Kingsrose

2024 Annual Report

Redefining Responsible Exploration | Focused On Discovery

Penikat project in Spring

Redefining Responsible Exploration Focused On Discovery

Kingsrose Mining Limited ("Kingsrose" or "the Company") is a leading, technically proficient, and sustainability conscious mineral exploration company. Our core strategy centres on the discovery, acquisition, and exploration of critical mineral deposits, driven by a commitment to sustainability.

We prioritise collaboration with local stakeholders and aim to redefine responsible mineral exploration by setting new benchmarks in environmental stewardship and community engagement. At Kingsrose, we believe that true responsibility in exploration is rooted in co-design, fostering shared value and long-term positive impact.

Strategic Report

Financial Information

Additional Information

Letter from the Chairman

Kingsrose Exploration Geologists assessing drill sites at the Råna project

> "On behalf of the Board of Directors, I am pleased to present Kingsrose Mining's 2024 Annual Report."

One of the Company's significant achievements during the 2024 financial year has been the execution of **industry-leading Exploration Alliances with BHP**. This is the first public company alliance BHP has entered into resulting from its BHP Xplor initiative, and marks a major acknowledgement for Kingsrose, as it aligns us with one of the **world's largest and most respected mining companies.** The Exploration Alliances with BHP will fully fund our regional exploration activities, and their support strongly validates our strategy and approach. These Alliances also provide us with access to BHP's **extensive resources, expertise, and networks**.

During the year we have also made impactful progress on our Penikat and Råna projects.

At the Penikat project, we completed all the necessary permitting to commence drilling. However, an appeal against the granting of the Exploration Permit must be resolved prior to commencement of drilling. The granting of these permits is a crucial milestone, as Penikat represents a key asset within our exploration portfolio. The project has multimillion ounce Platinum Group Elements (PGE) resource potential, which we are keen to unlock. The permitting process was complex and required meticulous efforts from our team. We look forward to taking this highly promising project through resource definition once the appeal is resolved.

At the Råna project we completed a further season of prospecting and drilling. Subsequent to year-end we completed the drilling and expenditure commitments required to earn a 51% position in this project. The results from this years' work have been encouraging, reinforcing our confidence in the project's long-term prospects.

During the year we initiated a diligent and focused global search for a high quality, advanced stage asset to strengthen and diversify our portfolio. Our goal is to acquire a project that offers regular exploration and development activity with significant growth potential. To this end we continue to undertake disciplined reviews and assessments of numerous opportunities.

Sustainability remains at the core of our operations at Kingsrose. We are committed to maximising the positive impact on the communities where we operate. This year, we have developed and implemented approaches to understand environmental values, limit the impacts of our activities on the environment, partner with local stakeholders and rightsholders, and share benefits with host communities. This focus on sustainability not only reduces risks, but also positions Kingsrose as a responsible and forward-thinking leader in sustainable exploration and development. We believe that by embedding sustainability into our operations, we are building a stronger and more resilient company that will deliver long-term value for our shareholders and other stakeholders alike.

Kingsrose remains in a strong financial position, with a cash balance of $28.87 million as of June 30, 2024. This healthy cash position, as well as exploration funding from BHP, provides us with the flexibility to continue exploration activities at our existing projects, and pursue attractive acquisitions. Kingsrose will ensure prudent financial management to best create value and leverage our balance sheet.

As we look to FY2025, we are confident that the steps we have taken in 2024 have laid a solid foundation for continued growth and success. The mineral exploration and mining industry presents both challenges and opportunities, and Kingsrose is well-prepared to navigate this dynamic environment. Our focus will remain on delivering value to our shareholders through disciplined exploration and acquisition strategies, strategic alliances, and sound financial management.

In closing, I would like to express my gratitude to our dedicated team, our partners, and our shareholders for their continued support. Together, we have made major progress in 2024, and I am excited about the opportunities that lie ahead for Kingsrose.

Thank you for your ongoing trust, support and confidence in Kingsrose.

Sincerely,

Mike Andrews
Non-Executive Chairman

FY2024 Highlights

Operations

Kingsrose Exploration Geologist logging core at the Råna core shed

Råna project

>70% drill holes deliver significant intercepts

Highlight drill results:

- Best grade*thickness (Ni% x metres) = 18.9
- Highest grade interval = 3.2% Ni over 0.6m

880 line kilometres geophysics flown

4,319m drilled

Penikat project

Permits received include:

- Water Abstraction Permit
- Ministry of Environment Derogation Permit to operate in a Mire Conservation Area
- Tukes Exploration Permit to drill (appealed)
- Positive statements from the regional environmental regulator (ELY) and the landowner (Metsähallius)

BHP Alliances

BHP

2,736 km^2 (Norway)

993 km^2 (Finland)

Staked across both Alliances totalling 3,729 km^2

Industry-leading Exploration Alliances:

Project Generation Phase: BHP to sole fund up to US\$20 million (\$30 million*) in regional generative exploration over up to four years

*Foreign exchange rate of 1.5 Australian Dollars ($) to 1 United States Dollar (US$)

FY2024 Highlights

Sustainability

Norwegian Flora and Fauna expert in the field at the Finnmark project

Biodiversity

- 4 Ecological field inspections
- 2 Desktop flora and fauna surveys
- 3 Field flora and fauna surveys
- 2 Impact Assessments (Natura 2000)

Water Stewardship

- 2 Project areas sampled
- 23 Samples collected and analysed

Rights of Indigenous Peoples

- 1 Protect Sápmi workshop
- >50 Interactions with Indigenous Peoples

Economic Impacts and Employment

- 3 Finnmark project local* team members
- 6 Råna project local* team members
- 1 Penikat project local* team member
- $1.2m Spent in local communities

*Live within 100km of projects

Local Communities

- 6 Community meetings (>170 attendees)
- 6 Regulatory meetings
- >70 Individual interactions

FY2024 Highlights

Health, Safety and Risk Management

Kingsrose Exploration Geologist carrying out safety checks at Råna project drill site

20,214	Total hours worked
1	Lost time injuries
49	Lost time injury frequency rate (LTIFR)
2	Significant potential incidents
49	Total recordable injury frequency rate (TRIFR)
2	Near misses
27	Corporate risks identified

Financial Review

Income Statement

The Group recorded a net loss after tax for the year ended 30 June 2024 of $3,860,815 (2023: net loss after tax $6,875,757), largely contributed by the following significant items:

- Corporate and operational support costs of $5,401,668 (2023: $5,279,644).
- These significant items were positively offset by a realised net foreign exchange gain of $353,936 (2023: net gain of $1,166,532), and bank interest from term deposits of $1,283,730 (2023: $1,092,716). The foreign exchange gain arose mainly from the revaluation of its foreign currency denominated monetary assets and liabilities, driven by a weaker Australian dollar against the United States dollar during the period.

Financial Position

At 30 June 2024 the Group's net assets were $36,517,187 (2023: $39,942,135).

Assets

At reporting date, the Group's total current assets were $28,987,605 which represents a decrease of $5,077,957 over the year ended 30 June 2023. This movement was primarily driven by a decrease of $4,973,496 in cash and cash equivalents, represented by net outflows of $7,599,019 less funds of $2,625,523 provided by BHP under the Exploration Alliance agreements that is yet to be spent, a decrease of $82,068 in tax receivable, and $31,888 in other current assets, offset by increases of $9,495 in trade and other receivables.

Non-current assets of the Group stood at $11,520,106 at balance date, $4,206,215 greater than the balance at 30 June 2023, mainly due to capitalisation of exploration expenditure.

Liabilities

At reporting date, the Group's total liabilities were $3,990,524 which represents an increase of $2,553,206 over the year ended 30 June 2023, mainly due to the funding provided by BHP under the Exploration Alliance agreements and which is yet to be spent.

Group Cash Flows and Liquidity

At 30 June 2024 the Group held cash and cash equivalents of $28,866,934 (2023: $33,840,430).

Cash flow from operating activities for the year ended 30 June 2024 was a net cash outflow of $761,578, primarily due to disbursements during the year for corporate, operational support, offset by interest income and unspent funds received by BHP.

Cash flow from investing activities for the year ended 30 June 2024 was a net cash outflow of $4,047,908, primarily due to disbursements during the year for exploration expenditure.

Cash flow from financing activities for the year ended 30 June 2024 was a net cash outflow of $67,716 related to repayment of lease liabilities.

Forward Looking Statements

Kingsrose Mining Limited has prepared this report based on information available to it.

No representation or warranty, expressed or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this report. To the maximum extent permitted by law, none of Kingsrose Mining Limited, its directors, employees or agents, advisers, nor any other person accepts any liability, including without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this report or its contents or otherwise arising in connection with it.

The information contained in this report contains forward looking statements and forward-looking information, which are based on assumptions and judgements of management regarding future events and results. Such forward looking statements and forward-looking information involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward looking statements. Such factors include, among others, the actual market prices of commodities, the actual results of current exploration, the availability of debt and equity financing, the volatility in global financial markets, the actual results of future mining, processing and development activities, receipt of regulatory approvals as and when required and changes in project parameters as plans continue to be evaluated.

The information relating to the Penikat Exploration Target is extracted from the ASX Announcement entitled "EXPLORATION TARGET ESTIMATED FOR THE PENIKAT PROJECT, FINLAND" created on 28 June 2022, prepared by Jeremy Witley as the Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves" and is available to view on www.kingsrose.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to Exploration Results at Råna, Penikat, Finnmark and Central Finland projects, is based on information compiled under the supervision of Andrew Tunningley, who is a Member and Chartered Professional (Geology) of the Australasian Institute of Mining and Metallurgy and is a full-time employee as Head of Exploration for Kingsrose Mining Limited. Mr Tunningley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves." Mr Tunningley consents to the inclusion in this report of the matter based on his information in the form and context in which it appears.

Information relating to Exploration Results at Råna, Penikat, Finnmark and Central Finland projects, is extracted from the following ASX announcements available to view on www.kingsrose.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the below market announcements (refer to page 10).

Råna

18 January 2023	Kingsrose Enters Transaction on the Brownfield Råna Nickel-Copper-Cobalt Project, Norway
6 March 2023	Kingsrose Expands Exploration Footprint at the Råna Nickel-Copper-Cobalt Project, Norway
25 July 2023	Kingsrose Announces First Completion of the Company's Staged Investment into the Råna Project
4 September 2023	Kingsrose Reports Nickel-Copper-Cobalt Drill Intercepts at Bruvann, Råna Nickel Project, Norway
23 October 2023	Kingsrose Intersects 9.3 Metres at 1.0 % Nickel and 0.3 % Copper at Newly Discovered Sulphide Zone, Råna Project, Norway
5 February 2024	Kingsrose Intercepts New Zones of Nickel Sulphide Mineralisation at The Råna Project, Norway
4 March 2024	Kingsrose Announces Exercise of Option to Further Consolidate Råna Project Ownership
25 July 2024	Kingsrose to Commence Drilling at Råna Nickel-Copper-Cobalt Project, Norway

Penikat

28 June 2022	Exploration Target Estimated for Penikat Project, Finland
14 June 2024	Kingsrose Receives Ministry of Environment Permit for Drilling Penikat Project, Finland
2 July 2024	Kingsrose Receives Exploration Permit for Drilling Penikat Project, Finland
12 August 2024	Kingsrose Announces Appeals Lodged Against Exploration Permit for Drilling Penikat Project

BHP Alliances

4 September 2023	Kingsrose Consolidates Belt Scale Nickel-Copper-PGE Exploration Project in Northern Norway
22 May 2024	Kingsrose And BHP Enter Industry-Leading Exploration Alliances

Råna landscape

Operations Report

Kingsrose and local partner's Heliteam and Geovisor conduct geophysics at the Råna project

Overview

Kingsrose is exploring for nickel, copper and PGEs at four project locations across Norway and Finland (**Figure 1**). Our strategy also includes a systematic and sustained business development programme aimed at identifying opportunities for value creation through mergers and acquisitions or joint ventures, focusing on critical and precious metals projects.

