December 2023 and up to the date of this report (2022: nil).

Indemnity and insurance of officers
The company has indemnified the directors and officers of the company for costs incurred, in their capacity as a director or officer, for which they may be held personally liable, except where there is a lack of good faith.

During the financial period, the company paid a premium in respect of a contract to insure the directors and officers of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

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

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former partners of William Buck
There are no officers of the company who are former partners of William Buck.

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

Auditor
William Buck continues in office in accordance with section 327 of the Corporations Act 2001.

Directors' Report

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

On behalf of the directors

Graeme Slattery
Non-Executive Chair

27 March 2024

Auditor's Independence Declaration

William Buck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Alvo Minerals Limited

As lead auditor for the audit of Alvo Minerals Limited for the year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

— no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Alvo Minerals Limited and the entities it controlled during the year.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. A. Finnis
Director
Melbourne, 27 March 2024

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2023

	Note	Consolidated 31 December 2023 $	31 December 2022 $
Revenue			
Other Income		53,485	20,865
Expenses			
Employee benefits expense		(616,147)	(587,299)
Exploration expenditure		(3,885,748)	(4,573,042)
Corporate and administration expense		(938,029)	(713,243)
Depreciation and amortisation expense		(252,920)	(130,017)
Finance costs		(3,034)	(2,634)
Loss before income tax expense		(5,642,393)	(5,985,370)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the owners of Alvo Minerals Limited		(5,642,393)	(5,985,370)
Other comprehensive income / (loss)			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(676)	(64,649)
Other comprehensive income / (loss) for the year, net of tax		(676)	(64,649)
Total comprehensive income / (loss) for the year attributable to the owners of Alvo Minerals Limited		(5,643,069)	(6,050,019)
		Cents	**Cents**
Basic losses per share	21	(6.842)	(8.218)
Diluted losses per share	21	(6.842)	(8.218)

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

Consolidated Statement of Financial Position

For the year ended 31 December 2023

	Note	Consolidated 31 December 2023 $	31 December 2022 $
Assets			
Current assets			
Cash and cash equivalents		1,695,608	551,720
Other current assets		73,038	58,615
Security and other deposits	5	20,000	1,798,177
Total current assets		1,788,646	2,408,512
Non-current assets			
Plant and equipment	6	827,729	801,037
Right-of-use assets		27,982	48,303
Total non-current assets		855,711	849,340
Total assets		2,644,357	3,257,852
Liabilities			
Current liabilities			
Trade and other payables	7	364,600	133,442
Lease liabilities		31,580	29,124
Employee benefits		58,592	48,740
Total current liabilities		454,772	211,306
Non-current liabilities			
Lease liabilities		-	23,814
Employee benefits		5,644	1,794
Total non-current liabilities		5,644	25,608
Total liabilities		460,416	236,914
Net assets		2,183,941	3,020,938
Equity			
Issued capital	8	15,204,021	10,719,977
Reserves	9	1,789,247	1,467,895
Accumulated losses		(14,809,327)	(9,166,934)
Total equity		2,183,941	3,020,938

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

Consolidated Statement of Changes in Equity

For the year ended 31 December 2023

Consolidated	Issued capital $	Foreign currency translation reserve $	Share based payments reserve $	Accumulated losses $	Total equity $
Balance at 1 January 2022	10,719,977	28,538	1,345,700	(3,181,564)	8,912,651
Loss after income tax expense for the year	-	-	-	(5,985,370)	(5,985,370)
Other comprehensive income/(loss) for the year, net of tax	-	(64,649)	-	-	(64,649)
Total comprehensive income/(loss) for the year	-	(64,649)	-	(5,985,370)	(6,050,019)
Transactions with owners in their capacity as owners:					
Share-based payments (note 22)	-	-	158,306	-	158,306
Balance at 31 December 2022	10,719,977	(36,111)	1,504,006	(9,166,934)	3,020,938

Consolidated	Issued capital $	Foreign currency translation reserve $	Share based payments reserve $	Accumulated losses $	Total equity $
Balance at 1 January 2023	10,719,977	(36,111)	1,504,006	(9,166,934)	3,020,938
Loss after income tax expense for the year	-	-	-	(5,642,393)	(5,642,393)
Other comprehensive income/(loss) for the year, net of tax	-	(676)	-	-	(676)
Total comprehensive income/(loss) for the year	-	(676)	-	(5,642,393)	(5,643,069)
Transactions with owners in their capacity as owners:					
Issue of shares for cash	5,075,000	-	-	-	5,075,000
Share-based payments (note 22)	-	-	181,940	-	181,940
Issue costs	(590,956)	-	140,088	-	(450,868)
Balance at 31 December 2023	15,204,021	(36,787)	1,826,034	(14,809,327)	2,183,941

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

Consolidated Statement of Cash Flows

For the year ended 31 December 2023

	Note	Consolidated 31 December 2023 $	31 December 2022 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(1,304,625)	(1,090,488)
Payments for exploration costs		(3,722,922)	(4,682,128)
Interest received		53,485	20,864
Interest and other finance costs paid		(3,034)	-
Net cash used in operating activities	20	(4,977,096)	(5,751,752)
Cash flows from investing activities			
Payments for plant and equipment	6	(214,500)	(840,293)
Investment in term deposits		-	(1,520,000)
Transfer of term deposits to cash		1,500,000	-
Payments for security deposits		-	(278,177)
Proceeds from security deposits		278,177	-
Net cash from/(used in) investing activities		1,563,677	(2,638,470)
Cash flows from financing activities			
Proceeds from issue of shares, net of transaction costs	8	4,624,122	-
Repayment of lease liabilities		(42,345)	(35,473)
Net cash from/(used in) financing activities		4,581,777	(35,473)
Net increase/(decrease) in cash and cash equivalents		1,168,358	(8,425,695)
Cash and cash equivalents at the beginning of the financial year		551,720	8,898,341
Effects of exchange rate changes on cash and cash equivalents		(24,470)	79,074
Cash and cash equivalents at the end of the financial year		1,695,608	551,720

