



ACN 123 668 717

# *Annual Report*

*For the Year Ended 30 June 2024*

## CORPORATE DIRECTORY

<b>Directors</b>	Roger A Jackson Benjamin P Emery Ian B Mitchell
<b>Company Secretaries</b>	Ian B Mitchell Ian K White
<b>Registered Office</b>	Ian B Mitchell and Associates Level 9 MLC Centre 19 – 29 Martin Place Sydney NSW 2000 Telephone: +61 (0)2 9232 5444
<b>Principal Place of Business</b>	Ian B Mitchell and Associates Level 9 MLC Centre 19 – 29 Martin Place Sydney NSW 2000 Telephone: +61 (0)2 9232 5444
<b>Share Register</b>	Computershare Investor Services Pty Limited Level 17 221 St George's Terrace Perth WA 6000 GPO Box D182 Perth WA 6840 Telephone: +61 (0)8 9323 2000
<b>Auditor</b>	Moore Australia Audit (WA) Level 15 Exchange Tower 2 The Esplanade, Perth WA 6000
<b>Solicitors</b>	Ian B Mitchell and Associates Level 9 MLC Centre 19 – 29 Martin Place Sydney NSW 2000
<b>Bankers</b>	National Australia Bank 292 Pitt Street Sydney NSW 2000
<b>Securities Exchange Listing</b>	Ark Mines Ltd shares are listed on the Australian Securities Exchange (ASX code: AHK)
<b>Website Address</b>	<a href="http://www.arkmines.com">www.arkmines.com</a>



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# *Annual Report*

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*For the Year Ended 30 June 2024*

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## EXECUTIVE CHAIRMAN'S REVIEW OF OPERATIONS

For the year ended 30 June 2024



*"Ark's Sandy Mitchell is a unique Rare Earth and Heavy Mineral deposit made up of sand and heavy minerals. It is cheap and simple to mine and beneficiate in situ. Ark has drilled and resourced the deposit and is well on the way to completing a Pre-Feasibility Study. Ark is focused firmly on moving this project to production."*

### Highlights

#### **Sandy Mitchell - Rare Earths and Heavy Minerals Project** <sup>1, 2, 3, 4</sup>

In 2023 Ark Mines ("Ark" or the "Company") acquired Sandy Mitchell - EPM 28013; a 147km<sup>2</sup> advanced Rare Earths and Heavy Minerals Project in North Queensland ("Sandy Mitchell").

- Exploration Target estimated for Sandy Mitchell: **1.3 billion tonnes to 1.5 million tonnes @ 1,250 to 1,490 ppm Monazite Equivalent** in sand from surface to 12m (on average)  
Monazite equivalent calculation  
 $Mz\ EQ = monazite + xenotime + 0.3217 \times zircon + 0.2957 \times rutile + 0.0217 \times ilmenite$
- The Exploration Target compliments the Stage 1 drilling program (completed in June 2023) Indicated Mineral Resource Estimate ("MRE") of **21.7Mt @ 1,419ppm Monazite Equivalent** calculated using a 700ppm MzEq lower cut-off grade.
- Stage 2 drilling completed during the year is expected to update this MRE.
- First pass un-optimised beneficiation test work of the Sandy Mitchell Rare Earth sands has produced a high-grade rare earth concentrate.
- The beneficiation test work has shown the greatest upgrade is by simple gravity separation, confirming the material is amenable to straightforward beneficiation by gravity processing.
  - The final concentrate assays returned **51.9% TREO**, and contained mostly La, Ce, Pr and Nd, plus Heavy Rare Earths Dy and Tb, which collectively represents a very high-value saleable product.
  - Direct cerium oxide ("CeO<sub>2</sub>") recovery from gravity feed to rare earth monazite equivalent ("REM") concentrate is estimated to be 71.7%, with indications that **>83%** may be achievable.
  - 49% of the feed mass is rejected by screening.
- A Stage 2 drill program has been completed for 2,426m of drilling with Rare Earth Elements ("REE") and Heavy Minerals ("HM") mineralisation visible in every hole.
  - Mineralisation in sand from surface to the metamorphic bedrock averages 12.9m in depth with the deepest hole to date being 25.5m of sand above bedrock.
  - There is no overburden at this project; logging and assays returned to date show mineralisation from bedrock to surface.
  - The area of resource grid drilling, including Stage 1 and Stage 2 covers an area of 3.6 km<sup>2</sup>; only 3.6% of the total high range radiometric area on the tenement.
- Memorandum of Understanding with Currumbin Minerals, ("CM") setting out a framework for the supply and delivery of Heavy Mineral Sands ("HMS") from the Sandy Mitchell for processing at CM's licenced treatment plant.
- Environmental studies including water monitoring are ongoing at Sandy Mitchell.
- Metallurgical test work with expert independent processing firm, Mineral Technologies, remains ongoing with final results to be incorporated into a Scoping Study at Sandy Mitchell ahead of a planned Pre-Feasibility Study.
- Ark is well progressed with an application for a Mining Lease over the resourced area of the Sandy Mitchell sand REE deposit.

#### **Corporate**

- Raised \$3.06m through the issue of 10,534,655 fully paid ordinary shares at \$0.29 per share to professional and sophisticated investors under the Company's existing ASX listing rule 7.1 & 7.1A capacities.
- The Placement was oversubscribed and well supported by existing shareholders.

## Sandy Mitchell - Rare Earth and Heavy Minerals

### Location

Sandy Mitchell is located on Mt Mulgrave Station, 150 km Northwest of Chillagoe in Northern Queensland. The project sits between the Palmer River and the Mitchell River. The project is flat and sandy with slight timber and is grazed by cattle.

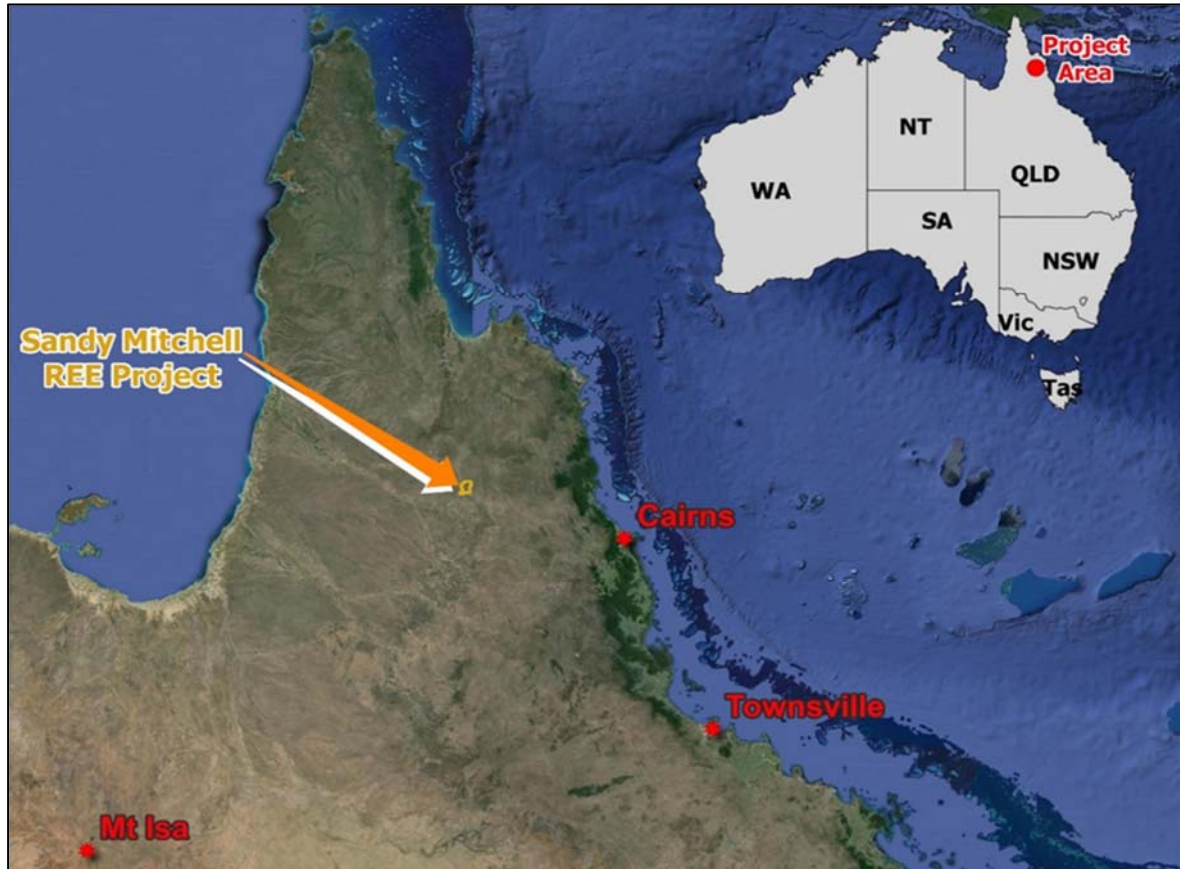


Figure 1: Location of the Sandy Mitchell sand Rare Earth project.



Figure 2: Sandy Mitchell is essentially a relatively flat Sandy area some 110km<sup>2</sup>.

## EXECUTIVE CHAIRMAN'S REVIEW OF OPERATIONS

For the year ended 30 June 2024

### Stage 1 and Stage 2 Drilling Programs and Maiden Resource Estimate <sup>2, 3</sup>

- Indicated Mineral Resource Estimate ("MRE") of 21.7Mt @ 1,419ppm Monazite Equivalent calculated using a 700ppm MzEq lower cut-off grade.
- Places Sandy Mitchell as the first surface-expressed Placer Rare Earth deposit with a JORC Resource on the ASX.
- Reported MzEq grades are expected to support strong project economics through simple low-cost downstream processing, with reference to current market prices for monazite concentrate.
- The resource includes a basket of high value Heavy Minerals, comprised of the following:
  - Monazite @ 674ppm.
  - Zircon @ 699ppm.
  - Rutile @ 622ppm.
  - Xenotime @ 89ppm.
  - Ilmenite @ 11,365ppm.
- High magnetic Rare Earth Oxides ("REO") (Nd, Pr, Dy, Tb) element proportion of 24% of the Total Rare Earth Oxides ("TREO") basket, positioning Sandy Mitchell as one of Australia's most enriched Magnetic Rare Earth Oxides ("MREO") deposits.
- MRE developed from only 1.2% of the available anomaly area at Sandy Mitchell, with 100.7km<sup>2</sup> available for further exploration. Real and substantial potential for Mineral Resource expansion.
- The mineralisation is from surface to around 12m, amenable to low-cost open pit mining methods.

	Indicated Resource	Monazite Eq.	Monazite	Xenotime	Zircon	Rutile	Ilmenite	TREO+Y+Sc	TREO	LREO	HREO	MREO	CREO
Grade ppm		1,419.1	674.4	89.1	699.4	622.2	11,365.1	494.5	435.1	420.6	14.5	105.2	87.5
Tonnes	21,686,232	30,775	14,626	1,932	15,168	13,493	246,465	10,724	9,436	9,121	315	2,282	1,897

Table 1: Reported oxide resource for Sandy Mitchell at a 700ppm MzEq lower cut off (After HGS 2024).

### Exploration Target <sup>1</sup>

- Exploration Target estimated for Sandy Mitchell: **1.3 billion tonnes to 1.5 billion tonnes @ 1,250 to 1,490 ppm Monazite Equivalent.**  
Monazite equivalent calculation  
 $Mz\ EQ = monazite + xenotime + 0.3217 \times zircon + 0.2957 \times rutile + 0.0217 \times ilmenite$
- The Exploration Target is summarised in Table 2 below. Most of the Exploration Target lies immediately to the north of the Project's recent drilling and maiden resource.

	Exploration Target Divt	MzEq ppm	Monazite ppm	Xenotime ppm	Zircon ppm	Rutile ppm	Ilmenite ppm	TREO+Y+Sc ppm	TREO ppm	LREO ppm	HREO ppm	MagREO ppm	CREO ppm
From Grade		1,250	590	80	620	550	10,000	440	380	370	13	90	110
From Tonnes	1,316,705,000	1,644,000	781,000	103,000	810,000	721,000	13,169,000	573,000	504,000	487,000	17,000	122,000	139,000
To Grade		1,490	710	90	730	650	11,930	520	460	440	13	110	130
To Tonnes	1,580,046,000	2,354,000	1,119,000	148,000	1,160,000	1,032,000	18,855,000	820,000	772,000	698,000	24,000	175,000	199,000

Table 2: Exploration Target by components.

- The Exploration Target includes a basket of high value Heavy Minerals, comprised of the following:
  - Monazite from 781,000 tonnes to 1,119,000 tonnes, grading from 590 ppm to 710 ppm.
  - Zircon from 810,000 tonnes to 1,160,000 tonnes, grading from 620 ppm to 730 ppm.
  - Rutile from 721,000 tonnes to 1,032,000 tonnes, grading from 550 ppm to 650 ppm.
  - Xenotime from 103,000 tonnes to 148,000 tonnes, grading from 80 ppm to 90 ppm.
  - Ilmenite from 13,169,000 tonnes to 18,855,000 tonnes, grading from 10,000 ppm to 11,930 ppm.

The Exploration Target, like the resource, is based on mineralisation from surface down to an average depth of 11m. Therefore, no overburden removal, simple mining and low environmental impact. Further, development drilling is very affordable. Reported MzEq grades are expected to support strong project economics through simple low-cost downstream processing, with reference to current market prices for monazite concentrate. High magnetic REO (Nd, Pr, Dy, Tb) element proportion of 24% of the TREO basket, positioning Sandy Mitchell as one of Australia's most enriched MREO deposits developed from only 1.2% of the available anomaly area at Sandy Mitchell, with the Exploration Target presenting as a real and substantial potential for Mineral Resource expansion.