Kingsrose team driving to Finnmark project

During the 2024 financial year, Kingsrose:

Completed its first geophysical and core drilling programmes at the Råna nickel-copper-cobalt project, Norway, with significant intercepts in new zones of mineralisation at both the Bruvann and Rånbogen prospects (**Figures 8 to 12**). The Company also exercised its option to purchase 100% of Råna Nickel AS to consolidate ownership of the entire Råna project (see ASX announcement dated 4 March 2024).

Entered into industry-leading Exploration Alliances with BHP in Finnmark (northern Norway) and Central Finland (**Figures 2 and 3**), with committed year one expenditure of $7.5 million*.

Received a positive statement on the Natura 2000 Report from the regional environmental regulator (ELY) (see ASX announcement dated 24 January 2024), and the landowner (Metsähallius). The Company also received an Exploration Permit for Area 1 at the Penikat project, Finland from Tukes (see ASX announcement dated 2 July 2024). The Company received an appeal against the granting of the Exploration Permit, which will be heard in the Administrative Court (see ASX announcement dated 12 August 2024).

Continued a systematic business development programme targeting mergers, acquisitions and joint ventures of an advanced stage exploration project to complement the existing portfolio.

*Foreign exchange rate of 1.5 Australian Dollars ($) to 1 United States Dollar (US$)

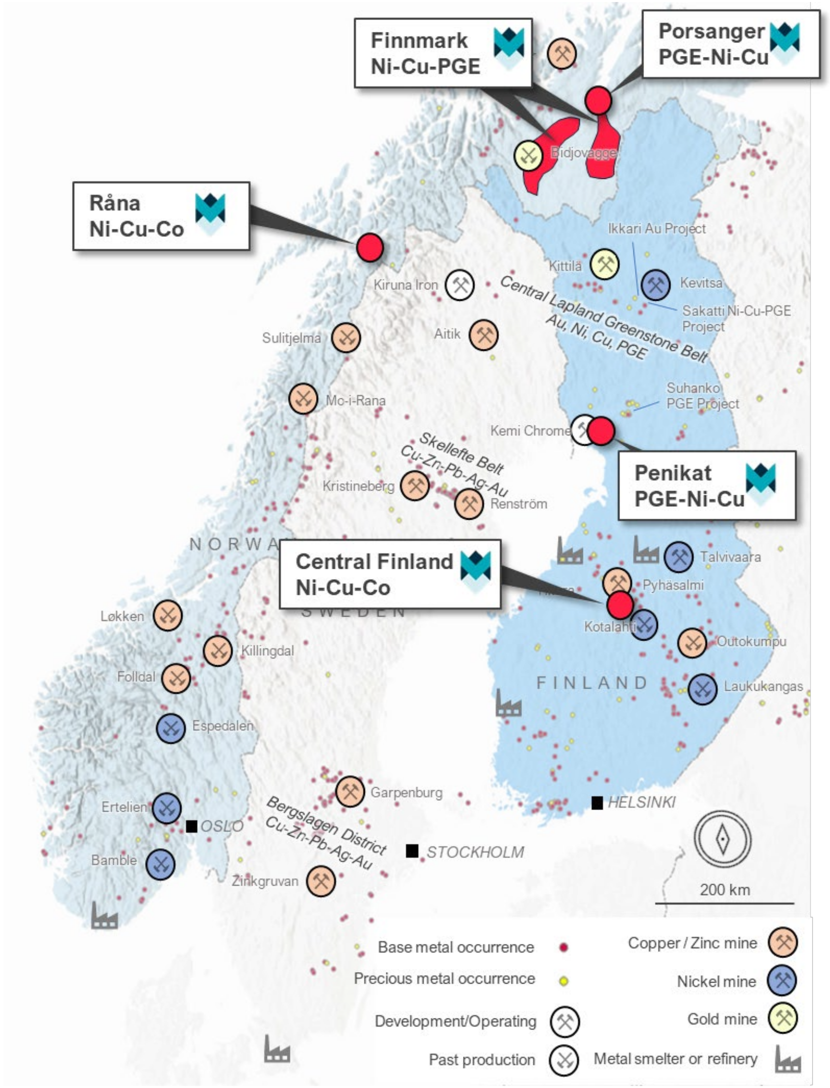


Figure 1: Kingsrose project locations.

BHP Alliances

On 22 May 2024, Kingsrose announced it had entered into Exploration Alliance agreements ('Alliances') with BHP (through a wholly owned subsidiary), under which BHP will provide funding for regional mineral exploration across areas of interest in Norway and Finland (**Figures 2 and 3**). This followed on from the Company's successful participation in the BHP Xplor programme (see ASX announcement dated 18 January 2023).

Under the Project Generation Phase of the Alliances, US$5 million ($7.5 million*) will be allocated to exploration activities prior to 31 March 2025, allowing Kingsrose to carry out large generative exploration campaigns in the regions.

The combined terms of the Alliances include:

- **Project Generation Phase:** BHP to sole fund up to US$20 million ($30 million*) in regional generative exploration over up to four years across belt scale areas of interest in Norway and Finland for the exclusive right to select targets to progress to Defined Projects status.
- **Earn-In Phase:** In respect of each Defined Project, BHP may earn up to 75% in two stages funding up to a further US$35 million ($54 million) over seven years from commencement of the Earn-in Phase.
- **Joint Venture Phase:** Thereafter, subject to BHP exercising the option to establish a joint venture, the parties will fund joint venture activities on a pro-rata basis. If either party's interest in a joint venture dilutes below 10%, their interest in the Joint Venture will be converted to a 2% net-smelter royalty.
- Kingsrose will operate the Alliances during the Project Generation and Earn-In Phases and will be entitled to charge a management fee to cover overhead costs associated with the Alliances.
- Kingsrose and BHP hold mutual rights of first refusal on the sale of any equity interest in the Joint Venture company or dilution royalty.
- The Alliances exclude Kingsrose's Penikat project and Råna project, which Kingsrose will continue to advance independently.

*Foreign exchange rate of 1.5 Australian Dollars ($) to 1 United States Dollar (US$)

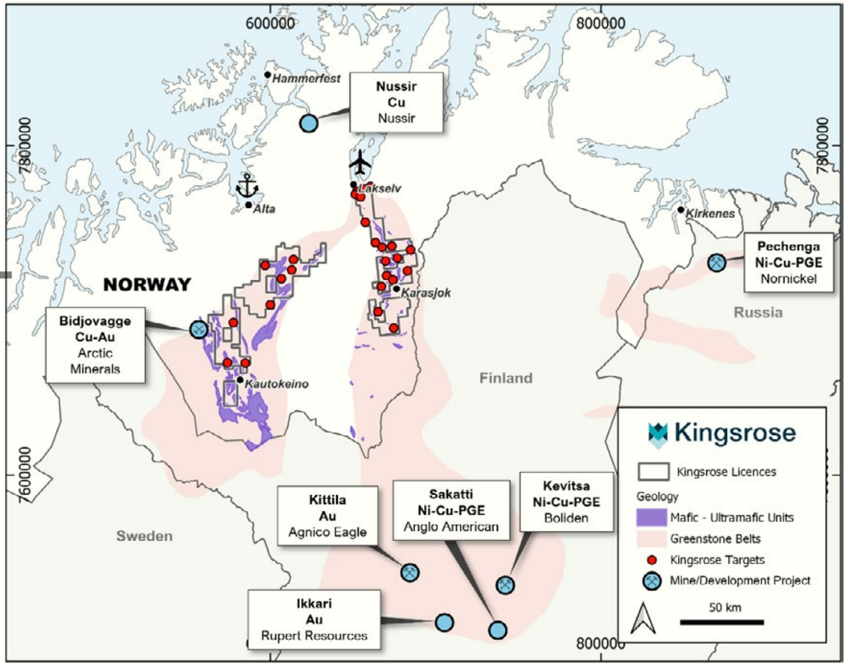


Figure 2: Location of Norwegian Alliance Tenements, Kingsrose exploration targets, and regional mining projects.

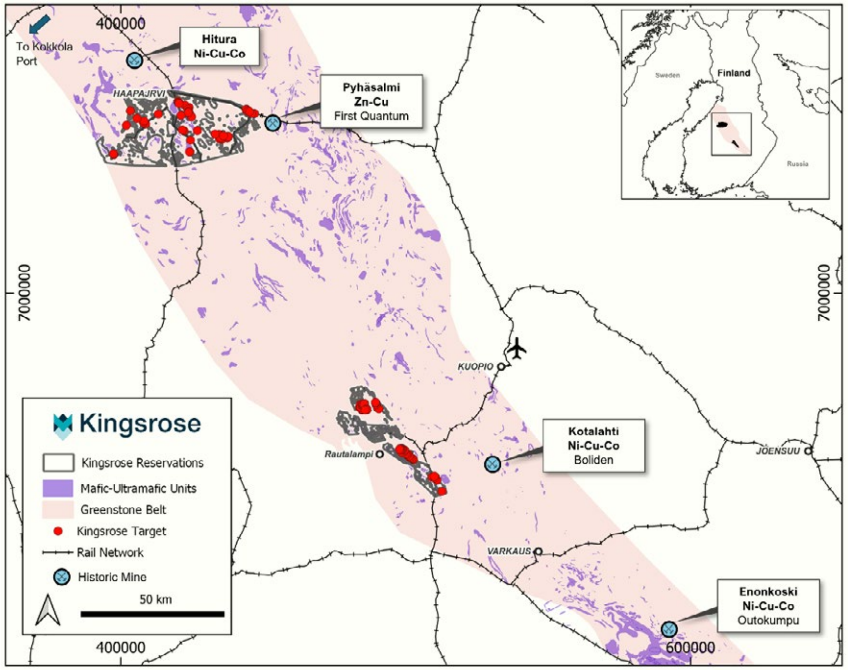


Figure 3: Location of Central Finland Alliance Reservations, Kingsrose exploration targets, and regional mining projects.

Finnmark project

The Alliance's work programmes are designed to systematically explore on a regional scale to generate camps of targets which will be prioritised for detailed follow up mapping, sampling and geophysical surveys, leading to the identification of drill targets (**Figure 4**). Exploration within the Alliance's areas of interest is at various stages of the exploration process.