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

Notes to the Consolidated Financial Statements

Note 1. General information

The financial statements cover Alvo Minerals Limited as a consolidated entity consisting of Alvo Minerals Limited and the entities it controlled at the end of, or during, the year, as detailed in note 18. The financial statements are presented in Australian dollars, which is Alvo Minerals Limited's functional and presentation currency.

Alvo Minerals Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Units 8-9, 88 Forrest Street
Cottesloe, WA, 6011

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 March 2024. The directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

The principal accounting policies adopted in the preparation of the financial statements which are considered material accounting policy information are set out either in the respective notes to the consolidated financial statements or below. These policies have been consistently applied to all the years presented, unless otherwise stated. Material accounting policy information has also been included within the respective notes to which these policies are applicable. Refer to the respective notes for further details.

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.

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

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

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 consolidated entity'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.

Going Concern
The consolidated financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the payment of liabilities in the ordinary course of business.

The Group has incurred a net loss after tax for the year ended 31 December 2023 of $5,642,393 (31 December 2022: $5,985,370), a net cash outflow from operations of $4,977,096 and net cash used in investing activities, excluding redemption of the term and security deposits of $214,500. As at 31 December 2023, the Group had net equity of $2,183,941 and cash and term deposits of $1,695,608.

The above factors indicate that a material uncertainty exists which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore it may be unable to realise its assets and liabilities in the normal course of business.

The Group's ability to continue as a going concern and pay its debts as and when they fall due is dependent upon a combination of the following:

Notes to the Consolidated Financial Statements

Note 2. Significant accounting policies (continued)

- maintaining the current level of corporate and administrative activity, with the exception of fundraising activities;
- the success of drilling and other exploration activities and the development of the consolidated entity's operations in Brazil associated with these activities; and
- the success of capital raising activities to be undertaken by the consolidated entity.

The Directors have considered the consolidated entity's financial position and its expected exploration activities and related cash flow forecasts and are of the view that the use of going concern basis accounting is appropriate as the Directors believe the consolidated entity will be able to pay its debts as and when they fall due.

These financial statements do not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor to the amounts or classifications of liabilities that might be necessary should the consolidated entity not be able to continue as a going concern.

Consolidation
The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Alvo Minerals Limited at the end of the reporting period. A controlled entity is any entity over which Alvo Minerals Limited is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Alvo Minerals Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

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

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

Notes to the Consolidated Financial Statements

Note 2. Significant accounting policies (continued)

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

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2023. The directors expect that none of these new standards and interpretations will materially impact these financial statements.

Note 3. Critical accounting judgements, estimates and assumptions

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

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences and carry forward losses only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

At this stage all of the consolidated entity's projects are in exploration phase, which has only a minimal disturbance to the underlying areas of interest and for which the consolidated entity rehabilitates as it conducts its exploration activity.

Founder shares and fair value
Founder shares were issued at nil fair value at foundation date because there were no goods or services exchanged or provided for the shares issued.

Note 4. Operating segments

Identification of reportable operating segments

The consolidated entity operates in one segment, being an explorer of base and precious metals, which is also the basis on which the board reviews the company’s financial information.

AASB 8 requires operating segments to be identified on the basis of internal reports about the components of the consolidated entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. In the current year the board reviews the consolidated entity as one operating segment being mineral exploration in Brazil.

Notes to the Consolidated Financial Statements

Note 4. Operating segments (continued)

Geographical information

	Sales to external customers		Geographical non-current assets	
	31 December 2023 $	31 December 2022 $	31 December 2023 $	31 December 2022 $
Australia	-	-	516,157	456,168
Brazil	-	-	339,554	393,172
	-	-	855,711	849,340

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

Accounting policy for operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Note 5. Current assets – Security and other deposits

	Consolidated	
	31 December 2023 $	31 December 2022 $
Short term deposits held with banks	-	1,500,000
Other deposits	20,000	20,000
Tenement security bond	-	278,177
	20,000	1,798,177

During the year ended 31 December 2023, the consolidated entity received proceeds of $1,500,000 from term deposits held with National Australia Bank. Furthermore, the consolidated entity received a refund of a deposit from CPRM of $278,177 in March 2023.

Notes to the Consolidated Financial Statements

Note 6. Non-current assets - Plant and equipment

	Consolidated 31 December 2023 $	31 December 2022 $
Plant and equipment - at cost	777,097	569,106
Less: Accumulated depreciation	(198,434)	(74,385)
	578,663	494,721
Motor vehicles - at cost	390,996	338,816
Less: Accumulated depreciation	(145,716)	(35,225)
	245,280	303,591
Computer equipment - at cost	7,816	4,947
Less: Accumulated depreciation	(4,030)	(2,222)
	3,786	2,725
	827,729	801,037

Reconciliations

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

Consolidated	Plant and equipment $	Motor vehicles $	Computer equipment $	Total $
Balance at 1 January 2022	28,477	77,711	4,374	110,562
Additions	590,560	249,733	-	840,293
Depreciation expense	(100,173)	(28,196)	(1,649)	(130,018)
Exchange differences	(24,143)	4,343	-	(19,800)
Balance at 31 December 2022	494,721	303,591	2,725	801,037
Additions	200,970	10,660	2,870	214,500
Depreciation expense	(128,319)	(86,855)	(1,809)	(216,983)
Exchange differences	11,291	17,884	-	29,175
Balance at 31 December 2023	578,663	245,280	3,786	827,729

Accounting policy for 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 plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	5 - 10 years
Motor vehicles	5 years
Computer equipment	3 years

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

An item of 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.