**Sandy Mitchell Project  
Resource Drilling Stage**

**Drilling stage**

- 1
- 2
- Stage 1 Drill Area
- EPM 28013 Sandy Creek
- Resource Grid Drill Area
- High Range Th anomaly area

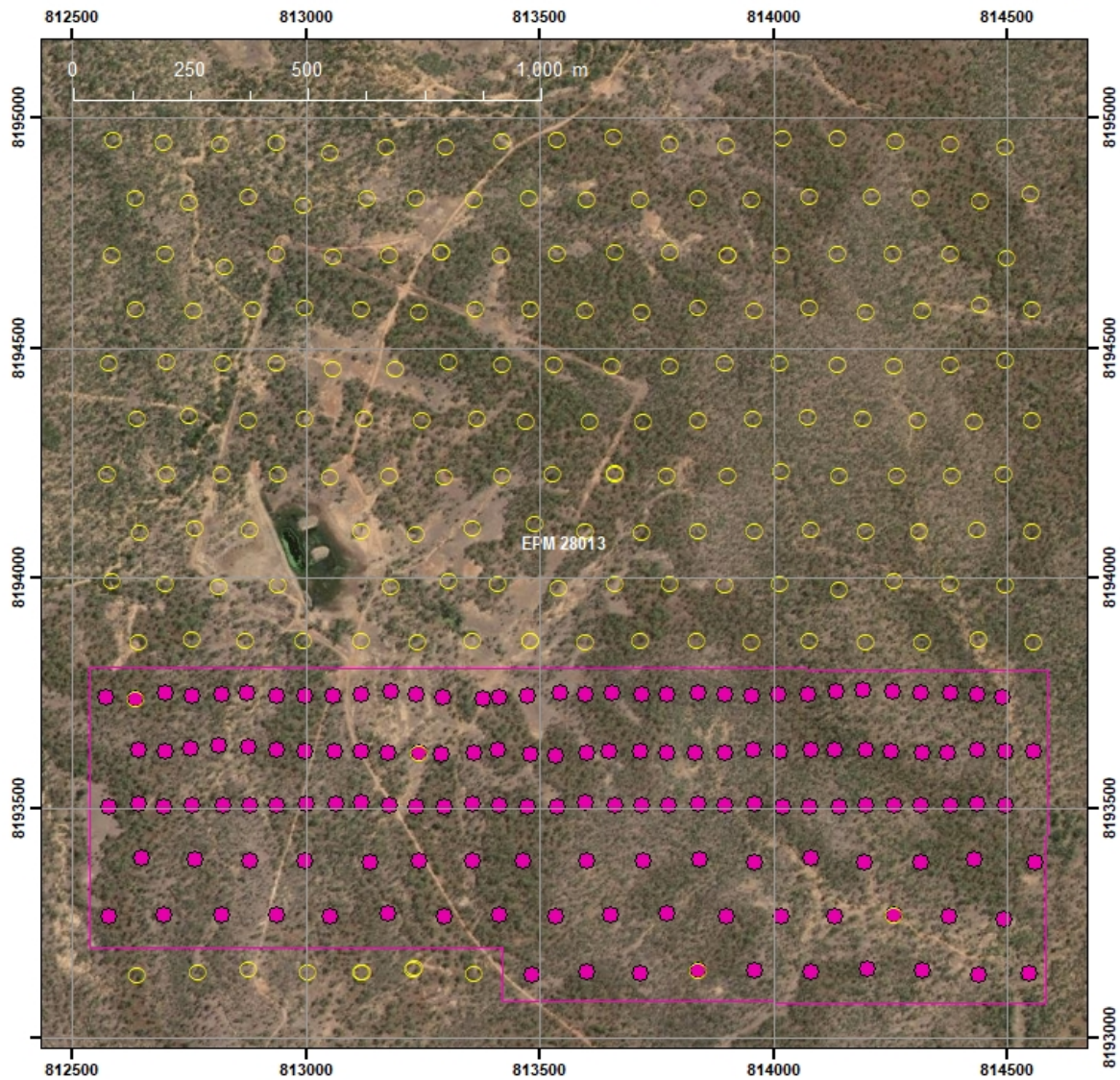
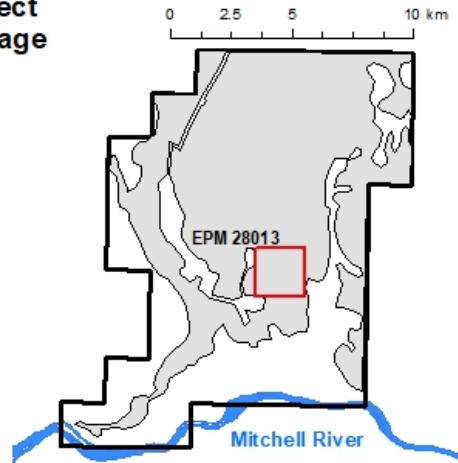


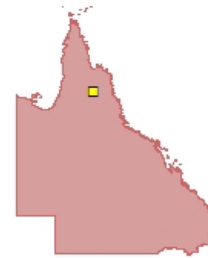
Figure 3: Sandy Mitchell resource area showing Stage 1 (pink) and Stage 2 (yellow) drill collars against a 500m grid.

# EXECUTIVE CHAIRMAN'S REVIEW OF OPERATIONS

For the year ended 30 June 2024



## Sandy Mitchell Project Air Core Reconnaissance Drilling



- 2023 air core reconnaissance holes
  - 2023 air core resource grid
  - + Historic auger reconnaissance
  - EPM 28013
- Thorium Response ppm**  
High : 200.96  
Low : -5.18469

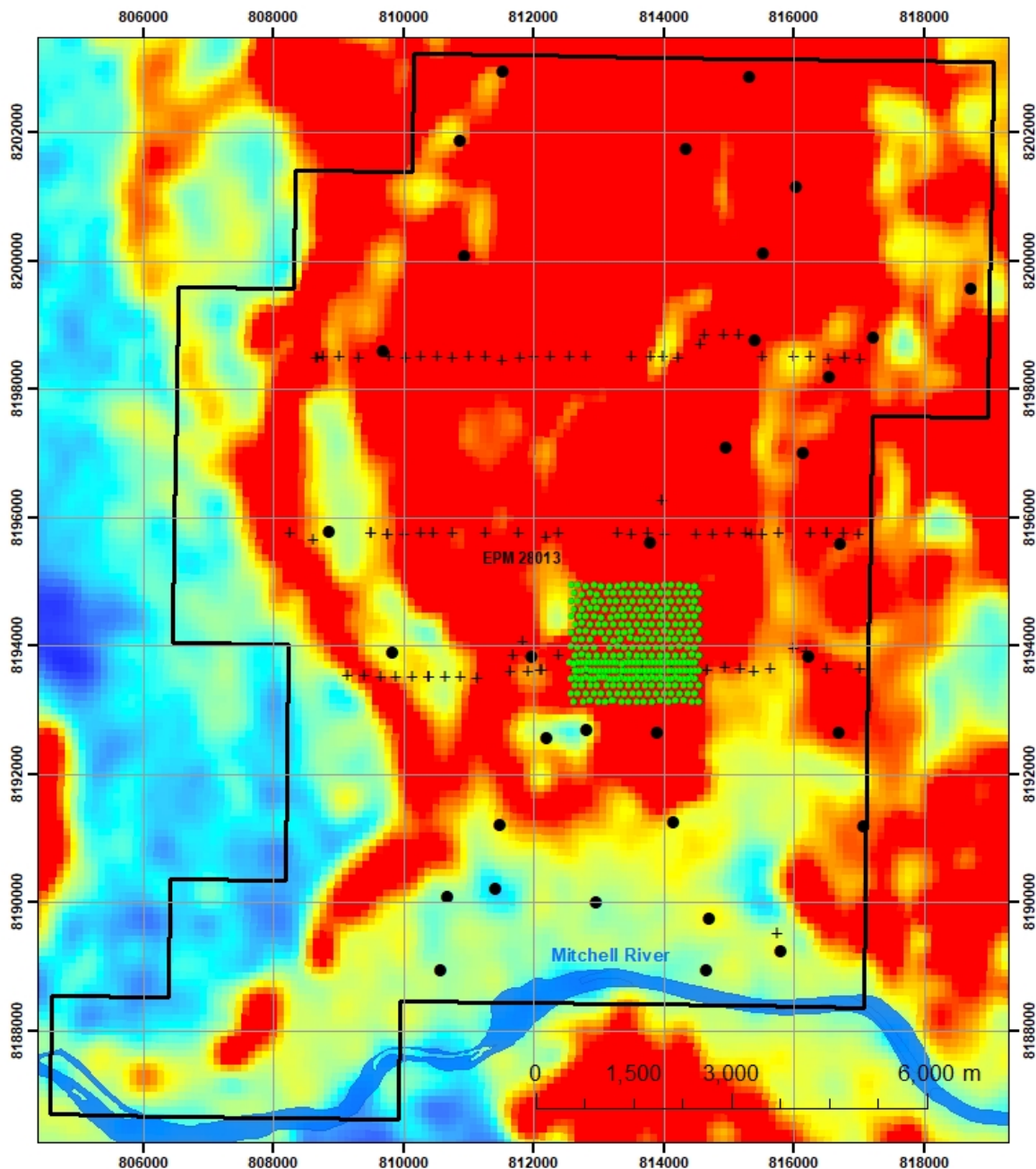


Figure 4: Drilling area in green shown on the radiometric anomaly in red.

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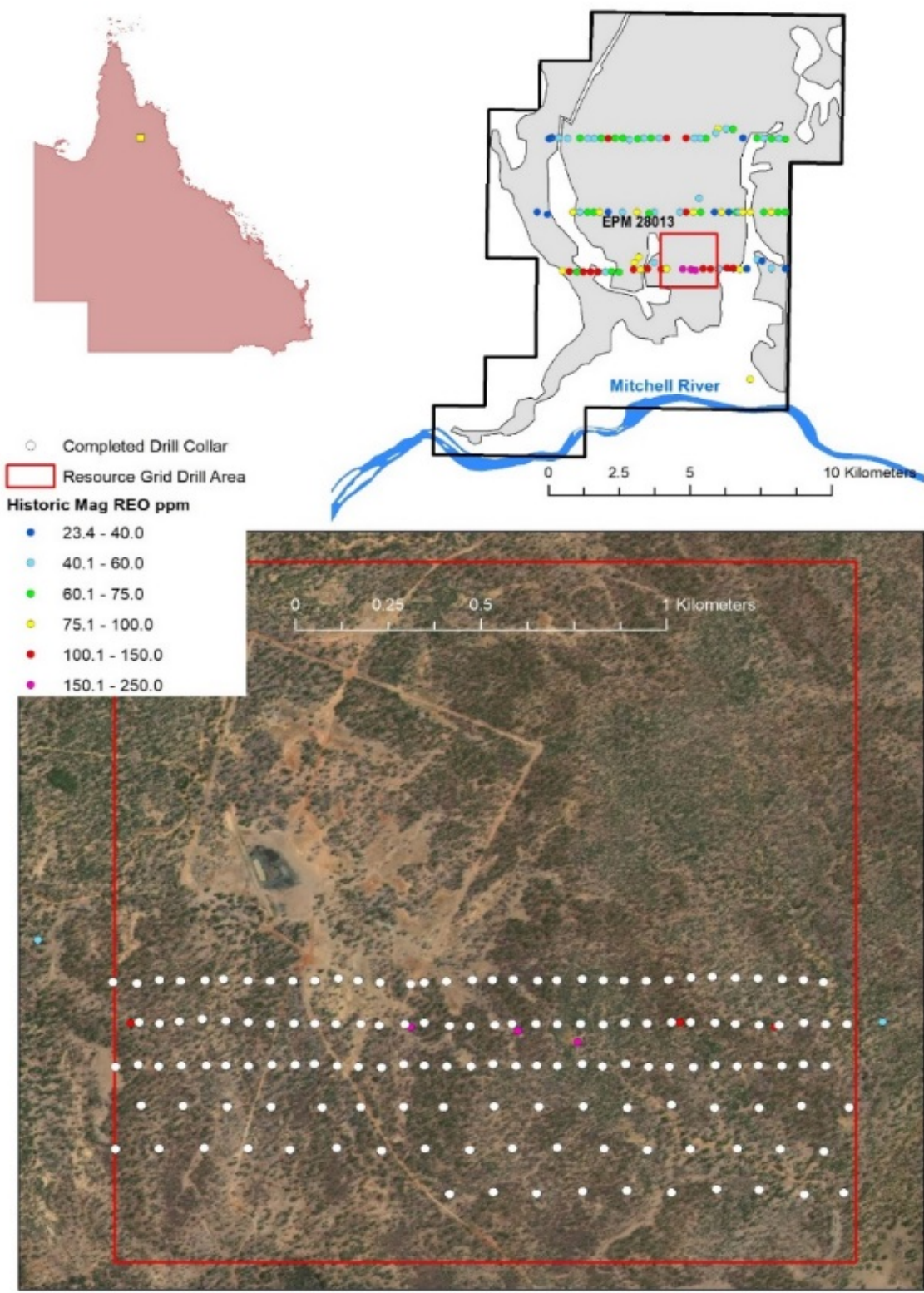


Figure 5: Location of Stage 2 drilling.



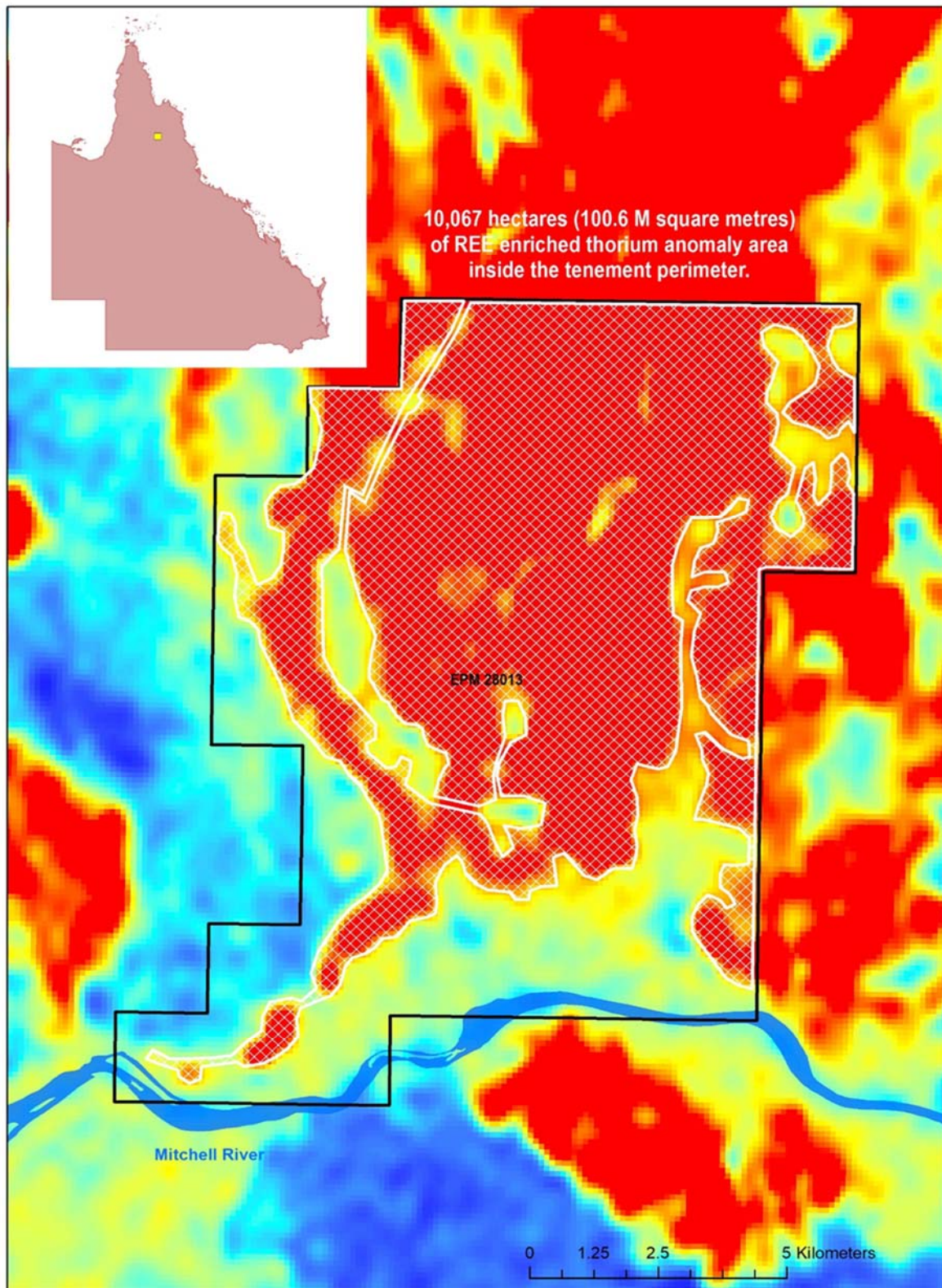


Figure 6: The thorium anomaly indicates where the rare earth mineral Monazite is located.