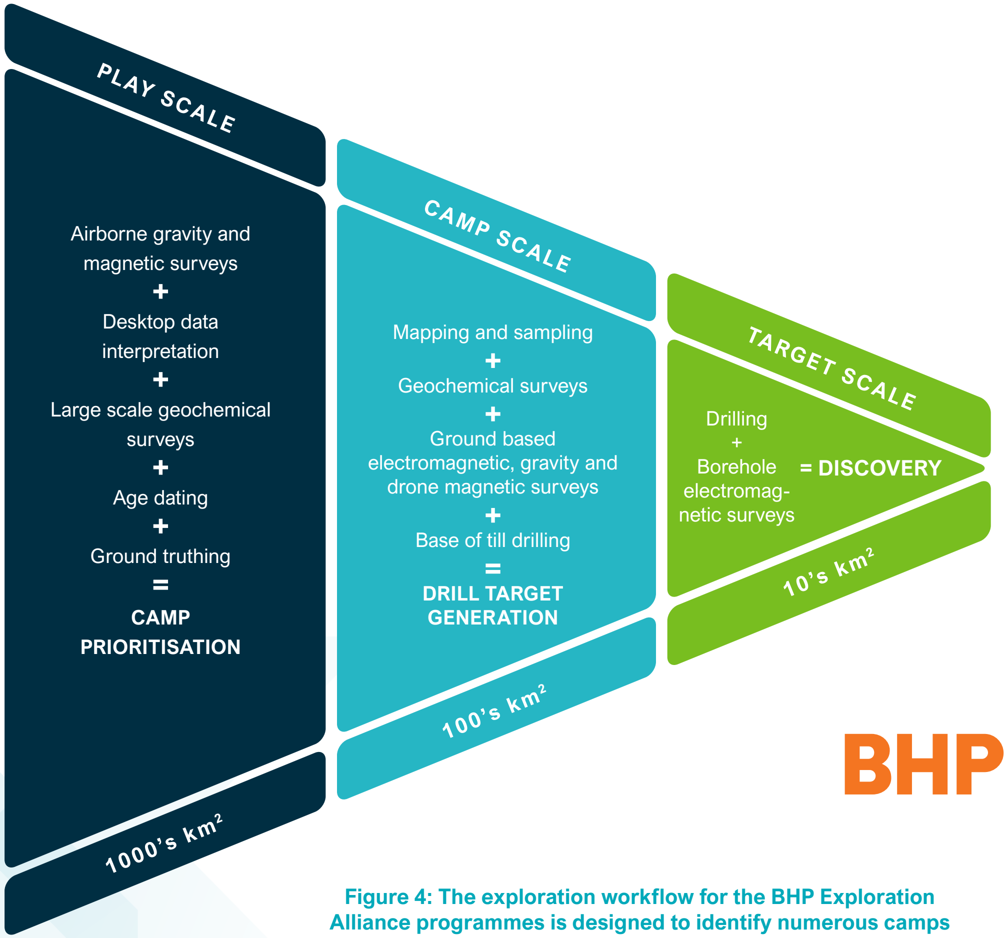


Figure 4: The exploration workflow for the BHP Exploration Alliance programmes is designed to identify numerous camps and target areas on a regional scale, and to systematically reduce scale to generate drill targets and potential new discoveries.

BHP Alliance - Norway

28	29	78	45
Ni	Cu	Pt	Pd

In Norway, Kingsrose's exploration licences cover a combined strike of over 200 kilometres of prospective greenstone belt geology that is the under explored continuation of the Central Lapland Greenstone belt ('CLGB') in Northern Finland. The CLGB is host to significant gold deposits, such as Agnico Eagle's Kittilä mine (Europe's largest gold mine) and the Ikkari deposit recently discovered by Rupert Resources, as well as Europe's largest nickel-copper-PGE deposits including Boliden's operating Kevitsa mine and the more recently discovered Sakatti nickel-copper-PGE project owned by Anglo American.

Location and Tenure

The Finnmark project is located in Finnmark County, northern Norway and covers two sub-parallel geological belts: the Karasjok (Kárášjohka) and the Kautuokeino (Guovdageaidnu) greenstone belts. The towns of Alta and Lakselv are located north of the project areas, and are served by local airports and a port at Alta. The smaller towns and municipal centres of Kautokeino (Guovdageaidnu) and Karasjok (Kárášjohka) are centrally located within each geological belt and are accessed by the national road network.

Kingsrose has staked 281 exploration licences totalling 2,674 km^2 in Finnmark, in addition to the Porsanger (Porsáŋgu) licences acquired from Element-46 Ltd in 2021.

A 0.5% state royalty is payable to the Norwegian state. An additional 0.25% royalty is payable on licences in Finnmark County.

The project is subject to regional, national, and international legislation due to recognition of Sámi rightsholders in the Finnmark Act, the Minerals Act, and the Norwegian Constitution, which is reflected by ratification of International Labour Organisation (ILO) Convention 169, which recognises Sámi as Indigenous Peoples. However, a clear process exists to receive permission to undertake exploration activities and gain a social licence to explore, including escalation to relevant statutory bodies.

To improve management of these complexities, Kingrose actively engages with stakeholders (including Sámi), undertakes cultural heritage surveys, completes biodiversity assessments, advances understanding of traditional land use, and develops/agrees impact and benefit sharing mechanisms as early as possible in the exploration programme.

Finnmark project

Xcalibur Cessna 208B Grand Caravan equipped with Falcon AGG system on arrival at Lakselv Airport, Finnmark

Geology and Mineralisation

The Palaeoproterozoic Karasjok (Kárášjohka) and Kautokeino (Guovdageaidnu) belts developed during a protracted, multi-phase rifting event between 2.5-1.98 billion years ago (Ga) and comprise a supracrustal volcano-sedimentary stratigraphic pile metamorphosed to greenschist and amphibolite facies during the Svecofennian Orogeny. Geochronological work suggests the Karasjok (Kárášjohka) and Kautokeino (Guovdageaidnu) belts are an extension of the Central Lapland Greenstone Belt in Finland. Regionally, there are five major magmatic events occurring at 2.44 Ga, 2.20 Ga, 2.15 Ga, 2.05 Ga and 1.98 Ga, all of which are documented in Finnmark. Major magmatic sulphide systems are associated with three of these events in the northern Fennoscandian Shield:

- 2.44 Ga layered intrusions containing reef and contact-type PGE-nickel-copper deposits, such as at the Penikat project and Suhanko in Finland.
- 2.05 Ga mafic-ultramafic intrusions hosting magmatic nickel-copper-PGE deposits, such as Sakatti and Kevitsa. Two intrusions in the Karasjok Belt, Gallujavri and Porsvann, have been dated at 2.05 Ga and each contain disseminated PGE-copper-nickel bearing sulphide mineralisation.
- 1.98 Ga komatiites hosting magmatic nickel-copper deposits, such as the giant Pechenga camp in the Kola Peninsula of Russia.

Kingsrose's work has focused on detection of mafic-ultramafic intrusions with potential to host magmatic nickel-copper-cobalt-PGE deposits.

Geological Work

The initial work planned to generate targets for FY2025 follow up includes:

- **A regional airborne gravity** gradiometry survey which will be flown over camp-scale priority areas across the Karasjok (Kárášjohka) and Kautokeino (Guovdageaidnu) greenstone belts, to increase existing data resolution. Within these camps, Kingsrose has interpreted multiple potential mafic-ultramafic intrusions and komatiites prospective for copper-nickel-PGE mineralisation. Airborne gravity is a key tool for identifying potential mafic-ultramafic lithologies masked by willow glacial till cover.
- **Geological mapping** and rock chip sampling to prospect existing exploration target areas and following up new targets generated by the 2024 regional gravity survey.
- **Soil sampling** over mafic-ultramafic intrusions, identified during desktop studies and ground-truthed during reconnaissance fieldwork, to identify mineralisation and aid ranking of camps for follow-up ground electromagnetic (EM) geophysical surveys.
- **Intrusion age dating** through a collaboration with the Norwegian Geological Survey (NGU) is ongoing for several intrusions within Kingsrose exploration licences. Recent results showing that the Porsvann (2.06Ga ± 6Ma) and Gallujavri (2.05Ga ± 8Ma) intrusions within the Karasjok Belt have been dated at similar ages to several mines and deposits within the Central Lapland Greenstone Belt (Sakatti 2.06Ga ± 8Ma, Kevitsa 2.06Ga ± 4Ma) and form part of a significant copper-nickel-PGE mineralising event in northern Fennoscandia. This is highly encouraging as to the prospectivity of the Kingsrose exploration licences.
- **Ground EM** surveys are planned for winter 2024-2025 to follow up target areas generated from the above work and explore for conductive anomalies which may represent copper-nickel massive sulphide bodies.

Permitting

An important step in managing the permitting processes for the Finnmark project is developing, refining and updating a permitting roadmap. While Norway has a mature regulatory process, exploration within the Finnmark region has been limited historically and as Kingsrose activities advance, knowledge of the permitting processes is also advancing. Currently Kingsrose holds exploration licences which allow non-invasive exploration techniques. Kingsrose has successfully obtained snowmobile, all terrain vehicle (ATV) and helicopter dispensations to support geophysical and prospecting programmes, however an ATV motor dispensation licence was also recently refused in Karasjok (Kárášjohka) Municipality. This is subject to an appeal and reapplication by Kingsrose. Additionally, Kingsrose applied for a Special Permit to drill at the Karenhaugen (Kárenašvárri) prospect which was subject to Sámi rightsholder's appeal and is currently waiting to be heard and ruled upon by the King in Council.

While understanding the permitting process is an essential statutory requirement, voluntary stakeholder and rightsholder communication supports this process. Kingsrose staff work tirelessly to identify stakeholders and rightsholders, providing clear communication about their approach, potential impacts and benefits, strategies for mitigating impacts, and ways to realise potential benefits.

Kingsrose Exploration Geologist mapping at the Finnmark project in Summer 2024

BHP Alliance - Finland

28 **Ni** 29 **Cu**

In Finland, Kingsrose has been granted four exploration reservations at the Central Finland project in the Kotalahti Nickel Belt, a 400 kilometre long greenstone belt which hosts the past producing Hitura, Kotalahti and Enonkoski nickel mines. Syn-orogenic mafic-ultramafic intrusions were emplaced approximately 1.88 billion years ago, a globally significant age for nickel-copper districts including the Raglan and Thompson districts, respectively located in Quebec and Manitoba, Canada. Desktop targeting and field reconnaissance has defined 14 initial camps across the four exploration reservations.

Location and Tenure

The Central Finland project comprises four reservations totalling 993.1 km^2 which are 100% held by Kingsrose Exploration Oy, a 100% owned subsidiary of Kingsrose Mining Ltd:

- Haapajärvi, VA2023:0042
  Expires 21 April 2025
- Kerkonkoski, VA2023:0058
  Expires 30 May 2025
- Kerkonkoski Etela, VA2023:0059
  Expires 30 May 2025
- Suonenjoki, VA2023:0057
  Expires 30 May 2025

The project is located in South-Central Finland, in a sparsely populated area which includes small towns, villages, forestry and farmland, as well as summer cabins and lakes used for recreation. The region includes multiple past producing mines including the nickel-copper-cobalt Hitura, Kotalahti and Enonkoski mines, and the copper-zinc Pyhsalmi mine. The area is covered by national highway, forestry tracks, and a rail network which partially served the past producing mines, providing access to coast and port infrastructure.

Geology and Mineralisation

Kingsrose is exploring for mafic-ultramafic syn-orogenic chonolith associated nickel-copper massive sulphide deposits. The belt is also prospective for copper-zinc VMS deposits.

The Kotalahti belt lies on the margins of the Svecofennia and Karelia provinces of the Fennoscandian Shield. It is a geologically complex area composed of Archean to Proterozoic metavolcanic, metasedimentary rocks and granitoids. Metasedimentary rocks, which include quartzites, phyllites, and greywackes; and volcanic rocks which include basaltic and andesitic lava flows, volcanic breccias, and tuffs, were deposited around 1.95-1.88 Ga and were intruded by 1.89-1.88 Ga syndeformational and 1.88-1.87 post-deformational granitoids (Hölttä et al., 2019). The area has been subject to varying degrees of deformation and metamorphism which largely occurred during the 1.9 to 1.8 Ga Svecofennian orogeny.

Mafic-ultramafic intrusions are known to occur throughout central and southern Finland in the Svecofennian province, however most intrusions bearing nickel are confined to the Kotalahti and Vammala belts. The nickel deposits of the Kotalahti belt are associated with 1.88 Ga mafic and ultramafic intrusions.

Intrusions are generally related to major transtensional shear zones active during the Svecofennian arc–Archean craton collision but were emplaced during peak deformation and metamorphism of the Kotalahti belt. This resulted in variable settings, levels of deformation and geometry of the intrusions. In the Kotalahti belt, intrusions are commonly observed to be up to several kilometres long and a few hundred metres wide at surface (Makkonen 2015). Nickel-bearing mafic and ultramafic intrusions are mainly found within migmatitic mica gneisses but are also known to occur within Archean gneisses or Paleoproterozoic rocks of the craton margin sequence including quartzites, limestones, calc-silicate rocks, black schists, and amphibolites.

The area is largely overlain by glacial till, between 10 metres and >70 metres thick.