Notes to the Consolidated Financial Statements

Note 7. Current liabilities - trade and other payables

	Consolidated 31 December 2023 $	31 December 2022 $
Trade payables	120,827	9,052
Other payables	243,773	124,390
	364,600	133,442

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

Note 8. Equity - issued capital

	Consolidated 31 December 2023 Shares	31 December 2022 Shares	31 December 2023 $	31 December 2022 $
Ordinary shares - fully paid	93,130,316	72,830,316	15,204,021	10,719,977

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 January 2022	72,830,316		10,719,977
Balance	31 December 2022	72,830,316		10,719,977
Issue of shares to investors	20 June 2023	10,924,547	$0.2500	2,731,137
Issue of shares to investors	4 August 2023	9,375,453	$0.2500	2,343,863
Costs of capital raising		-		(590,956)
Balance	31 December 2023	93,130,316		15,204,021

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
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

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. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

Notes to the Consolidated Financial Statements

Note 8. Equity - issued capital (continued)

Accounting policy for 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.

Note 9. Equity - Reserves

	Consolidated	
	31 December 2023 $	**31 December 2022 $**
Foreign currency reserve	(36,787)	(36,111)
Share-based payments reserve	1,826,034	1,504,006
	1,789,247	1,467,895

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency reserve $	Share-based payments reserve $	Total $
Balance at 31 December 2021	28,538	1,345,700	1,374,238
Foreign currency translation	(64,649)	-	(64,649)
Options issued to directors during the period	-	158,306	158,306
Balance at 31 December 2022	(36,111)	1,504,006	1,467,895
Foreign currency translation	(676)	-	(676)
Vesting charge of options on issue to Directors	-	181,940	181,940
Options issued to broker during the period	-	140,088	140,088
Balance at 31 December 2023	(36,787)	1,826,034	1,789,247

Note 10. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 11. Financial instruments

Financial risk management objectives
The consolidated entity's activities expose it to a variety of financial risks: market risk (mainly foreign currency risk) and liquidity risk. It has no exposure to price risk, interest rate risk or credit 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 does not use derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures.

Notes to the Consolidated Financial Statements

Note 11. Financial instruments (continued)

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk
The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

Consolidated	Assets 31 December 2023 $	Assets 31 December 2022 $	Liabilities 31 December 2023 $	Liabilities 31 December 2022 $
Brazilian real	844,881	1,069,340	338,463	93,725

The consolidated entity had net assets denominated in foreign currencies of $506,418 at 31 December 2023 (31 December 2022: $976,615). Based on this exposure, the following sensitivity analysis has been performed. The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 12 months each year and the spot rate at each reporting date.

	AUD strengthened			AUD weakened		
Consolidated - 31 December 2023	% change	Effect on profit before tax	Effect on equity	% change	Effect on profit before tax	Effect on equity
Brazilian real	10%	50,642	50,642	(10%)	(50,642)	(50,642)

	AUD strengthened			AUD weakened		
Consolidated - 31 December 2022	% change	Effect on profit before tax	Effect on equity	% change	Effect on profit before tax	Effect on equity
Brazilian real	10%	97,562	97,562	(10%)	(97,562)	(97,562)

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable. As at balance date all financial liabilities had payable terms within 60 days.

Notes to the Consolidated Financial Statements

Note 11. Financial instruments (continued)

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the consolidated statement of financial position.

Consolidated - 31 December 2023	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	346,874	-	-	-	346,874
Interest-bearing – fixed rate						
Lease liability	5.67%	31,580	-	-	-	31,580
Total non-derivatives		378,454	-	-	-	378,454

Consolidated – 31 December 2022	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	133,442	-	-	-	133,442
Interest-bearing – fixed rate						
Lease liability	5.67%	31,184	24,254	-	-	55,438
Total non-derivatives		164,626	24,254	-	-	188,880

Note 12. Key management personnel disclosures

Directors
The following persons were directors of Alvo Minerals Limited during the financial year:

Mr Graeme Slattery (Non-Executive Chair)
Mr Robert Smakman (Managing Director and CEO)
Mr Beau Nicholls (Non-Executive Director)

Notes to the Consolidated Financial Statements

Note 12. Key management personnel disclosures (continued)

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	31 December 2023 $	31 December 2022 $
Short-term employee benefits	389,507	390,195
Post-employment benefits	40,850	37,283
Long-term benefits	3,850	1,515
Share-based payments	181,940	158,306
	616,147	587,299

Note 13. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck, the auditor of the company:

	Consolidated	
	31 December 2023 $	31 December 2022 $
Audit services – William Buck		
Audit or review of the financial statements	39,500	31,500
	39,500	31,500

Note 14. Contingencies

The consolidated entity has no contingent assets or liabilities at 31 December 2023 (2022: nil).

Note 15. Commitments

The consolidated entity had $50,852 in tenement rental commitments at 31 December 2023 (2022: $34,296).

Note 16. Related party transactions

Parent entity
Alvo Minerals Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 18.