## EXECUTIVE CHAIRMAN'S REVIEW OF OPERATIONS

For the year ended 30 June 2024

### Maiden Indicated Mineral Resource Estimate <sup>2, 3</sup>

The MRE was carried out by independent consultants HGS Australia in accordance with the 2012 JORC Code using variographically informed ordinary kriging coupled with an ID<sup>2</sup> validation model. The MRE is wholly categorised as Indicated and totals 21.7Mt at 1,419 ppm monazite equivalent ("MzEq") using a lower cut-off grade of 700ppm. Top-cuts were applied on specific elements to control statistical outliers.

In addition to the high value economic commodities modelled, the MRE included estimates for Arsenic ("As") and Sulphur ("S") for environmental considerations. The modelling shows these to be at very low levels; S (dominantly as sulphate in this oxide zone orebody) was modelled at 147ppm and, as a common contaminant in monazite, was modelled at 8ppm.

MzEq Cut-off	Tonnes	Creo	HREP	Ilmenite	LREO	Magreo	Monazite	Mzeq	Rutile	Treo	Treo+Y+Sc	Xenotime	Zircon
700ppm	21,686,232	87.50	14.50	11,365.00	420.60	105.20	674.04	1,419.10	622.20	435.10	494.50	89.10	699.40

MzEq Cut-off	Tonnes	Sc	Tb	Dy	Ho	Er	Tm	Yb	Lu	Th	U	Zr	Y
700ppm	21,686,232	15.94	1.12	4.96	0.94	2.55	0.38	2.34	0.36	33.07	2.03	340.61	27.49

MzEq Cut-off	Tonnes	Hf	Nb	As	Ti	S	La	Ce	Pr	Nd	Sm	Eu	Gd
700ppm	21,686,232	9.91	16.43	8.17	3,959.00	147.21	79.28	167.30	18.26	65.30	11.63	1.40	7.62

Table 3: Reported oxide zone resource for Sandy Mitchell at a 700ppm MzEq lower cut off in the form reported by HGS Australia.

The maiden MRE leaves Ark Mines well positioned to execute on its stated development strategy for Sandy Mitchell, with low-cost mining of rare earths and heavy minerals combined with low-cost downstream processing through simple gravity separation.

The grades observed in the MRE build off previous drilling results, which were used for metallurgical testing by independent processing firm, Mineral Technologies. First-pass water-based beneficiation test work on air core samples returned final concentrate assays of 51.9% TREO (519,000ppm). The assays contained mostly La, Ce, Pr and Nd, plus Heavy Rare Earths Dy and Tb, which collectively represents a very high value saleable product when incorporated into a basket of minerals as part of a monazite concentrate.

### Metallurgical Test Work <sup>3</sup>

- First pass un-optimised beneficiation test work of the Sandy Mitchell Rare Earth sands has produced a high-grade rare earth concentrate.
- The beneficiation test work has shown the greatest upgrade is by simple gravity separation, confirming the material is amenable to straightforward beneficiation by gravity processing.
- The final concentrate assays returned 51.9% TREO, and contained mostly La, Ce, Pr and Nd, plus Heavy Rare Earths, Dy and Tb, which collectively represents a very high value saleable product.
- Direct cerium oxide ("CeO<sub>2</sub>") recovery from gravity feed to REM concentrate is estimated to be 71.7%, with indications that >83% may be achievable.
- In ceric oxide recovery, the CeO<sub>2</sub> content is used as a tracer for the rare-earth bearing mineral monazite which was subsequently upgraded from 0.04% in the as-received feed, to 23.6% in the cleanest product.
- Similar upgrade trends are observed for zirconium dioxide ("ZrO<sub>2</sub>").
- Further metallurgical test work is in planning and the final mineral product is set to be evaluated for multiple potential commercial markets and build initial business case.

The metallurgical characterisation was performed using approximately 55kg of feed material sourced from medium grade Sandy Mitchell drill cuttings. Bench scale equipment was used to assess the response of the sample to conventional beneficiation techniques and show product purity after each stage of separation. This simulated industrial process plant stages including:

- Size classification to remove slimes, trash oversize and prepare sand suitable for beneficiation.
- Gravity separation and dense media separation to recover the valuable heavy mineral components to concentrate.
- Mechanical attrition to clean mineral surfaces, followed by froth flotation to extract rare earth minerals.
- Magnetic separation to perform a final upgrade of the flotation rare-earth concentrate.

Cerium Oxide ("CeO<sub>2</sub>") is used throughout testing as a rapidly assessable marker for monazite, the mineral which carries the majority of rare earth elements. Since CeO<sub>2</sub> can be measured instantaneously by pXRF and a response overlap in the result means that such measurements capture several rare earth elements, allowing a reasonable representation of the mineral itself. CeO<sub>2</sub> grades were used for initial sample selection by Ark, as well as throughout testing by Downer Mineral Technologies.

The CeO<sub>2</sub> recovery of gravity feed reporting to the rare earth mineral concentrate was 71.7%. However, Mineral Technologies measured that 16.9% of CeO<sub>2</sub> was trapped within intermediate material streams, and calculated that in a normal recirculating gravity plant, overall recovery of 83.8% may be achieved.



## EXECUTIVE CHAIRMAN'S REVIEW OF OPERATIONS

For the year ended 30 June 2024

The majority of this upgrade was achieved on the two stages of Wilfley table processing (see Figure 7), simulating rougher and cleaner stages of a gravity plant, with a 52:1 upgrade (0.05% CeO<sub>2</sub> to 2.61% CeO<sub>2</sub>) and 50% mass rejection. The accessory zirconium oxide upgrade was similarly encouraging at 0.03% upgrading to 2.36%.

Subsequent froth floatation stages produced only minor upgrades, with the final magnetic separation stage yielding a low impurity 23.6% CeO<sub>2</sub> product, which equated to 52% total rare earth oxides as measured by laser ablation ICP-MS at Bureau Veritas (see Table 1).







Impurities, dominated by aluminium bearing minerals, were progressively rejected throughout processing, but again the largest effect was through the gravity processing.

Final results from the metallurgical test work are expected to be incorporated into a Scoping Study at Sandy Mitchell ahead of a planned Pre-Feasibility Study.



Figure 7: Wet shaker table separation simulating a plant cleaner stage.

Placer Deposits Have Distinct Advantages over Hard Rock and Clay-base Rare Earth Projects.

	Ionic Clays	Hard Rocks	PLACER (SANDY MITCHELL)
 CAPEX	Reasonable	Capex Heavy, Overburden/strip development costs, Mining costs high	Capex lite and utilizing low-cost skid-mounted gravity plant to deliver a concentrate Mining cost and operating cost ~negligible
 Scale	Typically, smaller tonnage	Typically require significant scale for economic viability	Potential to be massive tonnage
 Exploration	Resources can be defined inexpensively and rapidly given shallow drilling using aircore, auger, push-tube core	Similar to other hard rock base metals requiring substantial drilling, geochemistry, geophysics etc	Resources can be defined inexpensively and rapidly given shallow drilling using aircore, auger, push-tube core
 Mining	Stripping and progressive rehabilitation. Many have overburden and some strip ratio	Drill and blast with significant mining fleet. Higher strip ratios or expensive underground mining and development	Stripping and progressive rehabilitation. No Overburden Zero strip ratio. Mined with a wheeled loader only
 Permitting	Due to water processing and chemicals Environmental challenges will need to be met	Significant environmental impact	Simple in situ gravity processing with the sand put back where it was moved from
 Processing	Simple metallurgy; clay is washed with a desorption agent to recover REEs	Strong acids and salts with high temperature +/- pressure. Radioactive tailings	Simple metallurgy; Gravity and magnetic in-situ processing, no water, continuous rehabilitation Nature has already done our crushing and grinding Mineral sands bi-product



## MOU With Currumbin Minerals

- Ark has signed a Memorandum of Understanding ("MOU") with Currumbin Minerals, which sets out a framework for the supply and delivery of Heavy Mineral Sands ("HMS") from the Sandy Mitchell for processing at Currumbin Minerals' licensed treatment plant.
- The parties will undertake to negotiate a price for Currumbin Minerals to treat HMS ore and produce HM and rare earths critical minerals concentrate, to be sold by Ark Mines at commercial market rates.
- Currumbin Minerals operates Australia's latest-technology heavy mineral sands gravity, electrostatic and magnetic processing plant based in Queensland; it remains owned and operated by the Neumann Family, who have been involved in heavy mineral sand production for over 70 years.
- The MOU provides a framework for the parties to move towards a definitive collaboration agreement, where Currumbin Minerals will leverage its extensive industry experience and work directly with Ark Mines to optimise end-to-end logistics.

## Gunnawarra

The Gunnawarra project is located ~40kms south from Mount Garnet in far-north Queensland and boasts outstanding access to existing infrastructure including grid power, water and access to port facilities. The project surrounds the Bell Creek resource, a component of the Sconi cobalt project owned by Australian Mines Limited (ASX: AUZ).

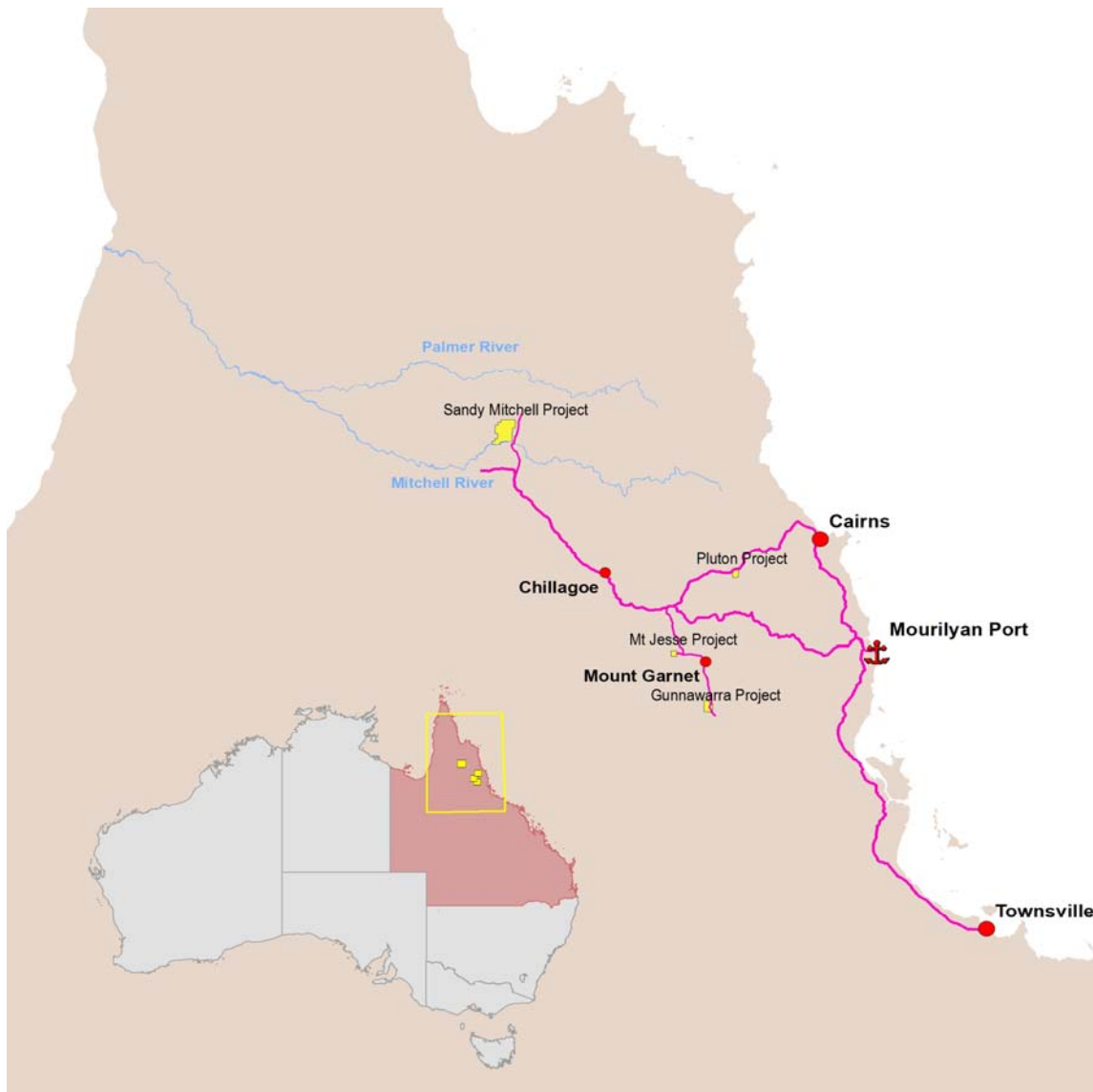


Figure 9. Locations of the four Ark tenements in North Queensland.