Kingsrose Exploration Geologist carrying out soil sampling at the Haapajärvi Reservation

Kingsrose Exploration Geologist carrying out mapping at the Haapajärvi Reservation

Geological Work

The regional target generation programme conducted under the BHP Xplor Programme led Kingsrose to stake 993.1 km^2 of exploration reservations in the Kotalahti Nickel-Copper Belt, Central Finland (see ASX announcement dated 22 May 2024). Fourteen high priority camps have been selected through the application of a mineral systems framework, with the following work programme designed to generate targets for drill testing.

- **Drone and ground magnetic** surveys over mapped mafic-ultramafic intrusions to better define intrusion extents and structural features.
- **Geological mapping** and rock chip sampling of mapped mafic-ultramafic intrusions, and investigation of geochemical signatures to identify prospective intrusions.
- **Soil sampling** over mafic-ultramafic intrusions identified during desktop studies and ground-truthed during reconnaissance fieldwork to identify mineralisation and aid in prioritising targets for follow-up ground EM surveys and base of till drilling.
- **Ground EM** surveys planned for Q4 2024 to search for indications of conductive massive sulphide bodies associated with prospective targets.

Permitting

An important step in managing the permitting processes for Central Finland is developing, refining and updating a permitting roadmap. Exploration within the central Finland region is common and as a result, the permitting process is relatively simple and well-defined.

Penikat Project, Finland

45 Pd	78 Pt	28 Ni	29 Cu

Location and Tenure

The Penikat project is located 25 kilometres east of the town of Kemi and associated port with rail connections. The port is used to export nickel and copper concentrates from other Finnish operations. The Penikat project comprises three exploration permit applications and two reservation notifications totalling 20 km^2 (**Figure 5**). Kingsrose owns 100% of the project through its subsidiary Kingsrose Exploration Oy. The project is subject to a 1% Net Smelter Royalty (NSR) payable to Mr Andrew Dacey (the project vendor).

Geology and Mineralisation

The Penikat project is a mafic-ultramafic intrusion hosted PGE-nickel-copper deposit.

The Penikat project intrusion is >20 kilometres long and 1 to 3 kilometres thick and is part of the larger 300-kilometre-long Tornio-Narankavaara belt which contains >20 mafic-ultramafic intrusions. The Penikat project intrusion has been divided into five layered megacyclic units (MCU-I to MCU-V), composed of alternating sequences of bronzite, pyroxenite, gabbronorite, gabbro and anorthosite cumulates. The intrusion dips between 45° and 60° to the west. Mineralisation occurs in three sub-parallel reefs, all of which are hosted in MCU-IV and are each spatially and temporally related to compositional reversals.

Within the Penikat project area, historically the mineralised reefs have been mapped over a cumulative strike length of approximately 25 kilometres, average 1.5 metres thick, and are composed of disseminated sulphide (pyrrhotite, pentlandite, chalcopyrite and bornite) mineralisation hosted in websterite, gabbronorite and anorthosite. Chromite and silicate type PGE mineralisation is also observed.

The reefs are termed, from the lowermost to uppermost, as the SJ, AP and PV reefs. The SJ and AP reefs are typically 450 metres apart, and the AP and PV reefs are typically 850 metres apart. Locally the reefs may pinch and swell, with the AP reef recording >20 metre thickness over <100 metres strike at the colloquially termed 'AP Ballroom' structure.

Geological Work

Exploration work at the Penikat project has focused on interpreting and validating historical results by way of an extensive drill core relogging and resampling exercise.

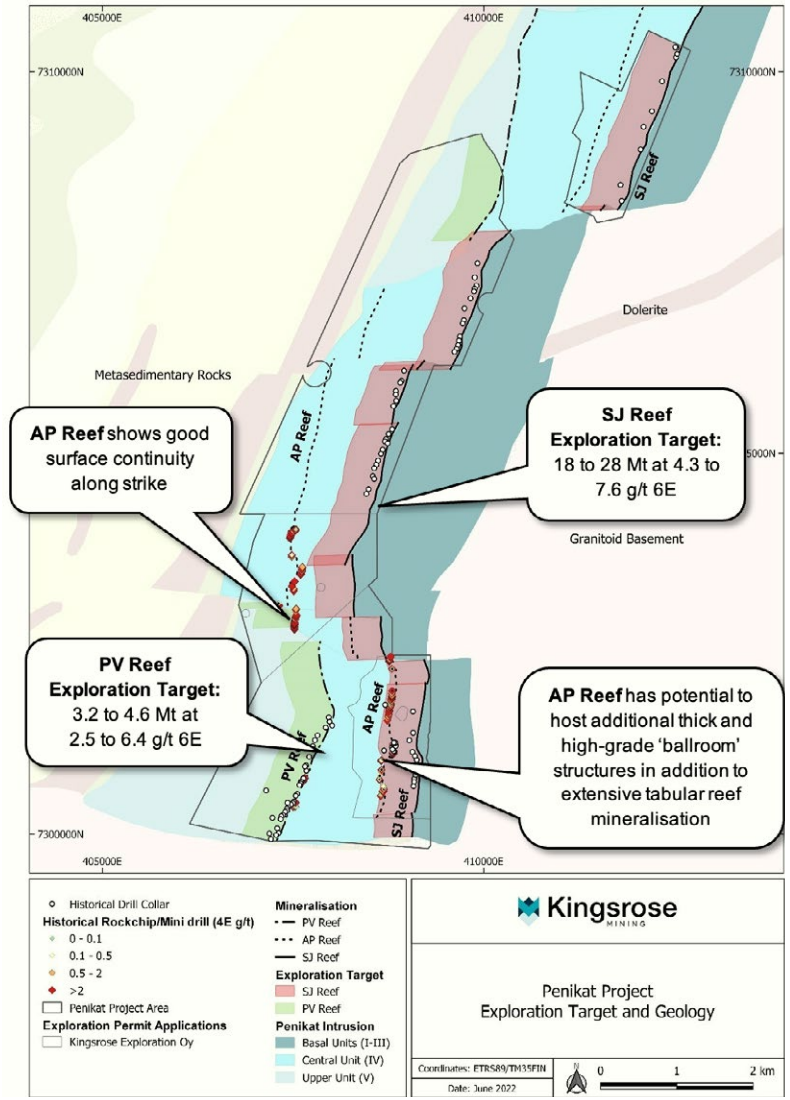


Figure 5: The Penikat project geology and exploration target.

This work confirmed the presence of high-grade platinum and palladium as well as showing that the deposit contained significant concentrations of the high value, rare precious metals rhodium and iridium, as announced to the ASX on 10 November 2021, 24 November 2021, 14 March 2022 and 5 May 2022. As a result of the interpretation and validation work, an independent JORC compliant Exploration Target was estimated for the Penikat project and announced to the ASX on 28 June 2022:

JORC Exploration Target

JORC Exploration Target range of 21 to 32 million tonnes at 4.0 to 7.4 g/t 6E, for 2.8 to 7.7 million ounces 6E (6E = the sum of platinum, palladium, rhodium, iridium, ruthenium and gold) *

**The potential quantity and grade of the (Platinum Group Elements) mineralisation at the Penikat project is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.*

- Exploration Target ranks the Penikat project as one of the highest-grade PGE exploration projects globally.
- Mineralisation occurs from surface and estimation of the Exploration Target was limited to 500 metres depth, whereas regional seismic data and geological interpretations suggest a depth potential of at least 1 kilometre, as is commonly seen in similar deposits globally.
- Exploration Target estimation was limited to the SJ and PV Reefs which are exposed over a strike of 10 and 3.6 kilometres respectively on Kingsrose tenure. The AP Reef was not included due to insufficient distribution of historical drilling however it is exposed over approximately 8 kilometres of strike and includes the “ballroom” feature where drill hole resampling returned 8.8 metres at 8.1 g/t Pd, 2.3 g/t Pt, 0.2 g/t Rh, 0.5 g/t Au, 0.5% Cu and 0.2% Ni from surface (ASX Announcement dated 5 May 2022).
- The Exploration Target was prepared by Jeremy Witley, Head of Department – Mineral Resources, MSA Ltd (South Africa). Mr Witley has 33 years’ experience in Mineral Resource estimation, exploration and mine geology on PGE deposits hosted in the Bushveld (South Africa) and Great Dyke (Zimbabwe) intrusions, which are layered intrusions characterised by strong continuity of mineralisation, similar to the Penikat project.

Permitting

The Company received a positive statement from the regional environmental regulator (ELY) (see ASX announcement dated 24 January 2024). A positive statement was also received from the landowner (Metsähallius). The Company received a Derogation Permit from the Ministry of the Environment for Area 1 at the Penikat project, which allowed the Exploration Permit granting authority ‘Tukes’ to process the Company’s application for an exploration permit (see ASX announcement dated 14 June 2024). The exploration permit for Area 1 at the Penikat project was subsequently granted by Tukes on 2 July 2024 (see ASX announcement dated 2 July 2024).

The Company received an appeal against the granting of the Exploration Permit, which will be heard in the Administrative Court (see ASX announcement dated 12 August 2024). It is not uncommon for NGOs to appeal against granting of exploration permits in Finland. The appeal will be heard in the Northern Finland Administrative Court and will include statements from relevant authorities such as the mining regulator (Tukes). Additionally, Kingsrose will have the opportunity to provide a rejoinder to address the points raised in the appeal.

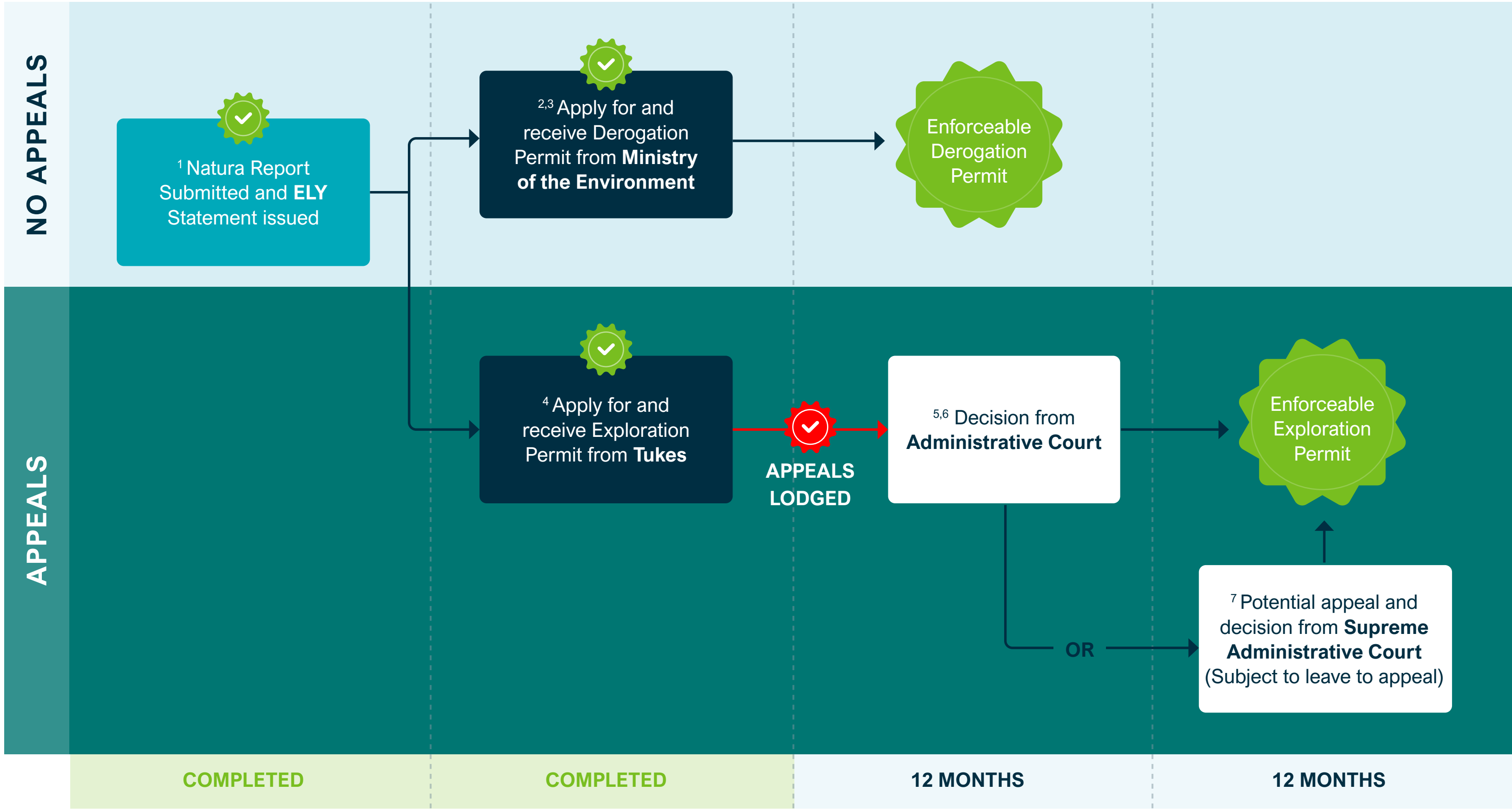

Penikat project flora surveys are complete and shared in the Natura 2000 report

Kingsrose expects the Administrative Court to render its decision approximately 12 months following lodgement of the appeal. It is therefore expected that drilling at Area 1 of the Penikat project may not commence until around December 2025.