Key management personnel
Disclosures relating to key management personnel are set out in note 12 and the remuneration report included in the directors' report.

Notes to the Consolidated Financial Statements

Note 16. Related party transactions (continued)

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	31 December 2023 $	31 December 2022 $
Payment for other expenses:		
Dill rig purchased from Sahara Operations (Australia) Pty Ltd (entity associated with Mr B Nicholls and Mr G Slattery)	-	120,000

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

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.

Note 17. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	31 December 2023 $	31 December 2022 $
Loss after income tax	(11,467,382)	(1,294,461)
Total comprehensive income / (loss)	(11,467,382)	(1,294,461)

Loss after tax for the year ended 31 December 2023 includes provision for impairment of investment in the 2 Brazilian subsidiaries of $9,825,992.

Note 17. Parent entity information (continued)

Statement of financial position

	Parent	
	31 December 2023 $	31 December 2022 $
Total current assets	1,278,929	1,732,346
Total assets	2,305,893	8,885,514
Total current liabilities	116,308	38,469
Total liabilities	121,952	40,263
Equity		
Issued capital	15,204,021	10,719,977
Share-based payments reserve	1,826,034	1,504,006
Accumulated losses	(14,846,114)	(3,378,732)
Total equity	2,183,941	8,845,251

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 December 2023 and 31 December 2022.

Contingent liabilities
The parent entity had no contingent liabilities as at 31 December 2023 and 31 December 2022.

Capital commitments – Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 31 December 2023 and 31 December 2022.

Material accounting policy information
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 18. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

		Ownership interest	
Name	**Principal place of business / Country of incorporation**	**31 December 2023 %**	**31 December 2022 %**
Perth Recursos Minerais Ltda (Perth Brazil)	Brazil	100.00%	100.00%
Alvo Recursos Minerais SPE Eireli	Brazil	100.00%	100.00%

Notes to the Consolidated Financial Statements

Note 19. Events after the reporting period

Subsequent to the reporting period the consolidated entity was successful in the first of 13 tenement applications over 211km^2 in Goais State, Brazil with exceptional potential for ionic clay rare earth mineralisation, along strike from an emerging high-grade discovery.

Other than the above, no matter or circumstance has arisen since 31 December 2023 that has significantly affected or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 20. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	31 December 2023 $	31 December 2022 $
Loss after income tax expense for the year	(5,642,393)	(5,985,370)
Adjustments for:		
Depreciation and amortisation	252,920	130,018
Share-based payments	181,940	158,306
Foreign exchange differences		-
Interest expenses	-	2,634
Change in operating assets and liabilities:		
Increase in prepayments	(14,423)	(30,427)
Decrease in other receivables	-	54,354
Decrease in trade and other payables	231,158	(69,727)
Increase in employee benefits	13,702	33,889
Net cash used in operating activities	(4,977,096)	(5,706,323)

Note 21. Loss per share

	Consolidated	
	31 December 2023 $	31 December 2022 $
Loss after income tax attributable to the owners of Alvo Minerals Limited	(5,642,393)	(5,985,370)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic losses per share	82,464,027	72,830,314
Weighted average number of ordinary shares used in calculating diluted losses per share	82,464,027	72,830,314
	Cents	**Cents**
Basic losses per share	(6.842)	(8.218)
Diluted losses per share	(6.842)	(8.218)

Note 21. Losses per share (continued)

Accounting policy for losses per share

Basic losses per share
Basic losses per share is calculated by dividing the loss attributable to the owners of Alvo Minerals Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted losses per share
Diluted losses per share adjusts the figures used in the determination of basic losses 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.

The rights to shares held by option holders to a settlement through the issue of fully paid ordinary shares in the Company have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted loss per share as they do not meet the requirements for inclusion in AASB 133 Earnings per Share. The rights are non-dilutive as the consolidated entity has generated a loss for the year.

Note 22. Share-based payments

Options issued to corporate adviser
From time to time, the Company may issue options over ordinary shares in the Company for services rendered to the Company.

Options issued to employees
The company has an Employee Share Option Plan which have been established to encourage employees of the consolidated entity and its subsidiaries, including directors, to share in the ownership of the consolidated entity and its subsidiaries, in order to promote their long-term success. The Plans offer selected employees of the consolidated entity and its subsidiaries, including directors, an opportunity to share in the growth and profits of the consolidated entity and its subsidiaries alongside the consolidated entity's shareholders.

Set out below are summaries of options granted under the plan:

	Number of options 31 December 2023	Weighted average exercise price 31 December 2023	Number of options 31 December 2022	Weighted average exercise price 31 December 2022
Outstanding at the beginning of the financial year	12,600,000	$0.3571	9,000,000	$0.3500
Granted	-	-	3,600,000	$0.3750
Outstanding at the end of the financial year	12,600,000	$0.3571	12,600,000	$0.3571

On 28 July 2023, the consolidated entity granted the following unlisted options to Discovery Capital, corporate adviser to the consolidated entity for acting as Lead Manager in the capital raise that took place during the year.

- 1,000,000 unlisted options exercisable over fully paid ordinary shares at $0.50 (50 cents), expiring 14 August 2026;

The share-based payments expense for the year was $181,940 (2022: $158,306).