## EXECUTIVE CHAIRMAN'S REVIEW OF OPERATIONS

For the year ended 30 June 2024

### RC Drilling Ni Co at Gunnawarra <sup>5</sup>

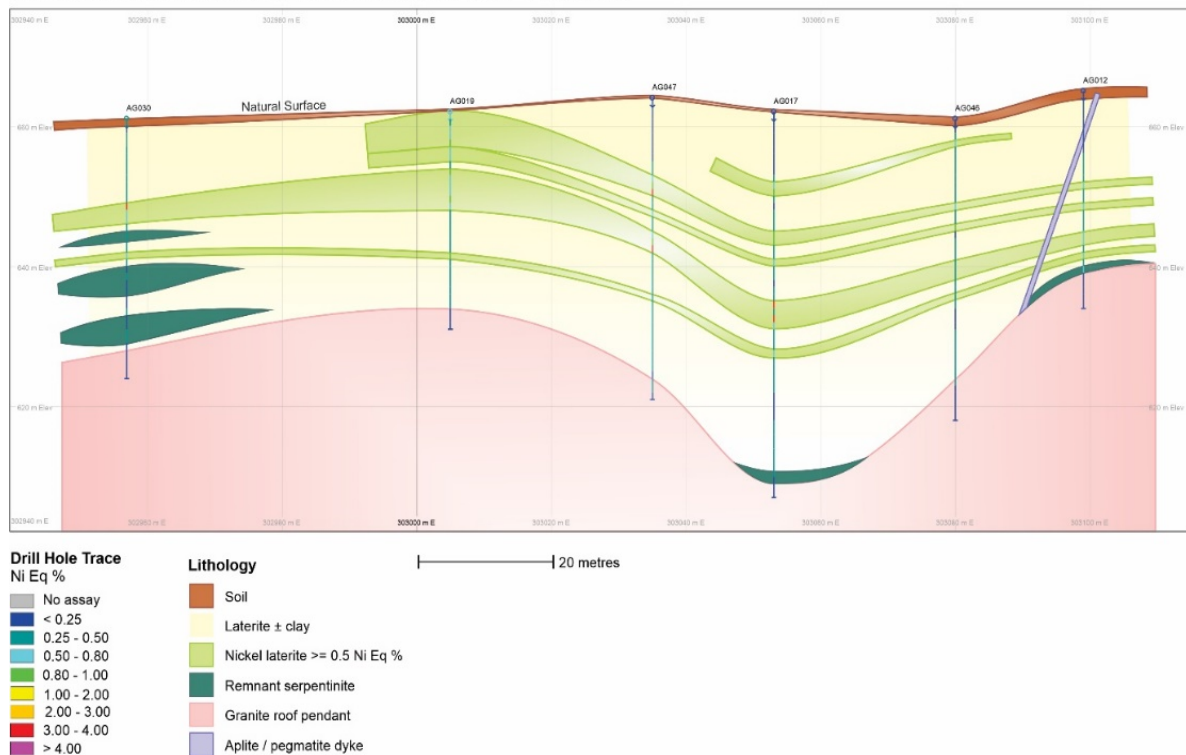
- Maiden JORC (2012) Edition compliant inferred mineral resource estimate has been completed for the Gunnawarra Nickel-Cobalt Project. (Refer to AHK ASX Announcement 23 December 2022)
- The mineral resource estimate totalling 1,341 million tonnes at .53% Ni, 602,000 tonnes Cobalt at .066% and 191,500 tonnes of Copper at .054% at a .4% Ni cut off was completed by Hawker geological consultants.

Ark completed a 2,000m drill program in April 2022. Ark determined that there is extension at depth of the mineralisation >60M and extensions to the SW of the known ore body. Significant intersections of 'the Pod' include:

- 28m at .73% Ni Eq from surface including 5m at 1.8% Ni Eq from 5m, including 2m of Co at .1% from 4m.
- 42m at .76% Ni Eq from 2m including 19m at 1% Ni Eq from 6m.
- 22m at 1% Ni Eq from 4m including 9m at 1.4% Ni Eq from 8m.
- 28m at .7% Ni Eq from surface including 6m at 1.4% Ni Eq from 3m.
- 11m at .84% Ni Eq from 2m including 2m at 1.2% Ni Eq from 5m.
- 14m at 1.12% Ni Eq from 3m including 4m at 1.7% Ni Eq from 8m.

Gunnawarra has significant potential as a battery mineral exploration and development project in a proven Tier 1 jurisdiction for similar projects. As shown in the cross sections below the Ni Co mineralisation hold together well and would provide for a low strip ratio and simple mining efforts.

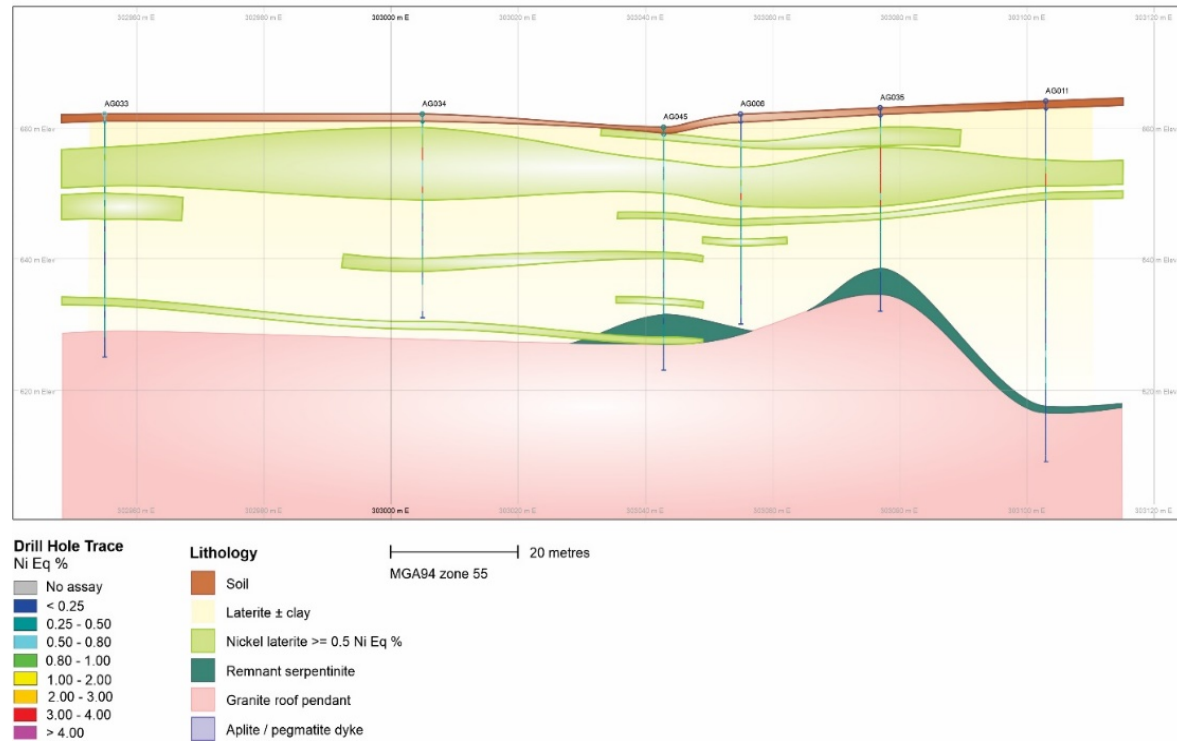
### Gunnawarra Nickel Laterite Cross Section 8012050 mN



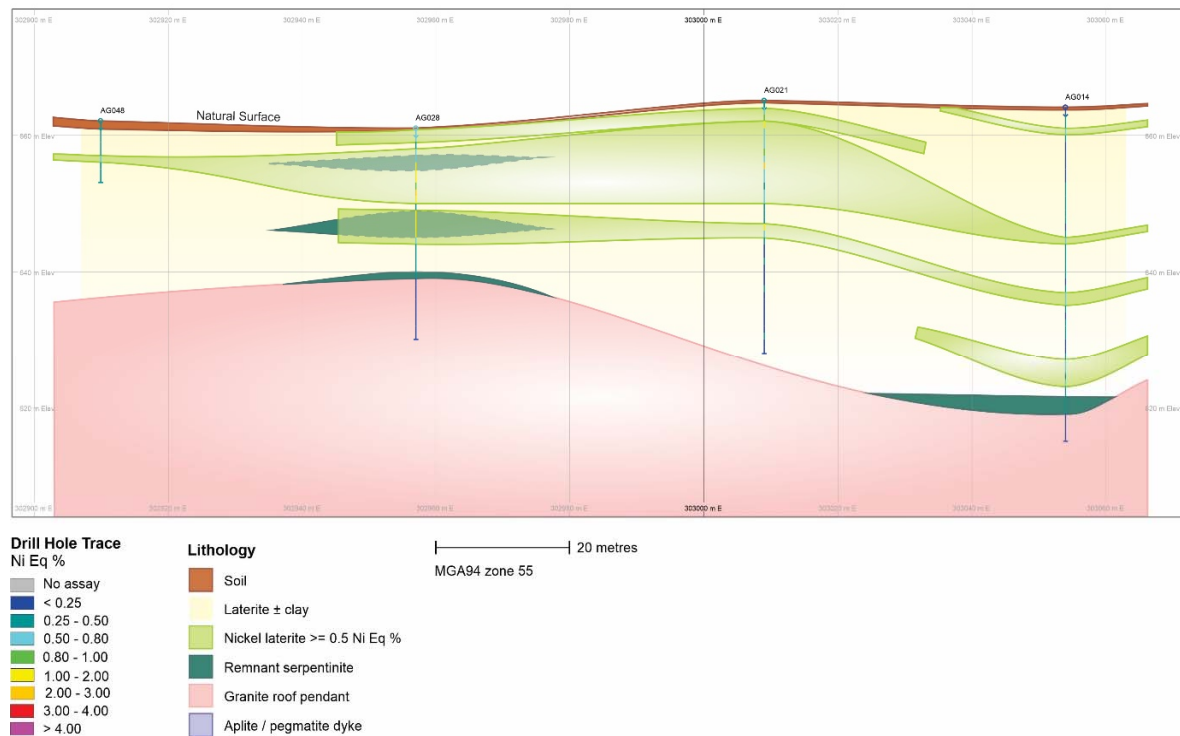
# EXECUTIVE CHAIRMAN'S REVIEW OF OPERATIONS

For the year ended 30 June 2024

## Gunnawarra Nickel Laterite Cross Section 8012000 mN



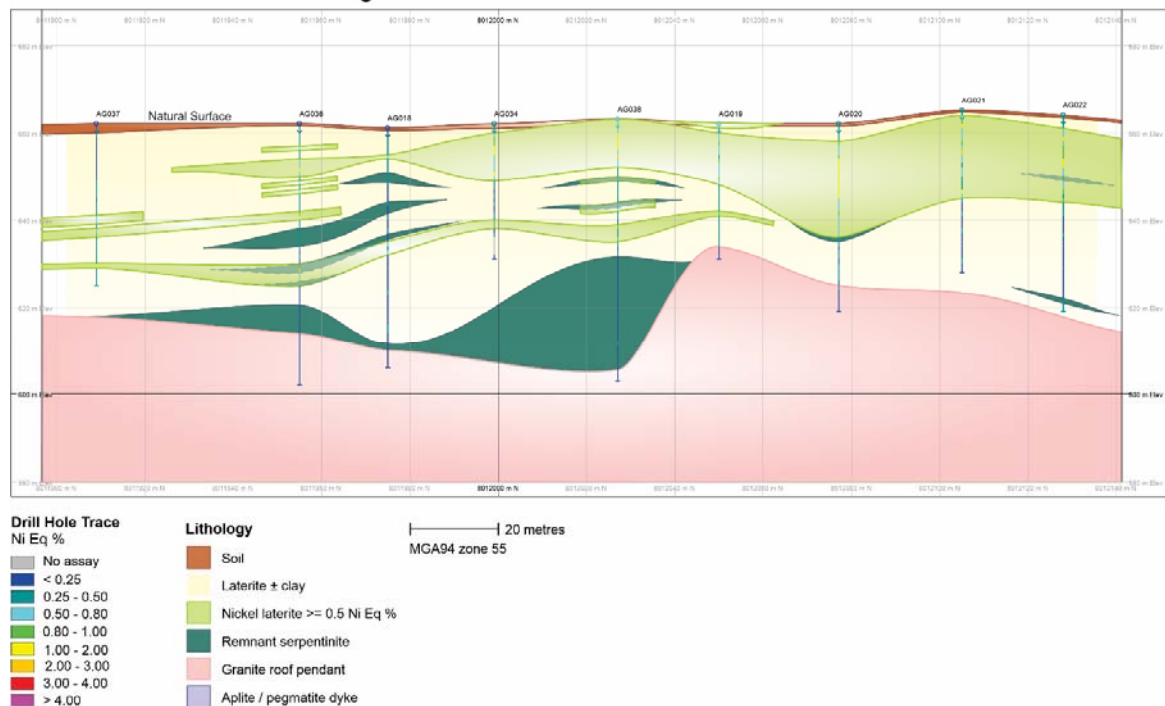
## Gunnawarra Nickel Laterite Cross Section 8012100 mN



## EXECUTIVE CHAIRMAN'S REVIEW OF OPERATIONS

For the year ended 30 June 2024

### Gunnawarra Nickel Laterite Long Section 303000 mE



### Mt Jesse and Pluton

No work was undertaken on Mt Jesse or Pluton. Work is planned for these projects later in next year's season.

### Safety and Environment

Reportable Incidents	Nil	Environmental incidents	Nil
Medical Treatments	Nil	Landholder Issues	Nil
LTI's	Nil		

### Tenement Details

A list of tenements is shown on page 46 of this Annual Report. Mineral resource statements are shown on pages 47-48 of this Annual Report.

**Roger A Jackson**  
Executive Chairman  
Sydney, 26 September 2024

#### ASX Announcement References

Information in this review has been drawn from previous ASX announcements. Where referencing to previous ASX announcements is required by ASX listing rules, an end note reference is included in the relevant heading. These references refer to the announcements listed below.

1. ASX Announcement 17 July 2024 – Exploration Target Defined at Sandy Mitchell Project
2. ASX Announcement 29 May 2024 – Maiden Indicated Mineral Resource Estimate at Sandy Mitchell
3. ASX Announcement 24 November 2023 – Beneficiation Test Work Produces High Grade REE concentrate
4. ASX Announcement 19 December 2023 – Sandy Mitchell Stage 2 Drill Program Successfully Completed
5. ASX Announcement 22 December 2022 – Revised Maiden JORC Resource Delivered at Gunnawarra Nickel-Cobalt Project

All material assumptions and technical parameters underpinning the estimates in the market announcements referred to in this Review of Operations continue to apply and have not materially changed.



Your Directors present their report together with the financial statements of Ark Mines Ltd (the "Company" or "Ark") and its wholly owned subsidiaries (together, the "Group") for the financial year ended 30 June 2024.

## Review of Operations

During the year, the Company focused on the ongoing development of its 147km<sup>2</sup> EPM 28013 ("Sandy Mitchell") advanced Rare Earths Project in North Queensland.