A similar process of Derogation Permit and Exploration Permit application is underway for Areas 2 to 5, with Kingsrose's submission planned for FYQ2 2024.

An important step in managing the permitting processes for the Penikat project is developing, refining and updating a permitting roadmap. Permitting steps and timeline within a Natura 2000 site in Finland, and the Penikat project progress to date is included within **Figure 6**.

As appeals have been received against the granting of the Exploration Permit, these will be heard within the Northern Finland Administrative Court. The appeals lodged against the granting of the Exploration Permit will delay its enforceability and Kingsrose's right to drill at Area 1 of the Penikat project until the appeals process has concluded.



Explanatory Notes:

1 Kingsrose received a positive Statement from ELY in January 2024.
2 Kingsrose received the Derogation Permit from the Ministry of Environment in June 2024.
3 No appeals were lodged against the Derogation Permit.
4 Tukes awarded the Exploration Permit on 27 June 2024.
5 Appeals were lodged to the Administrative Court against the Exploration Permit.
6 The Administrative Court decision is expected to take approximately 12 months.
7 An appeal to the Supreme Administrative Court is subject to leave to appeal.

Figure 6: Permitting steps and timeline within a Natura 2000 site in Finland, and the Penikat project progress to date.

Should the Administrative Court uphold the Exploration Permit, and unless the Supreme Administrative Court issues a prohibition, the Exploration Permit will become enforceable following the Court's decision.

Figure 7 provides a summary of the appeals process through the Administrative Court and the Supreme Administrative Court.

While escalation to the Supreme Administrative Court is possible, the escalation is subject to leave to appeal, which may be granted if there is a clear error in the Administrative Court decision or if it becomes necessary to establish a legal precedent in the matter. To maximise the opportunity for Kingsrose to obtain permission to drill at the Penikat project, the Company notes the following progress to date:

- Development and submission by the Company of a high standard Natura 2000 report.
- Positive statements received from the regional environmental authority (ELY).
- Positive statements received from the state landowner (Metsähallitus).
- Progress with actions requested by ELY and Metsähallitus, including continued and additional environmental surveys.
- Receipt of a Derogation Permit from the Ministry of the Environment.
- Proactive legal support from in-country legal counsel to support a robust legal process.

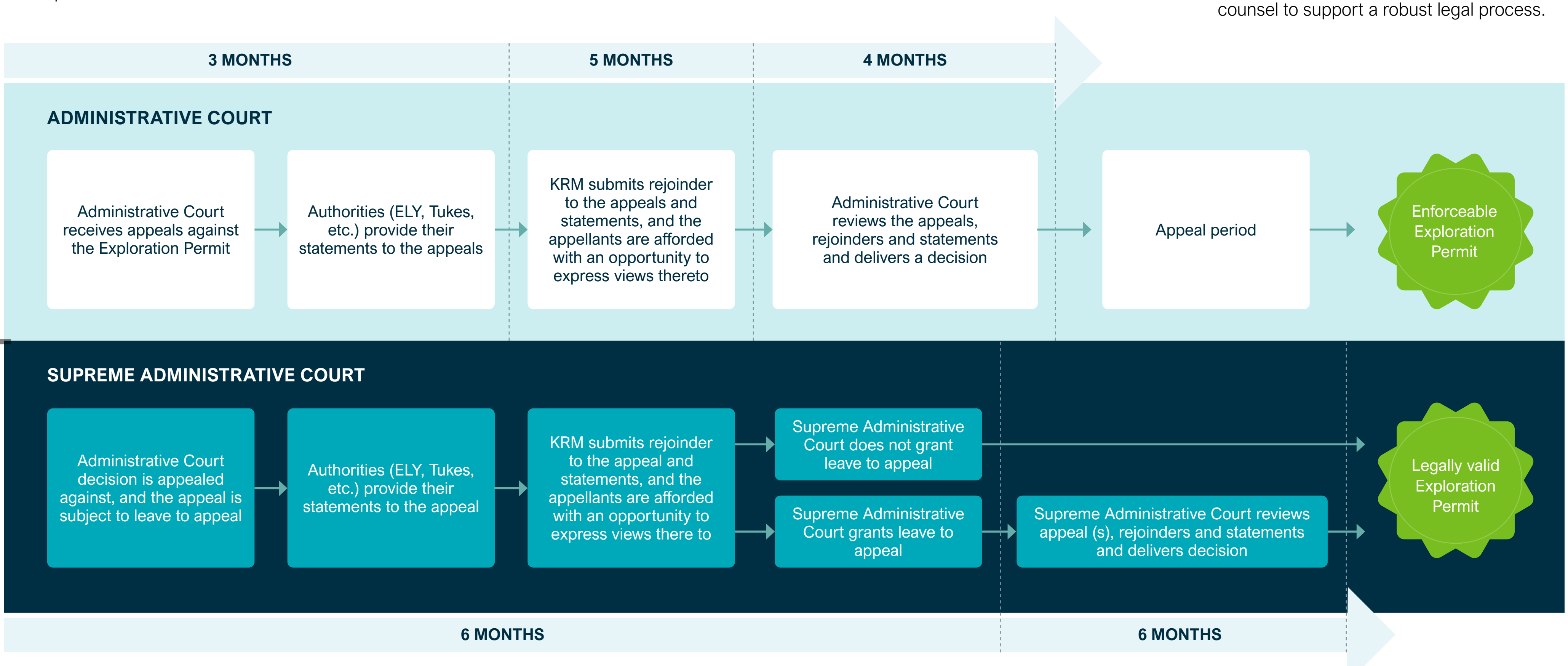


Figure 7: Appeals Process through the Administrative and Supreme Administrative Court.

Råna Project

28 **Ni** 29 **Cu** 27 **Co**

Location and Tenure

The Råna project is located in Nordland County, Norway, 37 kilometres west by road from the town of Narvik and a deep-water, ice-free port through which approximately 18-20 million tonnes of cargo is shipped each year, mostly from Swedish iron ore operations (**Figures 1 and 8**). The project comprises 24 contiguous exploration licences totalling 211 km². The project is being explored by Kingsrose under two separate agreements:

- **A Transaction Implementation Agreement** with Scandinavian Resource Holdings (SRH) and Global Energy Metals Corporation (GEMC) (see announcements dated 18 January 2023 and 25 July 2023), whereby Kingsrose has earned a 10% interest in five exploration licences totalling 28 km².
- **EMX Royalties (EMX) Option Agreement** (see announcements dated 6 March 2023 and 4 March 2024), whereby Kingsrose has exercised its option to purchase 100% of the Råna Nickel AS project, which holds 100% of 19 exploration licences totalling 183 km².

Geology and Mineralisation

The Råna project mafic-ultramafic intrusion outcrops over an area measuring approximately 9 by 11 kilometres and is emplaced into gneisses and argillaceous metasediments with localised graphitic horizons (**Figure 8**).

The intrusion is inferred to be syn-orogenic, having formed in a back-arc setting within the Caledonide Orogeny. Kingsrose interprets the intrusions at Bruvann and Rånbogen to be chonoliths forming part of a larger, multi-phase intrusive complex. Chonoliths are pipe-like intrusions which may have short lateral but significant down dip continuity.

The intrusion is inferred to be lozenge shaped, with a concave lower contact into wallrock, resulting in basal, ultramafic units outcropping around the edges of the intrusion, with upper more fractionated gabbronorite and norite towards the centre of the intrusion.

Mineralisation typically occurs in the basal ultramafic units which host the highest tenor nickel sulphides. Offset massive sulphides have been found to inject into the surrounding country rock. Exploration for these styles of mineralisation has not previously been systematically undertaken at the Råna project and these may be blind at surface, compromising detection by traditional exploration methods. Sulphide mineralisation is also observed in the upper gabbronorites albeit of lower nickel tenor.

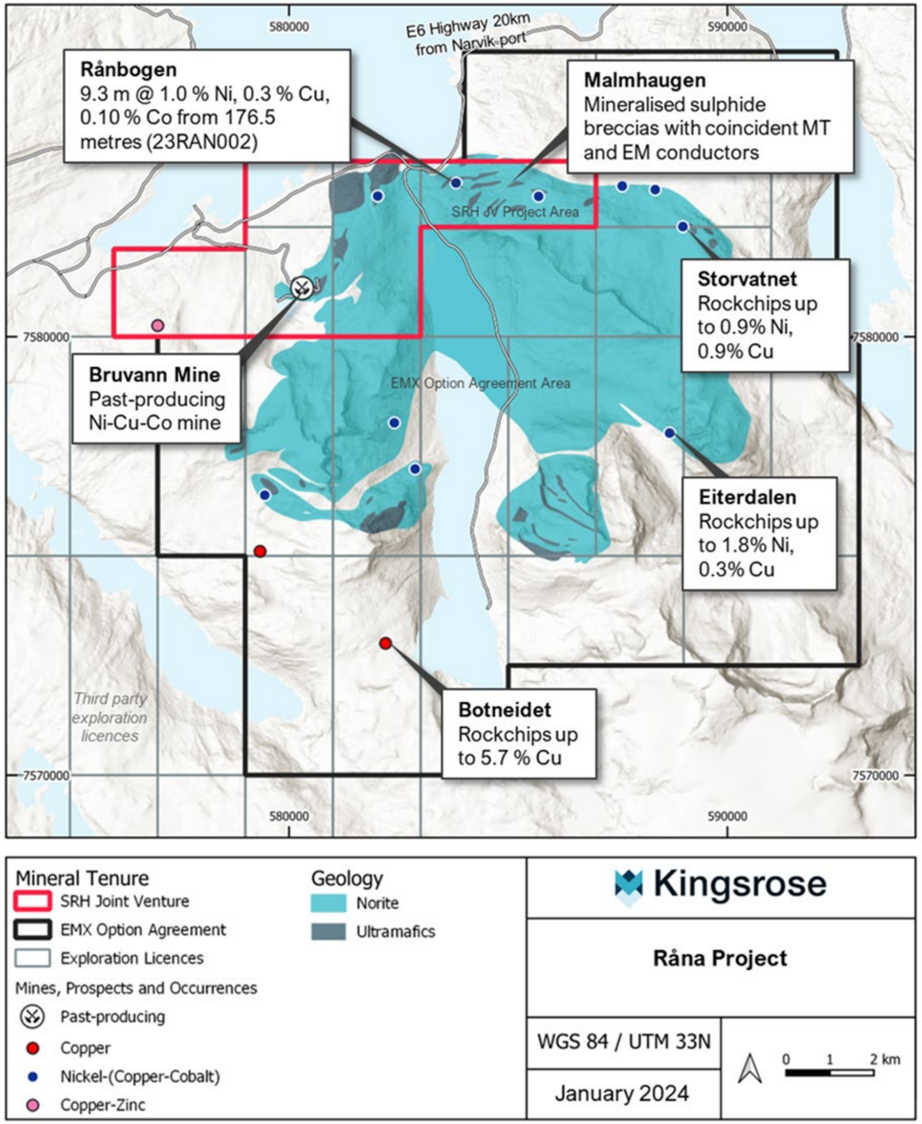


Figure 8: The Råna project area and simplified geology.