Notes to the Consolidated Financial Statements

Note 22. Share-based payments (continued)

31 December 2023

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
21/07/2021	21/07/2024	$0.3500	4,000,000	-	-	-	4,000,000
21/07/2021	21/07/2025	$0.3500	5,000,000	-	-	-	5,000,000
27/05/2022	01/01/2027	$0.0000	200,000	-	-	-	200,000
27/05/2022	01/01/2028	$0.0000	200,000	-	-	-	200,000
27/05/2022	01/01/2029	$0.0000	200,000	-	-	-	200,000
27/05/2022	27/05/2026	$0.4500	3,000,000	-	-	-	3,000,000
28/07/2023	14/08/2026	$0.5000	-	1,000,000	-	-	1,000,000
			12,600,000	1,000,000	-	-	13,600,000
Weighted average exercise price			$0.3571	$0.5000	$0.0000	$0.0000	$0.3676

31 December 2022

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
21/07/2021	21/07/2024	$0.3500	4,000,000	-	-	-	4,000,000
21/07/2021	21/07/2025	$0.3500	5,000,000	-	-	-	5,000,000
27/05/2022	01/01/2027	$0.0000	-	200,000	-	-	200,000
27/05/2022	01/01/2028	$0.0000	-	200,000	-	-	200,000
27/05/2022	01/01/2029	$0.0000	-	200,000	-	-	200,000
27/05/2022	27/05/2026	$0.4500	-	3,000,000	-	-	3,000,000
			9,000,000	3,600,000	-	-	12,600,000
Weighted average exercise price			$0.3500	$0.3750	$0.0000	$0.0000	$0.3571

The 3,000,000 unlisted options exercisable at $0.45, expiring 27 May 2026 have market performance conditions below:

- Class A Options of 1,200,000 vest when the Company announces to ASX the Palma Project has an inferred resource of greater than 10M tonnes at 2% or greater copper equivalent (200,000t CuEq). The resource will be an independently verified JORC Compliant Resource. The options expire on 27 May 2026;
- Class B Options of 900,000 vest when the ASX share price of Alvo reaches $0.50 (over a 20 Day VWAP), expiring on 27 May 2026; and
- Class C Options of 900,000 vest when the ASX share price of Alvo reaches $0.75 (over a 20 Day VWAP), expiring on 27 May 2026.

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
28/07/2023	14/08/2026	$0.2700	$0.5000	100.00%	-	3.89%	$0.1401

Material accounting policy information for share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees and corporate advisors.

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

Notes to the Consolidated Financial Statements

Note 22. Share-based payments (continued)

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

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

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

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

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

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

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

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

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

Directors' Declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial year ended on that date; and

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

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

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

On behalf of the directors

Graeme Slattery
Non-Executive Chair

27 March 2024

Independent Auditor's Report to the Members of Alvo Minerals Limited

For personal use only

WilliamBuck
ACCOUNTANTS & ADVISORS

Independent auditor's report to the members of Alvo Minerals Limited

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of Alvo Minerals Limited (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

— giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the year then ended; and

— complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

— the consolidated statement of financial position as at 31 December 2023,

— the consolidated statement of profit or loss and other comprehensive income for the year then ended,

— the consolidated statement of changes in equity for the year then ended,

— the consolidated statement of cash flows for the year then ended,

— notes to the financial statements, including material accounting policy information, and

— the directors' declaration.

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 & 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.

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Independent Auditor's Report to the Members of Alvo Minerals Limited

William Buck
ACCOUNTANTS & ADVISORS

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report, which indicates that the Group incurred a net loss of $5,642,393 during the year ended 31 December 2023 and had net cash outflows from operations of $4,977,096 and net cash used in investing activities excluding redemption of the term and security deposits of $214,500. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate 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. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined that the matters described below to be the key audit matters to be communicated in our report.

Capital raising activities	Area of focus (refer also to notes 8, 9 & 22)	How our audit addressed the key audit matter
	During the year, a capital raise was completed in two tranches at an issue price of $0.25. Tranche 1 resulted in the issue of 10,924,547 shares and Tranche 2 which was subject to approval at a general meeting resulted in the issue of 9,375,453 shares. This resulted in total net cash inflows of $4,624,122. Capital raising costs totalled $590,956 which included the fair value of 1,000,000 broker options issued with an exercise price of $0.50. The broker options were valued using a Black Scholes model as there were no market vesting conditions attached. There is the risk that the Group may not have valued these options appropriately in addition to recognising costs within equity that are not directly attributable to the capital raise. Therefore, we consider this to be a key audit matter.	Our audit procedures included: — Understanding the terms of the options being issued including the number of options issued, grant date, expiry date, exercise price and the presence of any market or non-market conditions; — Assessing the Black Scholes model used by management to determine the fair value of the options and examining the key inputs used in the model; — Recalculating the cost of the options recognised within capital raising costs in line with the terms of the options; — Assessing the adequacy of the Group's disclosures in the financial report ; — Sighting of the net cash received from both tranches of the capital raise to bank; and — Agreeing the shares issued from the capital raise to ASX announcements and reconciliation of the shares on issue per the financial statements to the ASX.

Independent Auditor's Report to the Members of Alvo Minerals Limited

William Buck
ACCOUNTANTS & ADVISORS

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the directors for the financial report

The directors of the Group 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Independent Auditor's Report to the Members of Alvo Minerals Limited

William Buck
ACCOUNTANTS & ADVISORS

Report on the Remuneration Report

Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of Alvo Minerals Limited, for the year ended 31 December 2023, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in the directors' report for the year ended 31 December 2023.

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.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. A. Finnis
Director
Melbourne, 27 March 2024

Shareholder Information

Additional information required by the ASX and not shown elsewhere in this report is as follows. The information is current as at 18 March 2024.