As announced to the ASX on 26 July 2023<sup>1</sup>, the Company completed its 144 hole Stage 1 drilling program with assay results confirming significant Rare Earth Element ("REE") and Heavy Mineral ("HM") intercepts in every meter sampled. The ongoing receipt of consistent REE and HM grades from the Stage 1 program continued to validate Ark's stated development strategy for Sandy Mitchell, based on low-cost, straight-forward beneficiation by gravity processing.

On 30 October 2023<sup>1</sup>, the Company announced that initial assays returned for the Stage 1 drilling program reported Total Rare Earth Oxides ("TREO") plus Yttrium and Scandium averaging grades of 503.5 ppm with highest grades of 1,175.4 ppm per meter. Light Rare Earth average grade for every meter assayed was 454.3 ppm with the highest grades of 1,048 ppm. Heavy Rare Earth plus Yttrium average grade for every meter assayed was 49.2 ppm with the highest grades of 129.3 ppm.

On 19 December 2023<sup>1</sup> The Company announced the completion of its 2,426 m Stage 2 drilling program, with mineralisation encountered in sand from surface to the metamorphic bedrock averaging 12.9 m in depth with the deepest hole to date being 25.5 m of sand above bedrock. This drilling was conducted using the Company's own mobile auger drilling rig, which was purchased and modified for this purpose.

The Stage 1 and Stage 2 resource grid drilling covered an area of 3.6 km<sup>2</sup> being only 3.6% of the total high range radiometric area of the Sandy Mitchell tenement.

On 29 May 2024<sup>1</sup> and following the Stage 2 drilling program, the Company announced a maiden indicated Mineral Resource Estimate ("MRE") of 21.7Mt @ 1,419ppm monazite equivalent calculated using a 700 ppm MzEq lower cut-off grade reported from Stage 1 drilling. The MRE was conducted by independent consultants HGS Australia.

The maiden MRE is expected to form the basis of a Pre-Feasibility Study ("PFS"), which is now underway and is expected to be reported in Q4 CY2024.

Following its maiden MRE, the Company undertook an extensive reconnaissance drilling program and, as a result, is now able to assess an exploration target range for Sandy Mitchell of 1.3 billion tonnes to 1.5 billion tonnes @ 1,250 to 1,490 ppm monazite equivalent<sup>2</sup>. The Exploration Target, was prepared independently by Empirical Earth Science and announced on 17 July 2024<sup>1</sup>. A full copy of this Exploration Target report is available on the Company's web-site.

Water monitoring bores were also drilled and constructed as part of the environmental base line study.

Ecologists were engaged to undertake further studies as part of the environmental work required for permitting Sandy Mitchell. The Company has taken the view that the permitting of Sandy Mitchell should be undertaken parallel with resourcing to expedite the project.

First pass un-optimised beneficiation test work of the Sandy Mitchell rare earth sands produced a high-grade rare earth concentrate. The beneficiation test work has shown the greatest upgrade is by simple gravity separation, confirming the material is amenable to straightforward beneficiation by gravity processing.

The Company has signed a Memorandum of Understanding ("MOU") with Currumbin Minerals, which sets out a framework for the supply and delivery of Heavy Mineral Sands ("HMS") from Sandy Mitchell for processing at Currumbin Mineral's licenced treatment plant. Under the MOU, the parties will undertake to negotiate a price for Currumbin Minerals to treat HMS ore and produce HM and Rare Earths critical minerals concentrate, to be sold by Ark Mines at commercial market rates.

Currumbin Minerals operates Australia's latest-technology heavy mineral sands gravity, electrostatic and magnetic processing plant based in Queensland. It remains owned and operated by the Neumann Family, who have been involved in heavy mineral sand production for over 70 years.

The maiden MRE leaves Ark Mines well positioned to execute on its stated development strategy for Sandy Mitchell, with low-cost mining of rare earths and heavy minerals combined with low-cost downstream processing through simple gravity separation.

No work was undertaken during the year on Gunnawarra, Mt Jesse or Pluton.

The loss after income tax for the full year ended 30 June 2024 was: \$1,203,997 (2023: \$994,036).

## ASX Announcement References

1. All material assumptions and technical parameters underpinning the estimates in the market announcements referred to above continue to apply and have not materially changed.
2. The potential quantity and grade of the Exploration Target is conceptual in nature; there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in estimation of a Mineral Resource.

## DIRECTORS' REPORT

For the year ended 30 June 2024

### Principal Activity

The principal activity of the Company for the financial year was the exploration and evaluation of mineral exploration tenements.

### Directors

The names of the Directors, who held office from 1 July 2023 to date of this report, unless otherwise stated, are:

	<p><b>Roger A Jackson – Executive Chairman</b></p> <p>BSc (Geol), Dip Ed, Grad Dip Fin Man, FAIMM, AICD, FAIG, FGS</p> <p>Mr Jackson has been actively involved in the Mining industry for 28 years as a Mine Operator, in Mine Services and in Mineral Exploration. He has been a founding director of a number of private and public mining and mine service companies.</p> <p>Mr Jackson has maintained a Geological and Mining Consulting business for the past 15 years whilst holding several executive roles. He has a strong knowledge of gold exploration and mining and a sound knowledge of base metal mining and exploration. Mr Jackson has developed several mining and ore processing operations in Australia and abroad and has had significant experience in marketing gold and base metal concentrate across the globe.</p> <ul style="list-style-type: none"><li>• Appointed: 21 October 2010</li><li>• Committee memberships: Audit &amp; Risk</li><li>• Other listed Board memberships: QX Resources Ltd. Vertex Minerals Ltd.</li><li>• Previous listed Board memberships: Nil for the last three years</li></ul>
	<p><b>Benjamin P Emery – Executive Director</b></p> <p>Mr Emery has been involved in the mining sector for over a decade locating, developing and monetising varied and diversified mining projects and has successfully developed several green-field exploration projects into financially successful producing mines. He is well connected in the mining industry both locally and overseas.</p> <p>Mr Emery is currently CEO for a private iron ore producer and Chairman of Franklin Exchange Pty Ltd, a dynamic and growing commodity trading house operating across various global markets whilst assisting international companies develop new strategic partners for growth. Ben holds majority interests in a number and range of exploration and mining assets at various stages of development.</p> <ul style="list-style-type: none"><li>• Appointed: 22 December 2021</li><li>• Committee memberships: Nil</li><li>• Other listed Board memberships: Nil</li><li>• Previous listed Board membership: Nil for the last three years</li></ul>
	<p><b>Ian B Mitchell – Non-Executive Independent Director &amp; Company Secretary</b></p> <p>BA, Dip Law</p> <p>Mr Mitchell is a practising solicitor of over 46 years standing. He is the Company Secretary of a number of ASX listed and non-listed public companies. He has over 35 years' experience as a Director and Secretary of listed mining, exploration and industrial companies. His legal expertise is in commercial law, contract law and ASIC and ASX compliance. Mr Mitchell was appointed Company Secretary on 16 November 2011.</p> <ul style="list-style-type: none"><li>• Appointed: 29 December 2010</li><li>• Committee memberships: Audit &amp; Risk (Chairman)</li><li>• Other listed Board memberships: Nil</li><li>• Previous listed Board memberships: Nil for the last three years</li></ul>



**Ian K White – Company Secretary**

BBus, MBA, Grad. Dip. CSP, FCPA

Mr White was appointed as an additional Company Secretary on 9 August 2023 and the Company's Chief Financial Officer on 28 April 2023. He is an experienced business professional who holds a Bachelor of Business, a Graduate Diploma in Company Secretarial Practise and an MBA specialising in marketing. His experience has been gained over 45 years including periods as Director, CFO and Company Secretary for a number of large ASX listed companies. Over the last 20 years, Mr White has focused on the resources and technology sectors.

Mr White is a non-executive Director of Eastern Metals Ltd (ASX:EMS).

**Remuneration Report (Audited)**

This report details the nature and amount of remuneration for each Director of the Company and its Chief Financial Officer.

**Directors' Interests**

The Directors' relevant interests in shares and options as at 30 June 2024 are shown in the following tables.

Director	Holding type	Shares			
		01-Jul-23	Acquired	Disposed	30-Jun-24
Roger A Jackson	Direct	35,313	-	-	35,313
	Indirect	1,042,516	-	-	1,042,516
	<b>Total</b>	<b>1,077,829</b>	<b>-</b>	<b>-</b>	<b>1,077,829</b>
Benjamin P Emery	Direct	-	-	-	-
	Indirect	8,250,000	-	-	8,250,000
	<b>Total</b>	<b>8,250,000</b>	<b>-</b>	<b>-</b>	<b>8,250,000</b>
Ian B Mitchell	Direct	313,891	591,040	-	904,931
	Indirect	126,500	-	-	126,500
	<b>Total</b>	<b>440,391</b>	<b>591,040</b>	<b>-</b>	<b>1,031,431</b>

Director	Holding type	Options				
		01-Jul-23	Acquired	Exercised	Expired	30-Jun-24
Roger A Jackson	Direct	-	-	-	-	-
	Indirect	1,904,000	-	-	1,904,000	-
	Total	1,904,000	-	-	1,904,000	-
Benjamin P Emery	Direct	-	-	-	-	-
	Indirect	-	-	-	-	-
	Total	-	-	-	-	-
Ian B Mitchell	Direct	296,040	-	296,040	-	-
	Indirect	-	-	-	-	-
	Total	296,040	-	296,040	-	-

All options were issued on 24 December 2021, were exercisable at \$0.20 and expired on 24 December 2023 unless exercised.

## DIRECTORS' REPORT

For the year ended 30 June 2024

### Remuneration Report (Audited) (cont.)

#### Remuneration Policy

The Board's remuneration policy determines the nature and amount of remuneration for Board members and senior executives of the Group. The policy, setting the terms and conditions for the Executive Directors and other senior executives, was developed and approved by the Board. All executives receive remuneration based on factors such as length of service and experience. The Board reviews executive packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries. The objective of this policy is to secure and retain the services of suitable individuals capable of contributing to the Group's strategic objectives. The Board's policy is to remunerate executives and Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities.

The Group currently has no employees. When the Group reaches an appropriate size, it will endeavour to employ suitably qualified women to fill at least one third of its employment positions.

The Board determines payments to executives and Directors and reviews their remuneration, based on market practice, duties and accountability. Directors' remuneration is currently being paid in accordance with the amounts set in the Prospectus that was released to ASX on 27 September 2021 except that daily consulting rates paid to Mr Jackson and Emery were increased from \$1,200 per day to \$1,650 per day on 1 July 2023. There were no bonuses paid or proposed to be paid for the year ended 30 June 2024 (2023: Nil).

Below is a table summarising key performance and shareholder wealth indicators for the Company For the year ended 30 June 2024 and the previous 4 financial years.

Period	Profit (Loss) after Tax	EPS (cents per share)	Share Price
Year ending 30 June 2024	(\$1,203,997)	(2.20)	\$0.150
Year ending 30 June 2023	(\$994,036)	(2.23)	\$0.310
Year ending 30 June 2022	(\$2,439,496)	(9.83)	\$0.175
Year ending 30 June 2021	\$6,891,159	263.42	<sup>1</sup> NA
Year ending 30 June 2020	(\$2,445,761)	(4.68)	<sup>1</sup> NA

<sup>1</sup> During this period the Company was suspended from the ASX.

#### Directors and Key Management Remuneration

Details of the remuneration of the Directors and other Key Management Personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the Company) are set out in the following table:

	Short - term		Long-term	Total
	Base fee	Consulting	Superannuation	
<b>2024</b>	\$	\$	\$	\$
<b>Executive Directors</b>				
Roger A Jackson	36,000	218,419	-	254,419
Benjamin P Emery	36,000	231,000	-	267,000
<b>Non-Executive Directors</b>				
Ian B Mitchell	36,000	-	-	36,000
<b>Total directors</b>	<b>108,000</b>	<b>449,419</b>	<b>-</b>	<b>557,419</b>
<b>Key Management Personnel</b>				
Ian K White	-	68,700	-	68,700
<b>Total Remuneration</b>	<b>108,000</b>	<b>518,119</b>	<b>-</b>	<b>626,119</b>

#### 2023

##### Executive Directors

Roger A Jackson	36,000	173,940	-	209,940
Benjamin P Emery	36,000	147,000	-	183,000

##### Non-Executive Directors

Antony B Corel	20,833	-	2,187	23,020
Ian B Mitchell	36,000	-	-	36,000

<b>Total directors</b>	<b>128,833</b>	<b>320,940</b>	<b>2,187</b>	<b>451,960</b>
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##### Key Management Personnel

Ian K White	-	68,731	-	68,731
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<b>Total Remuneration</b>	<b>128,833</b>	<b>389,671</b>	<b>2,187</b>	<b>520,691</b>
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## Remuneration Report (Audited) (cont.)

### Contracts of Senior Executives

Both Mr Jackson and Mr Emery are engaged as Executive Directors under an Executive Service Agreement ("Agreement"), executed with their respective consulting companies. Under the Agreement, each is paid a Director's fee of \$36,000 per annum. No superannuation is payable under these Agreements. In addition, under the Agreement, each of Mr Jackson and Mr Emery must provide a minimum of 8 days per month executive service which was payable at \$1,200 up to 30 June 2023 from whence the rate has been increased to \$1,650 per in line with market rates.

The Agreements with Mr Jackson and Mr Emery have no fixed term and the Company may terminate the Agreements on giving three months' notice, or payment in lieu. No benefits are payable on termination.

Mr White is engaged under a Consulting Agreement executed with Mr White's consulting company. Pursuant to this Consulting Agreement, Mr White is paid \$1,500 per day plus GST. No superannuation is payable under this Consulting Agreement.

Mr White's Consulting Agreement has no fixed term and the Company may terminate the Consulting Agreement on giving three months' notice, or payment in lieu. No benefits are payable on termination.

No options were issued to Directors or Key Management Personnel during the financial year.

This concludes the Remuneration Report, which has been audited.

### Directors' Meetings

The number of Directors' meetings and meetings of committees of Directors of Ark Mines Ltd (including by way of circular resolution) held during the year ended 30 June 2024 and the numbers of meetings attended by each Director are as follows.

Director	Board		Audit & Risk Committee	
	Eligible to attend	Attended	Eligible to attend	Attended
Roger A Jackson	7	7	2	2
Benjamin P Emery	7	7	2	2
Ian B Mitchell	7	7	2	2

As well as formal Directors' meetings, Executive and Non-Executive Directors are in frequent communication by telephone, email and other electronic means.

### Environmental Regulations

The Group is subject to significant environmental regulations under legislation of the Commonwealth of Australia. The Group aims to ensure that it complies with the identified regulatory requirements in each jurisdiction in which it operates. There have been no known material breaches of the environmental obligations of the Group's contracts or licences.