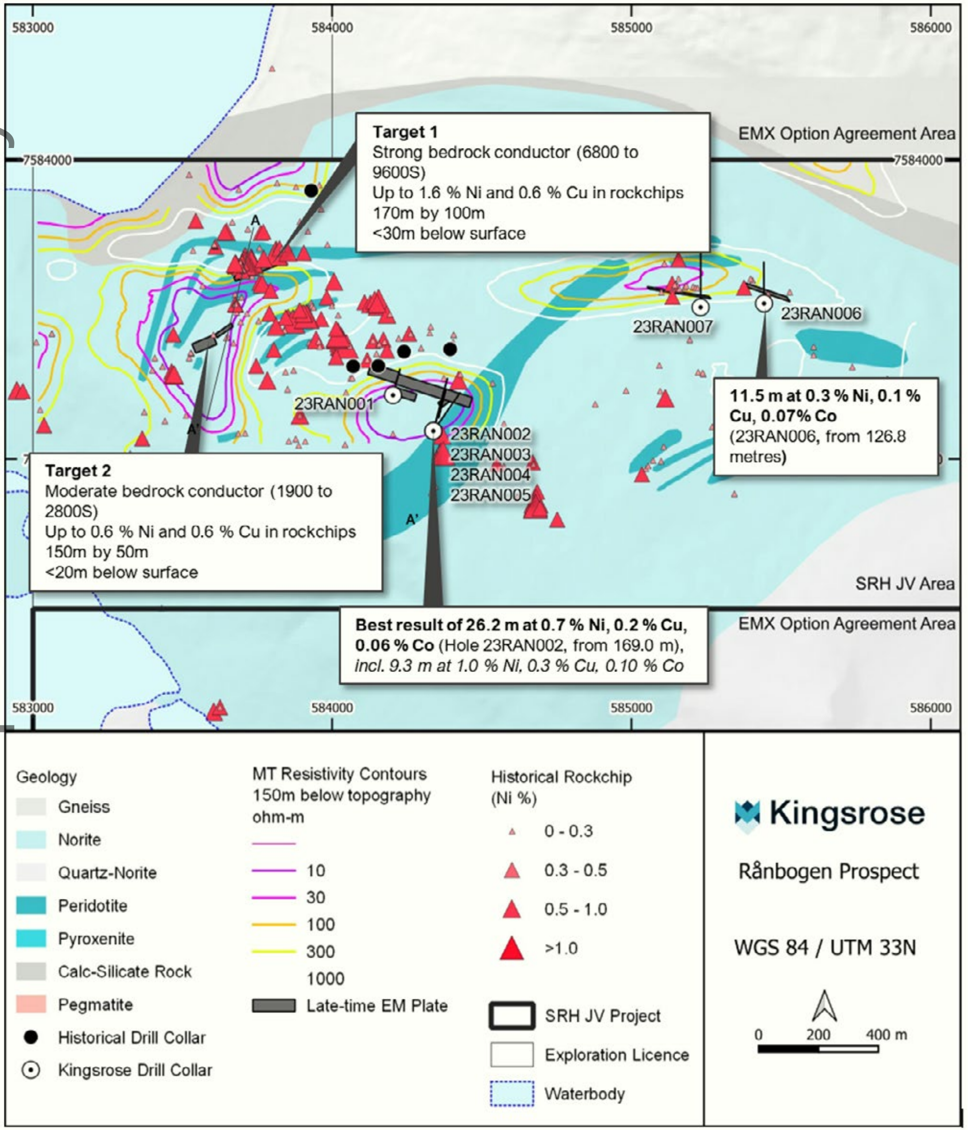


Figure 9: Map of the Rånbogen project area and 2024 drill targets.

Historical work focused predominantly on near mine exploration of outcropping mineralisation at Bruvann with limited to no application of modern exploration models for chonolith hosted magmatic sulphide deposits.

Massive sulphide outcrops with high nickel tenors at Bruvann and Rånbogen demonstrated fertility and, with 8 kilometres of largely untested strike along the northern intrusion margin, Kingsrose considers that there is scope for a significant discovery.

Geological Work

Kingsrose commenced a large scale geophysical and geological programme at the Råna project during the second quarter of 2023 and commenced drilling on 6 July 2023. A summary of all exploration work completed by Kingsrose to date is given below:

- **Airborne magnetotelluric (MT)** survey of 815 line-kilometres covered the entire Råna project intrusion and the Sørfjorden prospect (65 line-kilometres), with the aim of modelling geology, structure and identifying conductive bodies with the potential for massive sulphide mineralisation. This was conducted by the specialist consultancy firm, Expert Geophysics and the survey was completed in June 2023.
- **Ground based MT** surveys at the Bruvann and Rånbogen target areas, conducted by Quantec Geoscience Ltd using their SPARTAN MT system. The Bruvann survey was completed in June 2023 and the Rånbogen survey was completed in July 2023. Results were announced on 21 July 2023 and 8 August 2023.
- **Ground based electromagnetic (EM)** as fixed loop surveys. Results were announced on 21 July 2023, 8 August 2023 and 23 October 2023 and generated drill targets at Rånbogen.
- **Core drilling** by Kingsrose in the 2024 financial year resulted in the discovery of new zones of mineralisation at Bruvann, Rånbogen and Malmhaugen, as well as the extension of mineralisation along strike from historical mine workings at Bruvann. Results from the drilling were announced on 4 September 2023, 23 October 2023, and 5 February 2024. Significant intercepts from the programme include:
  - **Rånbogen Prospect (Figure 9):**

Hole 23RAN002

Interval (metres)	Ni %	Cu %	Co %	From (metres)
26.2	0.70	0.20	0.06	169.0
Incl. 9.3	1.00	0.30	0.10	176.5

Hole 23RAN001

Interval (metres)	Ni %	Cu %	Co %	From (metres)
10.2	0.40	0.10	0.05	63.7
Incl. 2.4	0.80	0.20	0.10	66.4

Hole 23RAN004

Interval (metres)	Ni %	Cu %	Co %	From (metres)
1.4	1.8	0.20	0.19	233.9

Hole 23RAN001				
Interval (metres)	Ni %	Cu %	Co %	From (metres)
13.3	0.40	0.10	0.02	151.1
Incl. 0.3	1.30	0.30	0.12	215.3

Hole 23RAN005				
Interval (metres)	Ni %	Cu %	Co %	From (metres)
0.6	0.80	0.10	0.09	228.2

- **Bruvann Mine (Figures 11 and 12)**

Hole 23BRU005				
Interval (metres)	Ni %	Cu %	Co %	From (metres)
2.6	1.00	0.10	0.03	414.9
Incl. 0.6	3.2	0.30	0.07	416.9

Hole 23BRU001				
Interval (metres)	Ni %	Cu %	Co %	From (metres)
2.5	1.00	0.14	0.08	172.91
Incl. 1.0	1.94	0.18	0.18	173.91

Hole 23BRU003				
Interval (metres)	Ni %	Cu %	Co %	From (metres)
50.0	0.43	0.10	0.02	470.6

Massive pyrrhotite-pentlandite-chalcopyrite with coarse grained pentlandite and rounded clasts of peridotite, from a 0.3 m sample that returned:

28 Ni	29 Cu	27 Co
2.23%	0.15%	0.20%

- 176.83 m
- 23RAN002.
- NQ diameter drill core

Massive and net-textured pyrrhotite-pentlandite-chalcopyrite with coarse pentlandite loop textures and rounded clasts of peridotite, from a 0.3 m sample that returned:

28 Ni	29 Cu	27 Co
1.71%	0.26%	0.15%

- 176.54 m
- 23RAN002.
- NQ diameter drill core.

Massive pyrrhotite-pentlandite-chalcopyrite lens with sharp, cross-cutting contact to host peridotite unit. Note the fractionated chalcopyrite rich zone at the contact with host peridotite. From a 0.6 m sample that returned:

28 Ni	29 Cu	27 Co
1.51%	0.37%	0.15%

- 180.0 m
- 23RAN002.
- NQ diameter drill core.

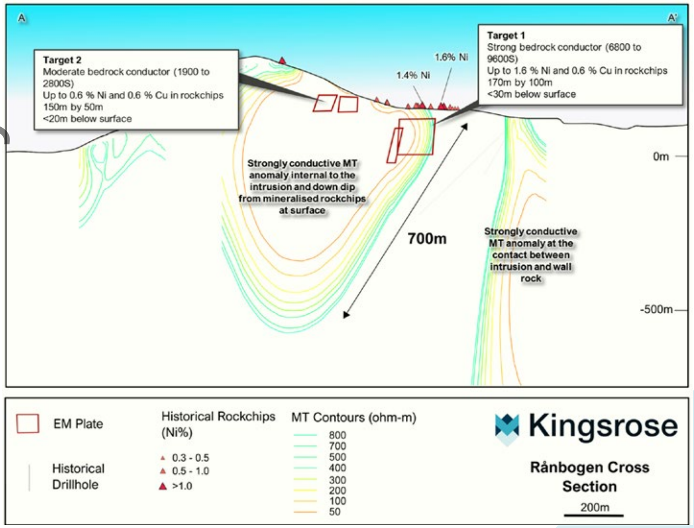


Figure 10: Cross section showing drill targets, EM plates, MT contours and historical rockchip data, Rånbogen prospect.

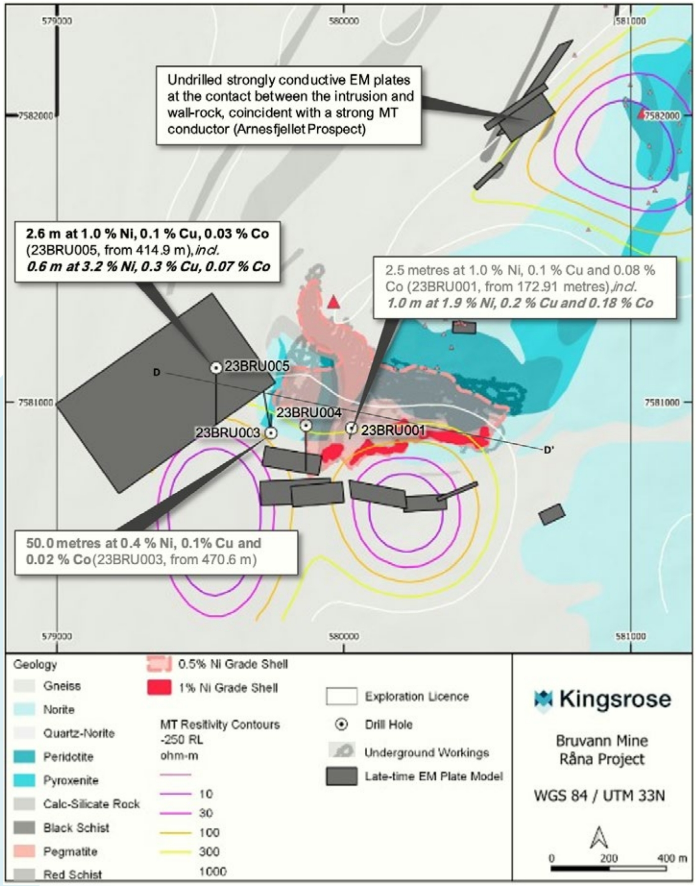


Figure 11: Map showing reported drill holes, geology, MT conductive anomalies, and modelled EM plates at the Bruvann Mine, the Råna project. Note the EM and MT conductive anomalies north-northeast of Bruvann which are undrilled.