Number of shareholders

There were 541 shareholders. All shares are fully paid ordinary shares. Each fully paid ordinary share carries one voting right.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Ordinary shares Number of holders	Ordinary shares Number of shares	Ordinary shares % of total shares issued
1 to 1,000	18	1,683	0.01
1,001 to 5,000	73	218,900	0.23
5,001 to 10,000	66	520,560	0.56
10,001 to 100,000	274	11,977,403	12.86
100,001 and over	110	80,411,768	86.34
	541	93,130,314	

There are 69 holders of unmarketable parcels of fully paid ordinary shares of $500 or less at $0.125 per share comprising a total of 119,159 shares.

Shareholder Information

Twenty Largest Shareholders (as at 15 March 2024)

RANK	NAME	NUMBER	%
1	CITICORP NOMINEES PTY LIMITED	8,736,191	9.38
2	SPEZIA 55 PTY LTD <THE ZULU A/C>	8,566,565	9.20
3	UBS NOMINEES PTY LTD	6,000,000	6.44
4	STRATA INVESTMENT HOLDINGS PLC	4,704,660	5.05
5	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	4,650,000	4.99
6	SILVANICHOLLS PTY LTD <SILVANICHOLLS FAMILY A/C>	4,085,000	4.39
7	MMH CAPITAL LIMITED	2,800,000	3.01
8	PONDEROSA INVESTMENTS (WA) PTY LTD <THE PONDEROSA INVESTMENT A/C>	1,810,000	1.94
9	BNP PARIBAS NOMS PTY LTD	1,733,380	1.86
10	HARSHELL INVESTMENTS PTY LTD <KAPLAN FAMILY A/C>	1,600,000	1.72
11	MR ROBERT FRANCIS DAVIES	1,577,634	1.69
12	PALM BEACH NOMINEES PTY LIMITED	1,400,000	1.50
13	GRAEME SLATTERY <GM & LA SLATTERY FAMILY A/C>	1,106,250	1.19
14	J FOGARTY SUPERANNUATION PTY LTD <J FOGARTY SUPER FUND A/C>	1,100,000	1.18
15	MR STEPHEN DISCO HEMPTON	1,055,000	1.13
16	KASLAM PTYLTD	1,050,000	1.13
17	MICHAEL ALLAN SINCLAIR <AQUA BLUE INVESTMENTS 4 A/C>	993,142	1.07
18	AMBER CLOUD PTY LTD	924,875	0.99
19	STRATA INVESTMENTS HOLDINGS PLC	810,000	0.87
20	MR RUSSELL PHILLIP QUINN + MRS ANDREA JAYNE QUINN <QUINN FAMILY SUPER FUND A/C>	804,000	0.86
	TOTAL	**55,506,697**	**59.60**

Substantial Holders

An extract of the Company's Register of Substantial Shareholders (who hold 5% or more of the issued capital) is set out below:

NAME	NUMBER	%
RESOURCE CAPITAL FUND	8,566,565	9.20
PARAGON	6,000,000	6.44
STRATA INVESTMENT HOLDINGS PLC	4,704,660	5.05

Shareholder Information

Unquoted Securities (as at 18 March 2024)

As at 18 March 2024, there were 12 holders of unlisted options over ordinary shares as detailed below:

CLASS OF OPTIONS	EXPIRATION	HOLDINGS
UNLISTED OPTIONS @ $0.35 EXERCISE PRICE	21/7/24	4,000,000
UNLISTED OPTIONS @ $0.35 EXERCISE PRICE	21/7/25	5,000,000
UNLISTED OPTIONS @ $0.45 EXERCISE PRICE	27/5/26	3,000,000
UNLISTED OPTIONS @ $0.50 EXERCISE PRICE	14/8/26	1,000,000
UNLISTED OPTIONS @ ZERO EXERCISE PRICE	1/1/27	200,000
UNLISTED OPTIONS @ ZERO EXERCISE PRICE	1/1/28	200,000
UNLISTED OPTIONS @ ZERO EXERCISE PRICE	1/1/29	200,000

Voting rights
The voting rights attached to ordinary shares are set out below:

Ordinary shares
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.

There are no other classes of equity securities.

Schedule of Mining Tenements (as at 31 December 2023)

Tenement ID	Name on Title	Phase	Area (Ha)	State in Brazil	ALV beneficial interest at 31/06/2026	Notes
864.207/2018	Amazon Consultoria Em Mineração e Serviços Ltda	Exploration Application	9,874	TO	100%	1, 3
864.152/2018	Perth Recursos Minerais Ltda	Granted Exploration	1,727	TO	100%	3
864.151/2018	Perth Recursos Minerais Ltda	Granted Exploration	1,877	TO	100%	3
864.150/2018	Perth Recursos Minerais Ltda	Granted Exploration	1,990	TO	100%	3
864.149/2018	Perth Recursos Minerais Ltda	Granted Exploration	1,795	TO	100%	3
864.206/2018	Perth Recursos Minerais Ltda	Granted Exploration	1,687	TO	100%	3
864.205/2018	Perth Recursos Minerais Ltda	Granted Exploration	66	TO	100%	3
864.204/2018	Perth Recursos Minerais Ltda	Granted Exploration	41	TO	100%	3