### Dividends

No dividends have been declared in respect of the financial year ended 30 June 2024 (2023: Nil).

### Significant Changes in State of Affairs

There have been no significant changes to the state of affairs of the Company.

### Events Subsequent to Reporting Date

Events subsequent to reporting date are included in Note 24 to the financial statements and within the Directors Report under Review of Operations.

The Directors are not aware of any matter or circumstance not otherwise dealt with in this Annual Report or in the financial statements that has significantly or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

## ***DIRECTORS' REPORT***

*For the year ended 30 June 2024*

### **Likely Developments**

It is likely that the Group will continue with the exploration activities on its mining tenements.

Please see Note 24 – Subsequent Events for further details.

### **Indemnifying Officers and Auditor**

The Company has indemnified Directors and staff to the extent possible under the Corporations Law against any liabilities incurred by the person as an officer of the Company. The Company has also provided an indemnity to its contracted accounting staff for liabilities incurred in acting in this capacity. The Company has not indemnified the auditor.

### **Non-Audit Services**

The Auditor provided no other services during the financial year ended 30 June 2024.

### **Officers of the Company who are former Audit Partners of Moore Australia Audit (WA)**

There are no officers of the Company who are former Partners of Moore Australia Audit (WA).

### **Auditor Independence Declaration**

The Auditor's independence declaration for the year ended 30 June 2024 has been received and a copy is reproduced on page 21. Moore Australia Audit (WA) continues office in accordance with section 327 of the Corporations Act 2001.

### **Proceedings on Behalf of the Company**

No person has applied to the Court for leave to bring proceedings on behalf of the Company or 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 any of those proceedings. The Company was not a party to any such proceedings during the year.

### **Corporate Governance**

The Company's Corporate Governance Statement can be found on its web-site at [www.arkmines.com/governance/](http://www.arkmines.com/governance/).

Signed in accordance with a resolution of the Board of Directors.



**Roger A Jackson**

Executive Chairman

Sydney, 26 September 2024

## AUDITOR'S INDEPENDENCE DECLARATION

For the year ended 30 June 2024



### Moore Australia Audit (WA)

Level 15, Exchange Tower,  
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PO Box 5785, St Georges Terrace, WA 6831

T +61 8 9225 5355

F +61 8 9225 6181

[www.moore-australia.com.au](http://www.moore-australia.com.au)

### Auditor's Independence Declaration Under Section 307c of the Corporations Act 2001

To the directors of Ark Mines Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

Wen-Shien Chai  
Partner – Audit and Assurance  
Moore Australia Audit (WA)  
Perth  
26<sup>th</sup> day of September 2024

Moore Australia Audit (WA)  
Chartered Accountants

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Moore Australia Audit (WA) – ABN 16 874 357 907.  
An independent member of Moore Global Network Limited - members in principal cities throughout the world.  
Liability limited by a scheme approved under Professional Standards Legislation.

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ACN 123 668 717

# *Financial Statements*

*For the year ended 30 June 2024*

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2024

	Note	Consolidated	
		2024	2023
		\$	\$
<b>Revenue</b>			
Interest income		28,680	6,759
<b>Total revenue</b>		<b>28,680</b>	<b>6,759</b>
<b>Less: Expenses</b>			
Accounting and secretarial expenses		84,720	77,526
ASX listing costs		65,774	34,272
Audit fees	22	39,472	37,051
Consultants		400,295	283,703
Depreciation	8	24,328	8,258
Directors' fees		108,000	131,021
Exploration costs expensed		190	11,162
Insurance		45,083	38,438
Investor relations		188,011	176,281
Share registry costs		21,291	9,445
Other expenses from ordinary activities		255,516	193,680
<b>Total expenses</b>		<b>1,232,680</b>	<b>1,000,837</b>
<b>Loss from operating activities</b>		<b>(1,204,000)</b>	<b>(994,078)</b>
Foreign exchange gains		3	42
<b>Loss before income tax</b>		<b>(1,203,997)</b>	<b>(994,036)</b>
Income tax expense	4	-	-
<b>Loss from continuing operations after income tax</b>		<b>(1,203,997)</b>	<b>(994,036)</b>
Other comprehensive loss for the year		-	-
<b>Total comprehensive loss for the year</b>		<b>(1,203,997)</b>	<b>(994,036)</b>
<b>Earnings per share</b>			
Basic - cents per share	23	(2.20)	(2.23)
Diluted - cents per share	23	(2.20)	(2.07)

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

## STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

		Consolidated	
	Note	2024	2023
		\$	\$
<b>Current assets</b>			
Cash and cash equivalents	5	1,349,127	1,141,595
Trade and other receivables	6	75,424	122,341
Prepayments		17,118	22,032
<b>Total current assets</b>		<b>1,441,669</b>	<b>1,285,968</b>
<b>Non-current assets</b>			
Capitalised exploration and evaluation expenditure	7	4,611,423	3,265,702
Plant and equipment	8	285,661	213,587
Environmental bonds and security deposits	9	9,500	9,000
<b>Total non-current assets</b>		<b>4,906,584</b>	<b>3,488,289</b>
<b>Total assets</b>		<b>6,348,253</b>	<b>4,774,257</b>
<b>Current liabilities</b>			
Trade and other payables	10	250,451	367,863
<b>Total current liabilities</b>		<b>250,451</b>	<b>367,863</b>
<b>Total liabilities</b>		<b>250,451</b>	<b>367,863</b>
<b>Net assets</b>		<b>6,097,802</b>	<b>4,406,394</b>
<b>Equity</b>			
Contributed equity	11	20,226,465	17,784,220
Reserves	12	1,303,175	850,015
Accumulated losses	13	(15,431,838)	(14,227,841)
<b>Total equity</b>		<b>6,097,802</b>	<b>4,406,394</b>

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

## STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

		Consolidated			
	Note	Issued capital	Reserves	Acc. losses	Total
		\$	\$	\$	\$
June 2024					
Balance at 1 July 2023		17,784,220	850,015	(14,227,841)	4,406,394
Total comprehensive loss for the year		-	-	(1,203,997)	(1,203,997)
<u>Transactions with owners in their capacity as owners:</u>					
Ordinary shares issued, net of transaction costs	11	2,442,245	-	-	2,442,245
Share based payments reserve	12	-	453,160	-	453,160
Movement for the year		2,442,245	453,160	(1,203,997)	1,691,408
Balance at 30 June 2024		20,226,465	1,303,175	(15,431,838)	6,097,802
June 2023					
Balance at 1 July 2022		17,784,220	850,015	(13,233,805)	5,400,430
Total comprehensive loss for the year		-	-	(994,036)	(994,036)
Movement for the year		-	-	(994,036)	(994,036)
Balance at 30 June 2023		17,784,220	850,015	(14,227,841)	4,406,394

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

## STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

	Note	Consolidated	
		2024	2023
		\$	\$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(1,157,028)	(873,453)
Interest received		28,680	6,759
Foreign exchange gains		3	42
<b>Net cash used in operating activities</b>	14	<b>(1,128,345)</b>	<b>(866,652)</b>
<b>Cash flows from investing activities</b>			
Payments for exploration and evaluation expenditure	14	(1,462,626)	(707,660)
Payments for plant and equipment	8	(96,402)	(182,000)
Payments for environmental bonds and security deposits	9	(500)	-
<b>Net cash used in investing activities</b>		<b>(1,559,528)</b>	<b>(889,660)</b>
<b>Cash flows from financing activities</b>			
Proceeds from share issues	11	3,114,258	-
Payments for share issue costs	11	(218,853)	-
<b>Net cash provided by financing activities</b>		<b>2,895,405</b>	<b>-</b>
Net increase (decrease) in cash held		207,532	(1,756,312)
Cash at beginning of the year		1,141,595	2,897,907
<b>Cash at end of the year</b>		<b>1,349,127</b>	<b>1,141,595</b>

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



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

### 1. Reporting Entity

The financial report is for the entity Ark Mines Ltd (the "Company" or "Ark") and its wholly owned subsidiaries (together, the "Group"). Ark Mines Ltd is a company limited by shares incorporated and domiciled in Australia with its registered address at Level 9, 19 – 29 Martin Place Sydney NSW 2000. Ark Mines Ltd is listed on the ASX.

The principal activity of the Group for the financial year was the exploration and evaluation of mineral exploration tenements.

### 2. Basis of Preparation

#### Statement of compliance

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001, applicable to for-profit entities. The financial statements of the Group comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements were authorised for issue by a resolution of the Board dated 26 September 2024.

#### Basis of consolidation

The consolidated financial statements comprise the financial statements of Ark Mines Ltd. and its subsidiaries as at 30 June 2024. The financial statements of subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

All inter-company balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Subsidiaries are fully consolidated from date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

#### Basis of measurement

These financial statements have been prepared under the historical cost convention.

#### Functional and presentation currency

The financial report has been presented in Australian Dollars (\$A) which is the functional currency of the Group.

#### Use of estimates and judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. Information about critical judgements in applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes.

- Note 7 – Capitalised Exploration and Evaluation Expenditure.

#### Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current.

#### Going Concern Basis

The Group has incurred a net loss after tax of \$1,203,997 (2023: \$994,036) for the full year and net cash outflows from operating activities of \$1,128,345 (2023: \$866,652). As at 30 June 2024, the Group held cash of \$1,349,127 and had net current assets of \$1,441,669.

The Company plans to do a capital raising of at least \$3,000,000 prior to the end of the 2024 calendar year. The Company successfully raised \$3,055,000 in July 2023 and is confident that this capital raising will be successful.

Directors have determined that with this capital raising, there will be sufficient cash for the Group to continue its exploration and development activities and to remain cash positive at least until September 2025.

On this basis the Directors are of the opinion that the financial statements can be prepared on a going concern basis and that the Group will be able to pay its debts as and when they fall due and payable.

Should this not be achieved the Group may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

## 3. Material Accounting Policies

The following is a summary of the material accounting policies adopted by the Group in the preparation of this financial report. The accounting policies have been consistently applied, unless otherwise stated.

### Income tax – Note 4

The tax loss for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items and is calculated using tax rates that have been enacted or are substantively enacted at the reporting date. Deferred tax is accounted for using the statement of financial position method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

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

In calculating the Groups tax losses, it has been assumed that tax losses from prior years are still available, notwithstanding the capital raising that the Company undertook in December 2021. Brought forward tax losses will normally only be available if the Company can satisfy a continuity of ownership test or similar business test. Although there are concessional tracing rules for listed companies, no testing has been undertaken to determine if the Group can satisfy these tests. Furthermore, as the Company was delisted for a period during the Administration concessional tracing rules for listed companies may not be available.

The Company and its subsidiaries formed a tax-consolidated Group and are therefore taxed as a single entity from that date. The members of the tax-consolidated Group are identified on page 41 of this Annual Report. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated Group are recognised in the separate financial statements of the members of the tax-consolidated Group using the “separate taxpayer within group” approach by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax-consolidated Group are recognised by the Company (as head entity in the tax-consolidated Group). Due to the existence of a tax funding arrangement between the entities in the tax-consolidated Group, amounts are recognised as payable to or receivable by the Company and each member of the Group in relation to the tax contribution amounts paid or payable between the Company and the other members of the tax-consolidated Group in accordance with the arrangement.

### Capitalised exploration and evaluation expenditure – Note 7

Capitalised exploration and evaluation expenditure incurred is accumulated in respect of each tenement. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the tenement or where activities in the tenement have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Once a tenement enters a development phase, historical capitalised exploration expenditure is transferred to capitalised development expenditure. Accumulated costs in relation to an abandoned tenement are written off in the statement of profit or loss and other comprehensive income in the year in which the decision to abandon the tenement is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the tenement according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each tenement to determine the appropriateness of continuing to carry forward costs in relation to that tenement and should the tenement no longer be considered prospective, then the Group will make a provision in the accounts for the carrying value of the tenement.

The ultimate recoupment of costs carried forward for exploration and evaluation expenditure is dependent on the successful development and commercial exploitation or sale of respective tenements.

### Plant and equipment – Note 8

Plant and equipment are stated at cost less accumulated depreciation.

Items of equipment have limited lives and are depreciated on a straight-line basis over their estimated useful lives. Depreciation rates and methods are reviewed annually for appropriateness.

No changes have been deemed necessary for the year ending 30 June 2024.

All motor vehicles and other exploration assets are depreciated at the rate of 20% per annum.

Depreciation is expensed to the statement of profit or loss and other comprehensive income.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

### 3. Material Accounting Policies (cont.)

#### Earnings per share – Note 23

Basic earnings per share is calculated as the total comprehensive loss for the year, divided by the weighted average number of ordinary shares.

Diluted earnings per share is calculated as the total comprehensive loss for the year divided by the weighted average number of ordinary shares, assuming the exercise of dilutive options over ordinary shares in the Company.

The assumed proceeds from these options are regarded as having been received from the issue of ordinary shares at the average market price of ordinary shares during the financial year. The difference between the number of ordinary shares issued and the number of ordinary shares that would have been issued at the average market price of ordinary shares during the period is treated as an issue of ordinary shares for no consideration and is dilutive.

#### Goods and services tax (GST)

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

#### New, revised or amending accounting standards and interpretations not yet mandatory or early adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

These standards have no material impact on the Group's current financial reporting period.

Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2024.

No new, revised or amended accounting standards and interpretations are expected to have a material impact on the financial reporting of the Group.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

	Consolidated	
	2024	2023
	\$	\$
<b>4. Income Tax Expense</b>		
The prima facie tax benefit on loss before income tax is reconciled to the income tax expense as follows:		
Prima facie income tax on loss before tax at 30.0% (2023: 30.0%)	(361,199)	(298,211)
<u>Add: tax effect of:</u>		
Non allowable expenses	3,406	95
<u>Add/(deduct) temporary differences not brought to account:</u>		
Capital raising expenses	(75,219)	(35,932)
Exploration expenditure	(403,717)	(209,992)
Other temporary differences	(42,828)	(37,282)
Tax losses not recognised	879,557	581,322
<b>Income tax expense</b>	<b>-</b>	<b>-</b>

	Opening	Movement	Closing
	\$	\$	\$
<b>Deferred income tax – 2024</b>			
<b>Deferred tax assets:</b>			
Capital raising expenses	106,908	121,784	228,692
Provisions	12,769	(6,169)	6,600
Tax losses	803,590	879,557	1,683,147
<b>Total deferred tax assets</b>	<b>923,267</b>	<b>995,172</b>	<b>1,918,439</b>
<b>Deferred tax liabilities:</b>			
Exploration and evaluation expenditure	(495,173)	(440,376)	(935,549)
<b>Total deferred tax liabilities</b>	<b>(495,173)</b>	<b>(440,376)</b>	<b>(935,649)</b>
<b>Net deferred tax assets</b>	<b>428,094</b>	<b>554,796</b>	<b>982,890</b>
<b>Deferred income tax – 2023</b>			
<b>Deferred tax assets:</b>			
Capital raising expenses	127,264	(20,356)	106,908
Provisions	10,159	2,610	12,769
Tax losses	1,494,788	(691,198)	803,590
<b>Total deferred tax assets</b>	<b>1,632,211</b>	<b>(708,944)</b>	<b>923,267</b>
<b>Deferred tax liabilities:</b>			
Exploration and evaluation expenditure	(158,109)	(337,064)	(495,173)
<b>Total deferred tax liabilities</b>	<b>(158,109)</b>	<b>(337,064)</b>	<b>(495,173)</b>
<b>Net deferred tax assets</b>	<b>1,474,102</b>	<b>(1,046,008)</b>	<b>428,094</b>

The tax losses and deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not yet probable that future taxable profit will be available against which the Group can utilise the benefits.