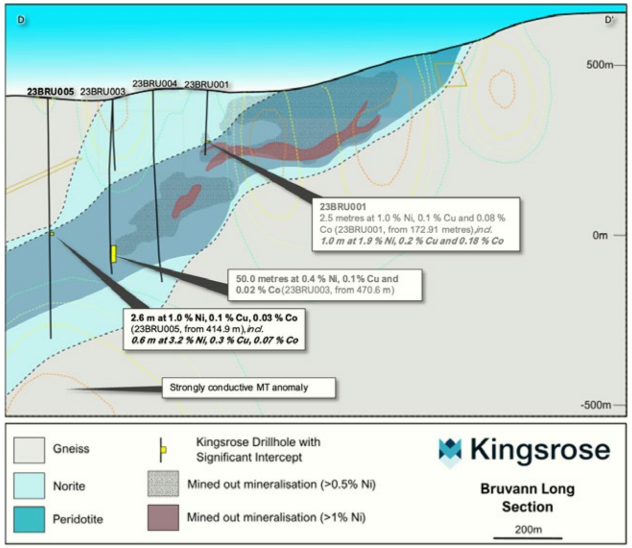
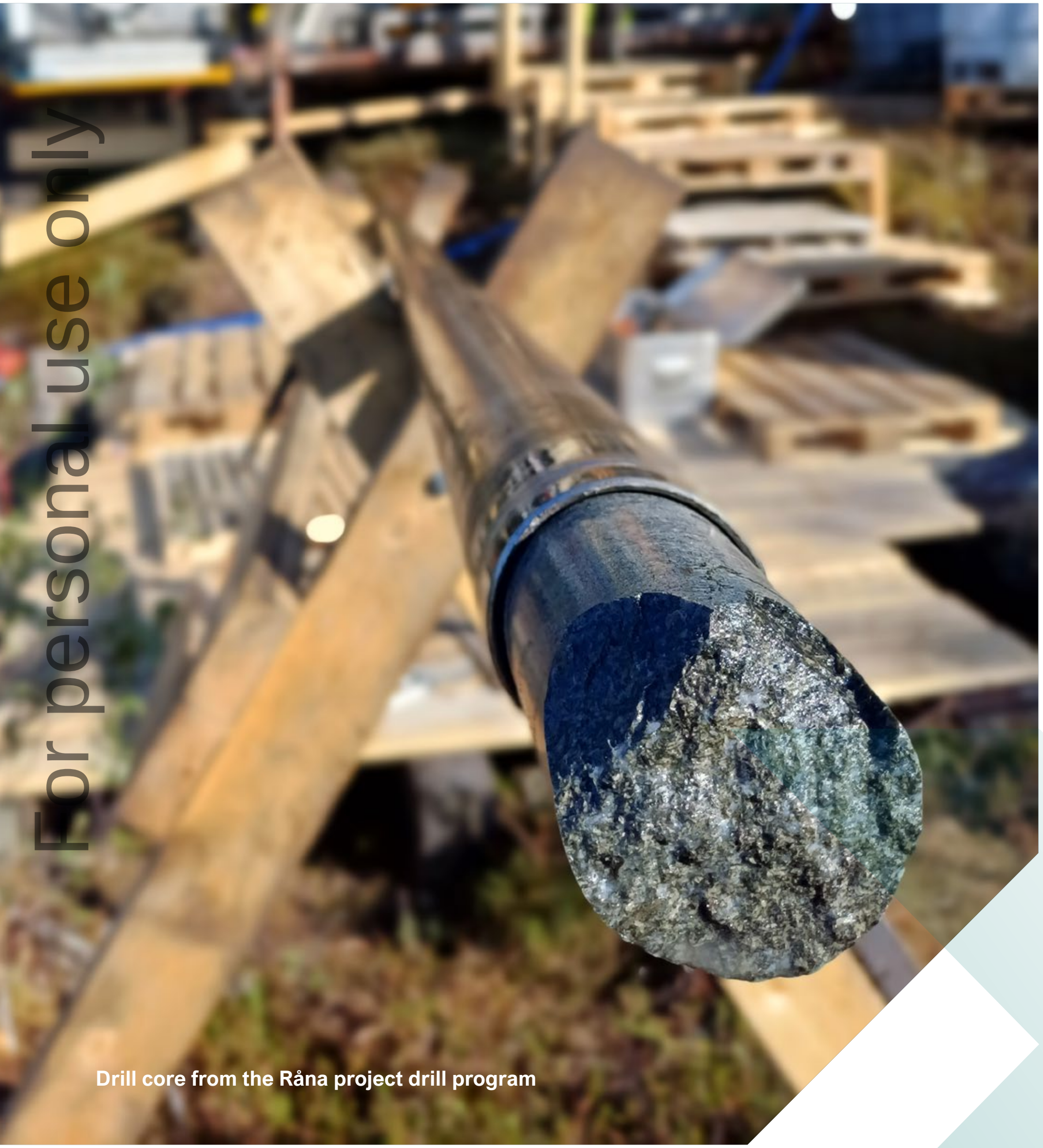


Figure 12: Long section showing Kingsrose drill holes, MT conductive anomalies, modelled EM plates and mined out mineralisation for reference at the Bruvann underground mine.



Drill core from the Råna project drill program

Exploration during the 2024 financial year has demonstrated the discovery potential of the Råna project. Through applying a new geological model, coupled with modern geophysical techniques, Kingsrose has discovered new mineralised bodies at Rånbogen and Malmhaugen, and blind mineralisation within ultramafic intrusive rocks extending beneath the gneiss country rock at Bruvann, in an area previously considered unprospective.

A three drill hole core drilling programme was completed in August 2024 to test undrilled conductive EM anomalies with coincident nickel-copper sulphide mineralisation in outcrop for the Råna project (see ASX announcement dated 25 July 2024) (**Figures 9 and 10**).

Permitting

An important step in managing the permitting processes for the project is developing, refining, and updating a permitting roadmap. While Norway has a mature regulatory process, exploration within the areas of Norway where Sámi interests exist is relatively uncommon. Through consultation with local authorities and with input from the local reindeer herding district, Kingsrose has successfully obtained drilling and motor vehicle dispensation approvals to support drilling, geophysics and mapping.

Sustainability

Kingsrose aims to be an industry leader in sustainability and seeks to redefine responsible exploration. The primary objectives of Kingsrose's approach to sustainability is to identify, minimise and mitigate potential impacts of activities while maximising benefits to host communities.

Our Approach to Sustainability

Kingsrose actively integrates sustainability concepts into the core exploration business and strives towards internationally recognised frameworks such as Sustainable Development Goals (SDG), Towards Sustainable Mining (TSM) and the Initiative for Responsible Mining Assurance (IRMA). This approach considers establishing an Integrated Sustainability Management System (ISMS) to align future reporting with the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB).

Kingsrose is assessing the requirements of new reporting standards from the International Sustainability Standards Board (ISSB) and the Australian Sustainability Reporting Standards (ASRS) issued by the Australian Accounting Standards Board (AASB).

Key Achievements

During this reporting period Kingsrose has commenced the development of a roadmap to compliance which attempts to map key expectations from TSM, IRMA and a method to report this compliance against GRI and the SASB.

Pioneering social licence to explore

Kingsrose is working to establish a pioneering approach to receive a **social licence to explore**. It was recognised that to achieve a different outcome to other exploration projects in Europe, a refined and carefully structured approach is required. Kingsrose developed the following core axioms which, when embedded, are expected to expedite permitting approvals, enhance stakeholder value, and increase attractiveness for investors. The result was SCS™ which is described below in **Figure 13**.

Pioneering social licence to explore: The core axioms of our SCS™ approach

SCS™

S — Setting the standard

We are pioneering co-design and co-development. We will set new benchmarks in responsible exploration to create trust and increase shareholder and investor certainty.

C — Consent is key

Local communities hold the power to make critical decisions about their land, shaping the trajectory and value of projects.

S — Shared stakes, shared success

Through forging genuine partnerships with local communities we will work towards collectively defining and achieving success.

If we want a different outcome, we need a different approach...

Figure 13: SCS™ axioms – Pioneering a Social Licence to Explore.

Benchmarking

To measure sustainability performance, an in-house benchmarking exercise was completed which considered more than 50 exploration, development and mining companies in Scandinavia, Europe and globally.

Key Achievements

The results of the benchmarking exercise indicate that whilst Kingsrose's sustainability maturity is strong compared to most pre-resource stage companies of a similar market cap, further work is required to achieve industry leading practise.

A quantitative sustainability maturity assessment was applied to the benchmarked companies, including Kingsrose. This considered:

- Establishment of a sustainability related section of the website.
- Publicly available sustainability strategy.
- Completion of a materiality assessment.
- Inclusion of policies and procedures for material topics.
- Availability of a sustainability report.
- Communication of sustainability targets.

The market capitalisation of each company, the stage of their most advanced project (pre-resource, resource, or operational mine) was also applied. Companies that were not publicly listed or those with market capitalisation exceeding one billion Australian dollars, were removed from the benchmarking. The results of this exercise are displayed in **Figure 14**.

To provide a more effective comparison of Kingsrose's sustainability maturity against other pre-resource stage companies, 15 companies (including Kingsrose) were benchmarked, and results are displayed in **Figure 15**.

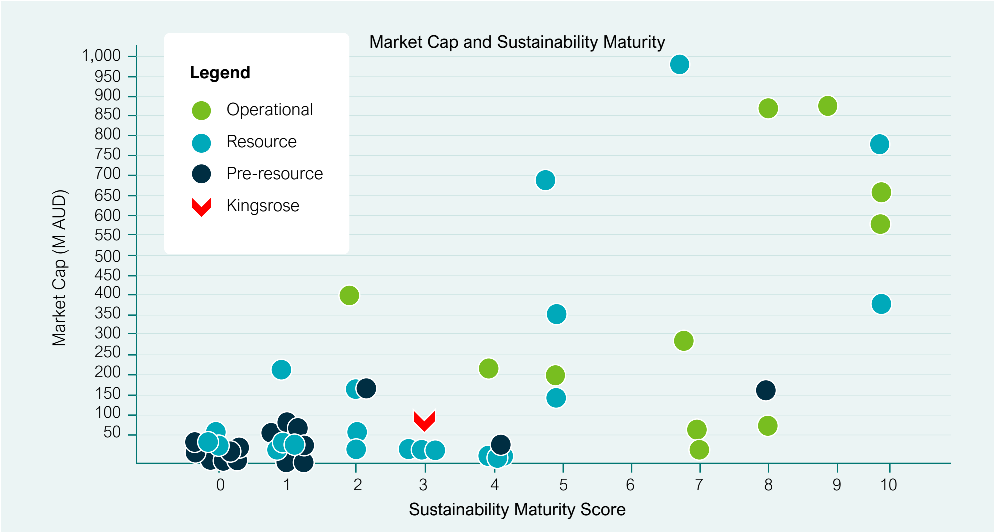


Figure 14: Sustainability Maturity Benchmarking.