Shareholder Information

Tenement ID	Name on Title	Phase	Area (Ha)	State in Brazil	ALV beneficial interest at 31/06/2026	Notes
864.203/2018	Perth Recursos Minerais Ltda	Granted Exploration	1,295	GO	100%	3
864.202/2018	Perth Recursos Minerais Ltda	Granted Exploration	1,821	GO	100%	3
864.153/2018	Perth Recursos Minerais Ltda	Granted Exploration	1,987	TO	100%	3
860.125/2020	Perth Recursos Minerais Ltda	Granted Exploration	1,901	GO	100%	3
860.124/2020	Perth Recursos Minerais Ltda	Granted Exploration	1,981	GO	100%	3
860.123/2020	Perth Recursos Minerais Ltda	Granted Exploration	437	GO	100%	3
811.686/1975	CPRM	Granted Exploration	1,000	TO	100%	2
811.689/1975	CPRM	Granted Exploration	1,000	TO	100%	2
811.702/1975	CPRM	Granted Exploration	1,000	TO	100%	2
800.744/1978	CPRM	Granted Exploration	1,050	TO	100%	2
860.310/1984	CPRM	Granted Exploration	1,000	TO	100%	2
860.317/1984	CPRM	Granted Exploration	1,000	TO	100%	2
864.076/2020	Perth Recursos Minerais Ltda	Exploration Application	1,640	TO	100%	3
860.527/2020	Perth Recursos Minerais Ltda	Granted Exploration	1,984	GO	100%	3
864.179/2020	Perth Recursos Minerais Ltda	Granted Exploration	1,602	GO/TO	100%	3
864.180/2020	Perth Recursos Minerais Ltda	Granted Exploration	1,895	GO/TO	100%	3
864.181/2020	Perth Recursos Minerais Ltda	Exploration Application	1,964	GO/TO	100%	3
864.182/2020	Perth Recursos Minerais Ltda	Exploration Application	1,975	GO/TO	100%	3
860.603/2020	Perth Recursos Minerais Ltda	Exploration Application	1,548	GO	100%	3
864.183/2020	Perth Recursos Minerais Ltda	Exploration Application	969	GO/TO	100%	3
860.753/2021	Perth Recursos Minerais Ltda	Granted Exploration	1,250	GO	100%	3
860.752/2021	Perth Recursos Minerais Ltda	Granted Exploration	1,670	GO	100%	3
864.072/2022	Perth Recursos Minerais Ltda	Exploration Application	1,172	TO	100%	3
864.109/2022	Perth Recursos Minerais Ltda	Granted Exploration	1,329	GO/TO	100%	3

Shareholder Information

Tenement ID	Name on Title	Phase	Area (Ha)	State in Brazil	ALV beneficial interest at 31/06/2026	Notes
860.380/2022	Perth Recursos Minerais Ltda	Granted Exploration	1,881	GO	100%	3
860.382/2022	Perth Recursos Minerais Ltda	Granted Exploration	1,959	GO	100%	3
860.384/2022	Perth Recursos Minerais Ltda	Granted Exploration	1,951	GO	100%	3
860.385/2022	Perth Recursos Minerais Ltda	Granted Exploration	1,959	GO	100%	3
860.386/2022	Perth Recursos Minerais Ltda	Granted Exploration	1,797	GO	100%	3
860.387/2022	Perth Recursos Minerais Ltda	Granted Exploration	1,990	GO	100%	3
860.390/2022	Perth Recursos Minerais Ltda	Granted Exploration	1,978	GO	100%	3
860.391/2022	Perth Recursos Minerais Ltda	Granted Exploration	1,544	GO	100%	3
860.392/2022	Perth Recursos Minerais Ltda	Granted Exploration	597	GO	100%	3
860.393/2022	Perth Recursos Minerais Ltda	Granted Exploration	640	GO	100%	3
864.120/2022	Perth Recursos Minerais Ltda	Exploration Application	1,751	GO/TO	100%	3
864.121/2022	Perth Recursos Minerais Ltda	Exploration Application	1,622	GO/TO	100%	3
864.255/2022	Perth Recursos Minerais Ltda	Exploration Application	4	TO	100%	3
864.256/2022	Perth Recursos Minerais Ltda	Exploration Application	36	TO	100%	3
861.021/2022	Perth Recursos Minerais Ltda	Granted Exploration	1,591	GO	100%	3
861.023/2022	Perth Recursos Minerais Ltda	Granted Exploration	1,977	GO	100%	3
864.029/2023	Perth Recursos Minerais Ltda	Granted Exploration	1,871	TO	100%	6, 3
860.086/2023	Perth Recursos Minerais Ltda	Granted Exploration	1,388	GO	100%	3
860.087/2023	Perth Recursos Minerais Ltda	Granted Exploration	1,956	GO	100%	3
860.088/2023	Perth Recursos Minerais Ltda	Granted Exploration	779	GO	100%	3
861.107/2023	Perth Recursos Minerais Ltda	Exploration Application	1,040	TO	100%	4
861.108/2023	Perth Recursos Minerais Ltda	Exploration Application	1,604	TO	100%	4
861.109/2023	Perth Recursos Minerais Ltda	Exploration Application	1,877	TO	100%	4
861.110/2023	Perth Recursos Minerais Ltda	Exploration Application	1,691	TO	100%	4