In calculating the Groups tax losses, it has been assumed that tax losses from prior years are still available, notwithstanding the capital raising that the Company undertook in December 2021. Brought forward tax losses will normally only be available if the Company can satisfy a continuity of ownership test or similar business test. Although there are concessional tracing rules for listed companies, no testing has been undertaken to determine if the Group can satisfy these tests. Furthermore, as the Company was delisted for a period during the Administration concessional tracing rules for listed companies may not be available.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

		Consolidated	
		2024	2023
		\$	\$
5.	<b>Cash and Cash Equivalents</b>		
	Cash at bank	1,349,127	1,141,595
	<b>Total cash and cash equivalents</b>	<b>1,349,127</b>	<b>1,141,595</b>
6.	<b>Trade and Other Receivables</b>		
	GST recoverable	67,951	108,315
	Other receivables	7,473	14,026
	<b>Total trade and other receivables</b>	<b>75,424</b>	<b>122,341</b>
7.	<b>Capitalised Exploration and Evaluation Expenditure</b>		
	Balance at the beginning of the year	3,265,702	2,360,303
	Tenement acquisition costs capitalised during the year	-	205,425
	Exploration and Evaluation Expenditure capitalised during the year	1,345,721	699,974
	<b>Balance at the end of the year</b>	<b>4,611,423</b>	<b>3,265,702</b>
8.	<b>Plant and Equipment</b>		
	<b>Motor Vehicles and Mining Equipment</b>		
	<u>At cost</u>		
	Balance at the beginning of the year	223,291	41,291
	Additions during the year	96,402	182,000
	Balance at the end of the year	319,693	223,291
	<u>Accumulated depreciation</u>		
	Balance at the beginning of the year	9,704	1,446
	Charge for the year	24,328	8,258
	Balance at the end of the year	34,032	9,704
	<b>Total plant and equipment</b>	<b>285,661</b>	<b>213,587</b>
9.	<b>Environmental Bonds and Security Deposits</b>		
	EPM 26560 – Gunnawarra	3,000	3,000
	EPM 26464 - Mt Jesse	3,000	3,000
	EPM 26883 – Pluton	3,000	3,000
	Other	500	-
	<b>Total environmental bonds and security deposits</b>	<b>9,500</b>	<b>9,000</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

		Consolidated	
		2024	2023
		\$	\$
10.	<b>Trade and Other Payables</b>		
	Trade creditors	220,864	315,214
	Accruals	22,000	42,562
	Other payables	7,587	10,087
	<b>Total trade and other payables</b>	<b>250,451</b>	<b>367,863</b>

11.	<b>Contributed Equity</b>		
	<b>Ordinary Shares Number</b>	<b>No.</b>	<b>No.</b>
	Balance at the beginning of the year	44,615,748	44,615,748
	<u>Shares issued during the year</u>		
	Issued 26 July 2023	6,551,723	-
	Issued 27 July 2023	3,982,932	-
	Issued 24 December 2023	296,040	-
	<b>Balance at the end of the year</b>	<b>55,446,443</b>	<b>44,615,748</b>

	<b>Ordinary Shares Value</b>	<b>\$</b>	<b>\$</b>
	Balance at the beginning of the year	17,784,220	17,784,220
	<u>Shares issued during the year</u>		
	Issued 26 July 2023 @ \$0.29	1,900,000	-
	Issued 27 July 2023 @ \$0.29	1,155,050	-
	Issued 24 December 2023 @ \$0.20	59,208	-
	Capital raising costs	(672,013)	-
	<b>Balance at the end of the year</b>	<b>20,226,465</b>	<b>17,784,220</b>

Included in capital raising costs is the \$453,160 value of attaching options issued as part of the 26 and 27 July 2023 share issues.

Shares issued on 24 December 2023 were a consequence of the exercise of options.

The Company has not declared or paid a dividend during the year. There is no franking account balance for the year ended 30 June 2024 (2023: Nil).

12.	<b>Reserves</b>		
	<b>Share Based Payment Reserve</b>		
	Balance at the beginning of the year	850,015	850,015
	Share-based payments during the year	453,160	-
	<b>Balance at the end of the year</b>	<b>1,303,175</b>	<b>850,015</b>
13.	<b>Accumulated Losses</b>		
	Balance at the beginning of the year	(14,227,841)	(13,233,805)
	Total comprehensive loss for the year	(1,203,997)	(994,036)
	<b>Balance at the end of the year</b>	<b>(15,431,838)</b>	<b>(14,227,841)</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

		Consolidated	
		2024	2023
		\$	\$
14.	<b>Cash Flow Information</b>		
	<b>Reconciliation of cash</b>		
	Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position		
	<b>Cash and cash equivalents</b>	<b>1,349,127</b>	<b>1,141,595</b>
	<b>Reconciliation of cash flow from operations with loss from ordinary activities after income tax</b>		
	Loss from continuing operations after income tax	(1,203,997)	(994,036)
	<u>Deduct: non-cash items</u>		
	Depreciation	24,328	8,258
	<u>Add (Deduct): investment amounts included in working capital</u>		
	Exploration and evaluation costs included in payable movement	116,905	-
	Capital raising costs included payables	-	(197,738)
	<u>Movements in working capital</u>		
	Decrease in trade and other receivables	46,917	31,715
	Decrease in prepayments	4,914	50,760
	Increase / (Decrease) in trade and other payables	(117,412)	234,389
	<b>Cash flow from operations</b>	<b>(1,128,345)</b>	<b>(866,652)</b>

### Other non-cash items

During the year the Group capitalised exploration and evaluation expenditure of \$1,345,721. This reconciles to the payments for exploration and evaluation expenditure of \$1,462,626 included in the cash flow statement by the net movement of exploration and evaluation amounts in trade payables during the financial year totalling \$116,905.

## 15. Share Options

### Unlisted Options over fully paid ordinary shares

	No.	No.
<b>Balance at the beginning of the year</b>	14,972,500	14,972,500
Expired 17 December 2023	(750,000)	-
Expired 24 December 2023	(13,926,460)	-
Exercised 24 December 2023	(296,040)	-
Issued 13 December 2023 exercisable at \$0.40 and expiring 26 July 2026	5,267,317	-
<b>Balance at the end of the year</b>	<b>5,267,317</b>	<b>14,972,500</b>

The Company has valued the options issued on 13 December 2023 using the Black-Scholes option pricing model and an amount of \$453,160 has been recognised as a capital raising cost. Key inputs used in the calculation of this amount are as follows:

Variable	Comments	Variable	Comments
Calculation date	13 December 2023	Volatility	101.1%
Underling share price	\$0.19	Option life	2.6 years
Risk free rate	4.33%	Expected dividends	Nil

All options are immediately exercisable. No other features of the option grant were factored into the calculation of the option value. Volatility value has been calculated by the Company with reference to 12 months trading its shares.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

		Consolidated	
		2024	2023
		Provision of Services	Provision of Services
16.	Related Party Transactions	\$	\$
	Roger A Jackson	218,419	173,940
	Benjamin P Emery	231,000	147,000
	Ian B Mitchell	-	-
		<b>449,419</b>	<b>320,940</b>

Both Mr Jackson and Mr Emery provide executive services to the Group under a services contract which is approved by the Board. Mr Jackson is the Company's Executive Chairman, and Mr Emery is an Executive Director.

All related party transactions have to receive Board approval in advance. All payments to related parties also receive Board approval. All transactions with Directors and their associates are conducted on an arms-length basis and in the ordinary course of business. The Board is sufficiently knowledgeable and experienced to ensure that amounts paid for these services is in line with commercial expectations. Refer also to Note 17 for Key Management Personnel Disclosures.

17.	Directors and Key Management Personnel Disclosures	Position
	<b>Directors</b>	
	Roger A Jackson	Executive Chairman
	Benjamin P Emery	Director - Executive
	Ian B Mitchell	Director - Non-Executive and Company Secretary
	Ian K White	Chief Financial Officer and Company Secretary

Directors' and KMP shareholdings including holdings of their closely related entities as at 30 June 2024.

Director	Shares			
	01-Jul-23	Acquired	Disposed	30-Jun-24
Roger A Jackson	1,077,829	-	-	1,077,829
Benjamin P Emery	8,250,000	-	-	8,250,000
Ian B Mitchell	440,391	591,040	-	1,031,431
Ian K White	12,675	-	-	12,675
<b>Total</b>	<b>9,780,895</b>	<b>591,040</b>	<b>-</b>	<b>10,371,935</b>

Directors' and KMP option holdings including holdings of their closely related entities as at 30 June 2024.

Director	Options				
	01-Jul-23	Acquired	Exercised	Expired	30-Jun-24
Roger A Jackson	1,904,000	-	-	1,904,000	-
Benjamin P Emery	-	-	-	-	-
Ian B Mitchell	296,040	-	296,040	-	-
Ian K White	-	-	-	-	-
<b>Total</b>	<b>2,200,040</b>	<b>-</b>	<b>296,040</b>	<b>1,904,000</b>	<b>-</b>

All options were issued on 24 December 2021, were exercisable at \$0.20 and expired on 24 December 2023 unless exercised.



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

		Consolidated	
		2024	2023
		\$	\$
17.	<b>Directors and Key Management Personnel Disclosures (cont.)</b>		
	<b>Director and KMP remuneration</b>		
	Short term remuneration	626,119	518,504
	Long term remuneration	-	2,187
	<b>Total Remuneration</b>	<b>626,119</b>	<b>520,691</b>

### 18. Commitments

The Group holds an exploration tenement; EPM 26464, EPM 26560, EPM 26883 and EPM 28013 ("Tenements") in Queensland, Australia. In order to retain its current rights of tenure to the Tenements, the Company is required to comply with tenement obligations specified by the State Government, including the completion of activities-based works programs which are assessed over the life of the Tenements. There are no set annual expenditure amounts. If Tenement obligations are not met it may result in the loss of the Tenement or a reduction in the Tenement area. The Group is presently on track to meet all of its Tenement obligations.

### 19. Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable. Exposure to currency risk, interest rate and liquidity risk arises in the normal course of the business. The Group's overall financial risk management strategy is to seek to ensure that the Group is able to fund its business plans.

	Note	Current Interest rate	Fixed Interest rate	Floating Interest rate	Non-Interest Bearing	Total
			\$	\$	\$	\$
<b>Financial assets</b>						
Cash held interest bearing account	5	1.15%	-	1,283,180	-	<b>1,283,180</b>
Cash held in transaction account	5	0.00%	-	64,654	-	<b>64,654</b>
Cash held in US\$ bank account	5	0.00%	-	1,249	-	<b>1,249</b>
Cash held in trust account		0.00%	-	44	-	<b>44</b>
GST recoverable	6	NA	-	-	67,951	<b>67,951</b>
Other receivables	6	NA	-	-	7,473	<b>7,473</b>
<b>Financial liabilities</b>						
Trade and other payables	10	NA	-	-	250,451	<b>250,451</b>
			-	<b>1,349,127</b>	<b>325,875</b>	<b>1,675,002</b>

## 19. Financial Risk Management (cont.)

The Group uses various measures dependent on the types of risk to which it is exposed. These methods include cash flow at risk analysis in the case of interest rate and foreign exchange risk. Financial risk management is carried out by the Executive Chairman under policies approved by the Directors. The Directors provide written principles for overall risk management.

### Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's credit risk exposure is limited to cash and cash equivalents. Management have reduced this risk by depositing cash with financial institutions with a credit rating of AAA or higher.

### Interest rate risk

The Group's main interest rate risk arises from interest earnings on its surplus cash. The Group is exposed to interest rate risk to the extent its interest earnings may fluctuate. The impact of a 1% movement in the interest rate on the funds invested when all other variables are held constant is immaterial.

### Exchange rate risk

The Group's exchange rate risk arises from its cash deposited in a US dollar bank account. The Group is exposed to exchange rate risk to the extent that the exchange rate between US dollars and Australian dollars may fluctuate. The Group's objective is to minimise this risk through careful monitoring of the exchange rate and to draw down sufficient funds when the rate is favourable.

### Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding to meet ongoing operational requirements, exploration expenditure, and small to medium sized opportunistic projects and investments, by keeping surplus cash available.