Shareholder Information

Tenement ID	Name on Title	Phase	Area (Ha)	State in Brazil	ALV beneficial interest at 31/06/2026	Notes
861.173/2023	Perth Recursos Minerais Ltda	Exploration Application	924	TO	100%	4
861.174/2023	Perth Recursos Minerais Ltda	Exploration Application	1,317	TO	100%	4
861.175/2023	Perth Recursos Minerais Ltda	Exploration Application	1,599	TO	100%	4
861.177/2023	Perth Recursos Minerais Ltda	Exploration Application	1,897	TO	100%	4
861.178/2023	Perth Recursos Minerais Ltda	Exploration Application	1,950	TO	100%	4
861.181/2023	Perth Recursos Minerais Ltda	Exploration Application	1,407	TO	100%	4
861.182/2023	Perth Recursos Minerais Ltda	Exploration Application	1,861	TO	100%	4
861.184/2023	Perth Recursos Minerais Ltda	Exploration Application	1,960	TO	100%	4
861.185/2023	Perth Recursos Minerais Ltda	Exploration Application	1,972	TO	100%	4
860.908/2018	Afla Investimentos e Participações Ltda	Granted Exploration	1,972	GO/TO	up to 100%	5
860.909/2018	Afla Investimentos e Participações Ltda	Granted Exploration	1,924	GO	up to 100%	5
860.910/2018	Afla Investimentos e Participações Ltda	Granted Exploration	1,894	GO	up to 100%	5
860.332/2020	Afla Investimentos e Participações Ltda	Granted Exploration	1,984	GO	up to 100%	5
860.378/2020	Afla Investimentos e Participações Ltda	Granted Exploration	1,984	GO	up to 100%	5
864.251/2004	Mineração Mata Azul S.A	Granted Exploration	1827,85	TO	up to 100%	7
864.170/2007	Mineração Mata Azul S.A	Granted Exploration	1070,8	TO	up to 100%	7
864.612/2008	Mineração Mata Azul S.A	Granted Exploration	3122,48	TO	up to 100%	7
864.056/2010	Mineração Mata Azul S.A	Granted Exploration	95,64	TO/GO	up to 100%	7
864.381/2011	Mineração Mata Azul S.A	Granted Exploration	1456,99	TO/GO	up to 100%	7
864.059/2012	Mineração Mata Azul S.A	Granted Exploration	787,88	TO	up to 100%	7
860.066/2009	Mineração Mata Azul S.A	Granted Exploration	1796,62	TO/GO	up to 100%	7
860.067/2009	Mineração Mata Azul S.A	Granted Exploration	1875,6	TO/GO	up to 100%	7

Shareholder Information

Tenement Interest Notes:

1: Transfer of this area from Amazon Consultoria Em Mineração e Serviços Ltda to Perth Recursos Minerais Ltda (100% owned subsidiary of Alvo) will be lodged once granted. Area subject to an agreement between these parties and MMH Capital Ltd as disclosed under the Prospectus dated 30 July 2021 issued by Alvo Minerals Limited. Areas transferred under this agreement are subject to a 1% NSR royalty to MMH.

2: CPRM (Compania do Pesquisa de Recursos). These areas will be assigned to Alvo Minerals' subsidiary under the "Contract of Mining Rights Assignment Pledge" (Assignment Contract) with the CPRM. Under this agreement, Alvo has exploration commitments and will pay a royalty to CPRM as disclosed in the Prospectus dated 30 July 2021 issued by Alvo Minerals Limited

3: Perth Recursos Minerais Ltda is a Brazilian incorporated, wholly owned subsidiary of Alvo Minerals Ltd.

4: New Applications made by Alvo's Brazilian Subsidiary during the December 2023 quarter

5: Alvo is in the early stages of earning-into up to 100% interest into the areas owned by Afla Investimentos e Participações Ltda, an area located adjacent to the Palma Project and considered highly prospective for VMS style mineralisation.

6: Areas granted during the December 2023 quarter

7: Alvo is in the early stages of earning-into up to 100% interest into the areas owned by Mineração Mata Azul S.A, a Project area hosting the Bluebush IAC REE Project.

Mineral Resources and Reserves

In accordance with ASX Listing Rule 5.21, the Company reviews and reports its Mineral Resources and Ore Reserves at least annually. The date of reporting is 31 December each year, to coincide with the Company's end of financial year balance date. If there are any material changes to its Mineral Resources of Ore Reserves over the course of the year, the Company is required to promptly report these changes.

Mineral Resources

The Estimated Mineral Resources for the Company's Palma Project are shown in the following table:

Palma Project Inferred Mineral Resource Estimate at US$/t NSR* cut-off.

Prospect	Tonnes (Mt)	Cu (%)	Zn (%)	Pb (%)	Ag (g/t)
C1	1.80	0.8	3.2	0.8	15
C3	2.80	1.1	4.3	0.2	23
Total for Palma Project	**4.60**	**1.0**	**3.9**	**0.4**	**20**

**The NSR (Net Smelter Return) cut-off of USD$60/t has been calculated using the following prices: 2.90$/lb Cu, 1.04$/lb Zn, 0.79$/lb Pb, 24.5$/oz Ag and assuming recoveries of 90% for all metals in sulphide and 45% for all metals in oxides*

The information in this report that relates to Mineral Resource estimates is based on information compiled by both Mr Simon Mortimer and Mr Rob Smakman. Mr Mortimer is a fellow of The Australian Institute of Geoscientists (AIG) and Mr Smakman is a fellow of the Australasian Institute of Mining and Metallurgy (AusIMM).

Mr Mortimer is employed by Atticus Geoscience Consulting and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Mortimer is responsible for the geological modelling and resource evaluation sections of this report.

Mr Smakman is a full-time employee of Alvo Minerals and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Smakman is responsible for the site visit report and sampling sections of the Mineral Resource Estimate.

Both Mr Mortimer and Mr Smakman consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Ore Reserve Summary

At this time, Alvo has no interest in any Mineral Reserves.

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