The Group's objective is to safeguard its ability to continue as a going concern and to maintain a conservative capital structure so that management can focus on running its core business together with being an attractive investment for shareholders and potential investors. The Group will consider the most appropriate use of debt and equity to maximise its returns while maintaining a low-risk capital structure. The following is a maturity analysis of the Company's financial liabilities:

Note	Total	Less than one year	Greater than one year	Maturity Details
	\$	\$	\$	
<b>Financial liabilities</b>				
Trade creditors	10 220,864	220,864	-	Generally payable each 30 days

### Fair values

The Group has a number of financial instruments which are not measured at fair value in the Statement of Financial Position. The fair values are not materially different to their carrying amounts, since the instruments are short term in nature

## 20. Segments

During the financial year, the Group operated in the Australian mining exploration sector only.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

### 21. Parent Company Information

	2024	2023
	\$	\$
<b>Statement of Financial Position</b>		
<b>Assets</b>		
Total current assets	1,441,669	1,283,468
Total non-current assets	4,908,786	3,489,158
<b>Total assets</b>	<b>6,350,455</b>	<b>4,772,626</b>
<b>Liabilities</b>		
Total current liabilities	250,451	365,362
<b>Net assets</b>	<b>6,100,004</b>	<b>4,407,264</b>
<b>Equity</b>		
Contributed equity	20,226,465	17,784,220
Reserves	1,303,175	850,015
Accumulated losses	(15,429,636)	(14,226,971)
<b>Total equity</b>	<b>6,100,004</b>	<b>4,407,264</b>
<b>Statement of Profit or Loss and Other Comprehensive Income</b>		
Loss before income tax	(1,202,664)	(993,166)
<b>Total comprehensive loss for the year</b>	<b>1,202,664</b>	<b>993,166</b>

### 22. Auditor's Remuneration

Audit and review of the financial reports – Moore Australia Audit (WA)	39,472	37,051
<b>Total auditor's remuneration</b>	<b>39,472</b>	<b>37,051</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

### 23. Earnings Per Share

#### Basic Earnings Per Share

##### Ordinary share number 2024 financial year

	No	No Weighted Av.
Balance at the beginning of the year	44,615,748	44,615,748
Issued 26 July 2023	6,551,723	6,264,524
Issued 27 July 2023	3,982,932	3,808,338
Issued 24 December 2023	296,040	153,292
<b>Balance at end of the year</b>	<b>55,446,443</b>	<b>54,841,902</b>

##### Ordinary share number 2023 financial year

Balance at the beginning of the year	44,615,748	44,615,748
<b>Balance at end of the year</b>	<b>44,615,748</b>	<b>44,615,748</b>

Total comprehensive income for the year

Basic - cents per share

2024	2023
\$	\$
(1,203,997)	(994,036)
<b>(2.20)</b>	<b>(2.23)</b>

#### Diluted Earnings Per Share

##### Diluted ordinary share number 2024 financial year

Ordinary share number at the beginning of the 2024 financial year

Add:

Dilutive potential of options

**Diluted balance at the end of the year**

No	No Weighted Av.
55,446,443	54,841,902
-	-
<b>55,446,443</b>	<b>54,841,902</b>

##### Diluted ordinary share number 2023 financial year

Ordinary share number at the beginning of the 2023 financial year

Add:

Dilutive potential of options

**Diluted balance at the end of the year**

44,615,748	44,615,748
3,307,782	3,307,782
<b>47,923,530</b>	<b>47,923,530</b>

Total comprehensive income for the year

Diluted - cents per share

2024	2023
\$	\$
(1,203,997)	(994,036)
<b>(2.20)</b>	<b>(2.07)</b>



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

### 24. Subsequent Events

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

### 25. Contingent Assets and Contingent Liabilities

The Group has no contingent assets or liabilities at the end of the financial year.

## CONSOLIDATED ENTITY DISCLOSURE STATEMENT

For the year ended 30 June 2024

Subsidiary	Entity Type	Place of Incorporation	Ownership	Australian Tax Residency Status	Foreign Tax Residency Status
MIJ Holding Co Pty Ltd	Body corporate	Australia	100%	Australia	NA
Gunnawarra Pty Ltd	Body corporate	Australia	100%	Australia	NA
Mt Jesse Pty Ltd	Body corporate	Australia	100%	Australia	NA
Mt Pluton Base Pty Ltd	Body corporate	Australia	100%	Australia	NA
Gunnawarra Contracting Pty Ltd	Body corporate	Australia	100%	Australia	NA

## **DIRECTORS' DECLARATION**

*For the year ended 30 June 2024*

### **In the Directors' opinion;**

- the attached financial statements and notes thereto 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 thereto 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 thereto give a true and fair view of the Company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- The information included in the Consolidated Entity Disclosure Statement is true and correct.

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,



**Roger Jackson**  
Executive Chairman  
Sydney, 26 September 2024

**Moore Australia Audit (WA)**

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**Independent Auditor's Report**  
To the members of Ark Mines Ltd**Report on the Audit of the Financial Report****Opinion**

We have audited the financial report of Ark Mines Ltd (the Company) and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- i. giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

**Basis for Opinion**

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

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

**Emphasis of Matter – Material Uncertainty related to going concern**

We draw attention to Note 2 of the financial report, which describes the principal conditions that may cast doubts about the Group's ability to continue as a going concern. These conditions as explained in Note 2 indicate the existence of a material uncertainty about the Group's ability to continue as a going concern for at least the next 12 months. If the Group is unable to continue as a going concern, it may be unable to realise its assets and discharge its liabilities in the normal course of business and at amounts other than as stated in the financial report. 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.

# INDEPENDENT AUDITOR'S REPORT

For the year ended 30 June 2024



Key audit matter	How the matter was addressed in our audit
<b>Carrying value of Exploration &amp; Evaluation Expenditure Assets</b>	
<b>Refer to Note 7- Capitalised Exploration &amp; Evaluation Expenditure</b>	
<p>At 30 June 2024, the carrying value of the Group's Exploration and Evaluation assets was \$4.6 million. Total additions during the year were \$1.3 million.</p> <p>The Group is required to capitalise its exploration and evaluation expenditure and assess the capitalised expenditure (asset) for impairment in accordance with AASB 6 "Exploration for and Evaluation of Mineral Resources".</p> <p>This is a key audit matter because of the significant value attributed to the asset in the accounts and the significant management judgement involved in determining the appropriate treatment of such expenditure and if impairment indicators exist at reporting date which may suggest the carrying value is in excess of the estimated recoverable value.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>Reviewed management's records of capitalised exploration and evaluation expenditure, by area of interest, reconciled the expenditure to the general ledger and performed test of details for additions.</li> <li>Ensured the capitalised exploration and evaluation expenditure has been properly recorded in respect of each area of interest in accordance with requirements set out in AASB 6.</li> <li>Carried out a review of management's assessment of impairment indicators in accordance with AASB 6 including: <ul style="list-style-type: none"> <li>Confirmed that rights of tenure continue to exist in relation to exploration projects; and</li> <li>Discussed with management their ongoing exploration and evaluation plans in respect of significant areas of interest including budgeted expenditure over the next 12 months.</li> </ul> </li> <li>Assessed the accuracy and adequacy of any impairments recorded in respect of the year ended 30 June 2024.</li> </ul>

## Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

## Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and



- c) for such internal control as the directors determine is necessary to enable the preparation of:
- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; &
  - the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

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

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

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf). This description forms part of our auditor's report.

#### Report on the Remuneration Report

##### Opinion on the Remuneration Report

We have audited the Remuneration Report as included in the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Ark Mines Ltd, for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

##### Responsibilities

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

Wen-Shien Chai  
Partner – Audit and Assurance  
Moore Australia Audit (WA)  
Perth  
26<sup>th</sup> day of September 2024

Moore Australia Audit (WA)  
Chartered Accountants



**SCHEDULE OF TENEMENTS***As at 30 June 2024*

Exploration Licence	Title Name	Title Holder	Interest	Location	Mineral	Grant Date	Expiry Date	Status
EPM 28013	Sandy Mitchell	Ark Mines Ltd	100%	50kms northwest of Chillagoe in Northern Queensland	Rare Earths	22-August-22	21-August-27	Current
EPM 26560	Gunnawarra	Gunnawarra Pty Ltd	100%	25km west of Mt Garnet and 176km from Cairns - Queensland	Nickel / Cobalt	24-Nov-13	23-Nov-25	Current
EPM 26464	Mt Jesse	Mt Jesse Pty Ltd	100%	40kms south of Mount Garnet - Queensland	Copper / Iron	05-Oct-23	04-Oct-25	Current
EPM 26883	Mt Pluton	Mt Pluton Base Pty Ltd	100%	90km southwest of Cairns, near Mareeba - Queensland	Gold	07-Mar-19	06-Mar-25	Current

**MINERAL RESOURCES***As at 30 June 2024***As at 30 June 2024**

Sandy Mitchell	Tonnes	Monazite Eq.	Monazite	Xenotime	Zircon	Rutile	Ilmenite	TREO+Y+Sc	TREO	LREO	HREO	MREO	CREO
<b>Inferred Resource</b>													
Grade ppm	-	-	-	-	-	-	-	-	-	-	-	-	-
Tonnes	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Indicated Resource</b>													
Grade ppm	-	1,419.1	674.4	89.1	699.4	622.2	11,365.1	494.5	435.1	420.6	14.5	105.2	87.5
Tonnes	21,686,232	30,775	14,626	1,932	15,168	13,493	246,465	10,724	9,436	9,121	315	2,282	1,897
<b>Measured Resource</b>													
Grade ppm	-	-	-	-	-	-	-	-	-	-	-	-	-
Tonnes	-	-	-	-	-	-	-	-	-	-	-	-	-

**As at 30 June 2023**

Sandy Mitchell	Tonnes	Monazite Eq.	Monazite	Xenotime	Zircon	Rutile	Ilmenite	TREO+Y+Sc	TREO	LREO	HREO	MREO	CREO
<b>Inferred Resource</b>													
Grade ppm	-	-	-	-	-	-	-	-	-	-	-	-	-
Tonnes	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Indicated Resource</b>													
Grade ppm	-	-	-	-	-	-	-	-	-	-	-	-	-
Tonnes	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Measured Resource</b>													
Grade ppm	-	-	-	-	-	-	-	-	-	-	-	-	-
Tonnes	-	-	-	-	-	-	-	-	-	-	-	-	-

## MINERAL RESOURCES

As at 30 June 2024

As at 30 June 2024

Gunnawarra	Tonnes	Grade ppm.	Tonnes Metal
<b>Inferred Resource</b>			
Nickel	1,341,000	5,350	7,200
Cobalt	602,000	660	400
Copper	191,500	540	100
<b>Indicated Resource</b>			
Nickel	-	-	-
Cobalt	-	-	-
Copper	-	-	-
<b>Measured Resource</b>			
Nickel	-	-	-
Cobalt	-	-	-
Copper	-	-	-

As at 30 June 2023

Gunnawarra	Tonnes	Grade ppm.	Tonnes Metal
<b>Inferred Resource</b>			
Nickel	1,341,000	5,350	7,200
Cobalt	602,000	660	400
Copper	191,500	540	100
<b>Indicated Resource</b>			
Nickel	-	-	-
Cobalt	-	-	-
Copper	-	-	-
<b>Measured Resource</b>			
Nickel	-	-	-
Cobalt	-	-	-
Copper	-	-	-

### Summary of the results of annual review of mineral resources:

#### Sandy Mitchell

Following the completion of its Stage 2 drilling program in May 2024, the Company announced a maiden indicated Mineral Resource Estimate ("MRE") of 21,686,232.7Mt @ 1,419ppm monazite equivalent calculated using a 700 ppm MzEq lower cut-off grade reported from Stage1 drilling. There were no material changes in the MRE in the period between the May 24 announcement of the MRE and the date of this report.

#### Gunnawarra

There were no material changes in the MRE in the period between 1 July 2023 and the date of this report.

### Governance arrangements and internal controls in place with respect to mineral resource estimates:

The Gunnawarra MRE and the Sandy Mitchell MRE were determined by independent consultants HGS Australia. The use of independent consultants to determine mineral resource estimates forms the basis of the Group's governance and internal control procedures for this activity.

## ADDITIONAL ASX INFORMATION

As at 29 August 2024

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 29 August 2024.

### Twenty Largest Shareholders

The names of the twenty largest holders of quoted shares are:

N°	Shareholder	Shares	%
1	Bmax Holdings Pty Ltd	8,000,000	14.43
2	M & E Earthmoving Pty Ltd	2,616,716	4.72
3	BNP Paribas Nominees Pty Ltd <IB Au Noms Retail client>	2,446,435	4.41
4	Ms Justine Davina Michel <Lambrecht Investment A/C>	2,022,000	3.65
5	Mr Troy Wayne Johnstone	2,006,696	3.62
6	Chaleyer Holdings Pty Ltd <Rubben Family A/C>	2,000,000	3.61
7	Mr Gregory John Munyard + Mrs Maria Ann Munyard + Mrs Carmen Helene Cruz <Riviera Super Fund A/C>	1,520,000	2.74
8	Ms Justine Davina Michel <Lambrecht Investment A/C>	1,265,086	2.28
9	Mr Robert Galbraith	1,008,310	1.82
10	RJ Consolidated Pty Ltd <Super Fund A/C>	952,000	1.72
11	Mr Antony Corel	920,130	1.66
12	M Carless & Sons Pty Ltd <McArless & Sons Pl Sf No2 A/C>	689,655	1.24
13	Mr Simon William Tritton <Investment A/C>	650,000	1.17
14	Loftus Group Limited	647,139	1.17
15	Ms Jacqueline Bryer	564,082	1.02
16	Cove Street Advisors Pty Ltd	500,000	0.90
17	Robert C Galbraith	500,000	0.90
18	Mr Henry Presser	500,000	0.90
19	Mrs Susan Mary Scanlen	500,000	0.90
20	Filmrim Pty Ltd <Majufe Super A/C>	455,000	0.82
<b>Total</b>		<b>29,763,249</b>	<b>53.68</b>

### Distribution of Equity Securities

Fully paid ordinary shares

Range	Number of holders	Number of shares	%
1 - 1,000	185	76,840	0.14
1,001 - 5,000	200	577,021	1.04
5,001 - 10,000	143	1,301,055	2.35
10,001 - 100,000	224	8,375,250	15.11
100,001 – and over	96	45,116,277	81.37
<b>Total</b>	<b>848</b>	<b>55,446,443</b>	<b>100.00</b>

The number of shareholders holding less than a marketable parcel is 294

## ADDITIONAL ASX INFORMATION

As at 29 August 2024

### Distribution of Equity Securities (cont.)

Unlisted Options – expiring 26 July 2026 and exercisable at \$0.40

Range	Number of holders	Number of options	%
1 - 1,000	-	-	-
1,001- 5,000	-	-	-
5,001 - 10,000	11	99,587	1.89
10,001 - 100,000	86	3,013,212	57.21
100,001 – and over	10	2,154,518	40.90
<b>Total</b>	<b>107</b>	<b>5,267,317</b>	<b>100.00</b>

There are no holders of unlisted options holding more than 20% of this class of equity security.

### Substantial Shareholders

Substantial shareholders and the number of equity securities in which it has an interest, as shown in the Company's Register of Substantial Shareholders are:

Shareholder	Shares	%
Benjamin Emery <sup>1</sup>	8,250,000	14.88
Bmax Holdings Pty Ltd	8,000,000	14.43

<sup>1</sup>. Includes the holding of Bmax Holdings Pty Ltd.

### Class of Shares and Voting Rights

The voting rights attached to ordinary shares, as set out in the Company's Constitution, are that every member in person or by proxy, attorney or representative, shall have one vote when a poll is called, otherwise each member present at a meeting has one vote on a show of hands. No voting rights attach to any other class of equity security.

### Restricted Securities

There are no securities subject to escrow.

### On market buy-back

There is no current on-market buy back.

### Mining Exploration Tenements

Details of the exploration tenements held by the Group are included in this Annual Report on page 46.

### Mineral Resources and Ore Reserves

A table of mineral resources and ore reserves held by the Group together with a summary of the results of annual review of mineral resources, and details of the governance arrangements and internal controls in place with respect to mineral resource estimates, is included in this Annual Report on pages 47 and 48.