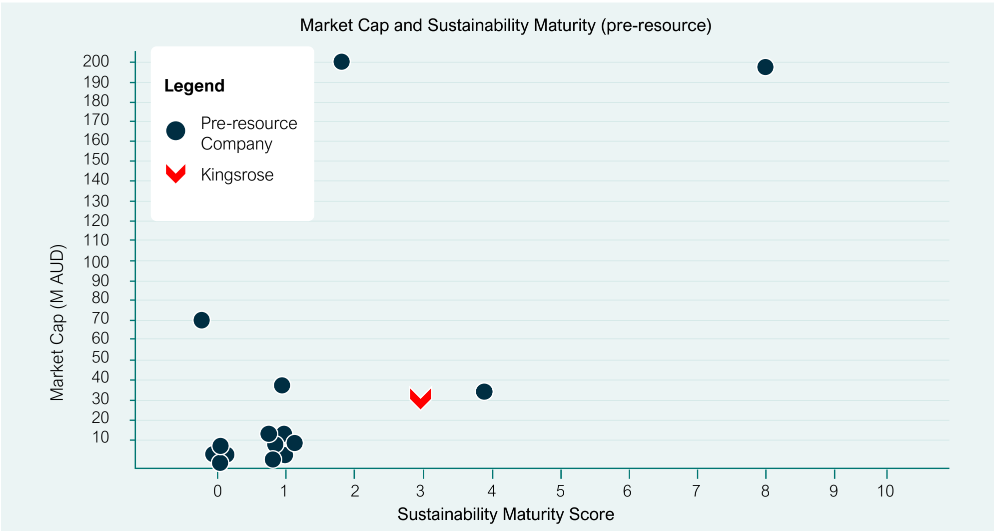


Figure 15: Sustainability Maturity Benchmarking (pre-resource).


Rāna project

FY2024 Sustainability Report

During Q2 FY25, Kingsrose will publish its maiden Sustainability Report.

This report shares more detail on our sustainability approach, activities at our project sites and future plans. It is written for host communities, governments, strategic investors, rightsholders, and shareholders to demonstrate our commitment to responsible exploration and creating shared value through mineral discovery.

In developing our approach to sustainability, Kingsrose carried out a materiality assessment to define material topics, which are the focus of the Sustainability Report.

Assessment of Material Topics

The following material topics have been identified through feedback from stakeholders and rightsholders and an employee survey. They are defined below:

Environment

- Biodiversity
- Closure and Rehabilitation
- Water Stewardship
- Climate Change

Social

- Economic Impacts and Employment
- Local Communities
- Rights of Indigenous Peoples

What's Next?

During the next reporting period, Kingsrose will advance the approach to materiality via completion of a GRI and SASB aligned double materiality assessment, which will include more formal mechanisms for stakeholders to contribute to impact materiality. Where available, data will be presented which is consistent with expectations outlined within GRI and SASB.

Governance

- Health and Safety
- Training and Education
- Anti-bribery and Corruption

Our People

Headcount

Permanent, full-time employees
Part-time employees

22
7

Voluntary Turnover Rate

9%

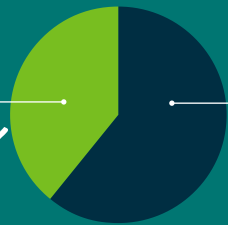
Staff Retention

87%

Nationality

British	11
Norwegian	7
Australian	3
Danish	2
Finnish	2
Ghanaian	1
Hungarian	1
Nicaraguan	1
South African	1

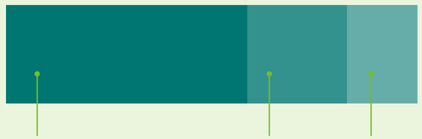
Gender Split



Female 39%
Male 61%

Age group

20-35
36-50
51- 65



17
7
5

Equity in compensation

Kingsrose provides fair and equitable compensation practices within the organisation.

Performance and Development

Kingsrose employees receive an annual performance evaluation including company and personal goal setting that forms part of the retention strategy and career advancement initiative.

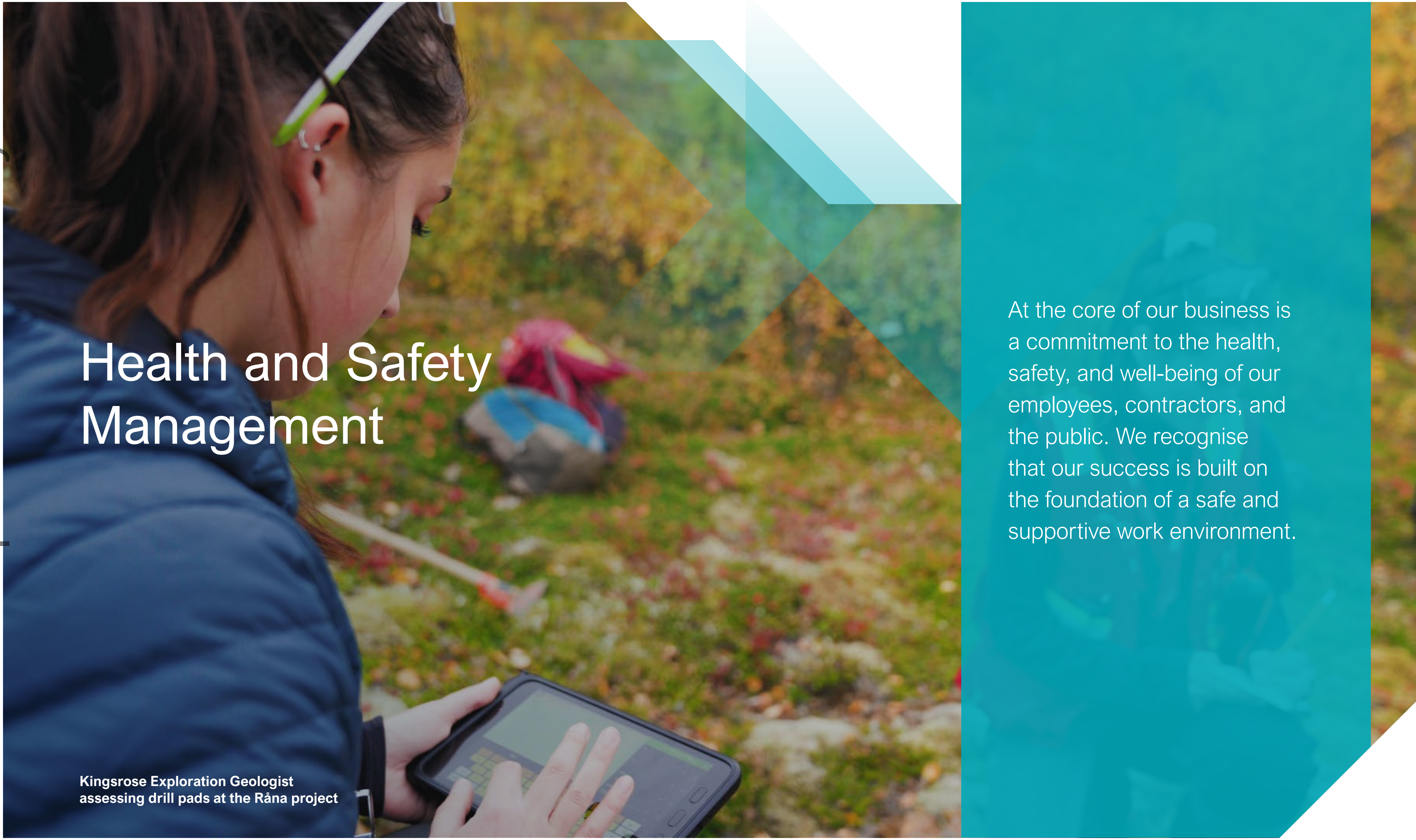
Training and Development

Investment is made to professionally develop the Kingsrose team to maintain high operational standards, leadership, skill enhancement and compliance. Training and development undertaken during the reporting period included:

- **Formal Safety Qualifications:** To ensure compliance with local health and safety regulations, one team member completed an 8-hour Health Management and Safety (HMS) course for leaders, which provided essential knowledge on health, environment and safety. Another staff member completed the 40-hour Safety Representative Course, a critical training in Health, Safety, and Environment (HSE) principles required for safety representatives in Norway. Both courses were organised by Narvik Occupational Health Services.
- **First Aid:** In October 2023, geologists and field technicians completed a first aid course in Narvik, with seven employees participating. Additional training, including teams from Norway and Finland, is planned for 2024.
- **Helicopter Awareness:** All five Kingsrose field staff involved in helicopter operations attended a half-day safety course by Norwegian aviation contractor Heli Team, covering passenger transport, and slinging loads.
- **Bradshaw Research Institute for Minerals and Mining (BRIMM):** One team member completed the micro-certificate in Economic Leadership, focusing on core business skills and sustainability in mining and exploration.
- **University of Queensland, Centre for Social Responsibility in Mining (UQ CSRM):** Three members of the sustainability team attended UQ CSRM's Community Relations in Exploration training, reinforcing Kingsrose's commitment to best practise in community relations.

What's Next?

Kingsrose plans to continue investing in staff development, recognising its direct impact on operational efficiency and performance. By offering targeted training, Kingsrose aims to enhance skills, boost productivity, and streamline processes. This focus on continuous improvement not only supports the retention and motivation of top talent but also equips the team to deliver the highest quality work, contributing to the sustained success of the Company.



Health and Safety Management

Kingsrose Exploration Geologist assessing drill pads at the Råna project

At the core of our business is a commitment to the health, safety, and well-being of our employees, contractors, and the public. We recognise that our success is built on the foundation of a safe and supportive work environment.

During this reporting period, progress was made in identifying and mitigating health and safety hazards, improving critical incident response, and diligently identifying and managing risks. Kingsrose further advanced the maturity of the Health And Safety Management System, with the inclusion of a multi-tiered risk management approach, which has been embedded into the planning and completion of activities.

Kingsrose continues to prioritise high safety standards, training programmes, and a culture of care that strives to ensure that every individual feels valued and protected. Kingsrose's dedication to health and safety is not just a policy but a core value that guides decision-making, reinforcing the belief that everyone deserves to work in an environment where they can thrive safely and confidently.

Optimisation and integration of the Health and Safety Management System

Kingsrose initially developed a Health and Safety Management System in 2022, alongside a separate risk management approach. In response to increased activity and the completion of the first drilling programme at the Råna project, the management system was optimised to better integrate risk management. This improved alignment with TSM standards and incorporated feedback from a specialist Norwegian health and safety consultant.

Health and Safety Culture

The Board has established and chairs a Health and Safety Committee, which also includes department heads and the Managing Director. These quarterly meetings provide a platform for the Board to seek continuous improvement, provide governance, integrate safety culture, and drive accountability for action advancement.

Emergency Response Scenario

Case Study

Emergency response exercise

Consistent with Kingsrose's commitment to health, safety, and risk management, project-specific emergency response plans were developed and communicated to address key emergencies, including missing persons and significant incidents. The missing persons emergency response plan was tested in a field exercise at the Råna project in June 2024 and included exploration geologists, field technicians and other staff from across the Kingsrose business. The exercise allowed for the emergency response plans and the team's knowledge to be tested under the pressure of a real-time emergency. In addition to being an excellent team building event, the missing persons emergency response plan was refined to consider high-visibility jackets for the search team, an optimised search escalation, and improved documentation during the emergency response. The emergency response scenario included finding and treating a missing person.

Health and Safety Performance

During the reporting period, one lost time injury occurred, two significant potential incidents were identified, and two near misses were noted during the 20,314 hours worked. The lost time injury and the two significant potential incidents occurred within one month of each other and, as a result, Kingsrose implemented a safety stop for ten business days. During this safety stop, members of the Kingsrose Executive Leadership Team (ELT) worked closely with contractors and the exploration team to implement improved hazard identification and mitigation, with a focus on higher-risk activities such as driving on rough terrain, drilling activities and helicopter slinging. Helicopter training was provided to all Kingsrose staff and contractors involved in this field activity.

The safety stop improved safety performance for Kingsrose, including its contractors and also resulted in improved safety focus when letting future contracts. As a result of the safety stop, improved hazard awareness, and excellent teamwork, no other lost time injuries, or significant potential incidents occurred.

Summary of health and safety performance is included below as **Figure 16**.

Figure 16: Summary of Health and Safety Performance.

What's Next?

The health and safety culture of the Company, the health and safety of our employees and contractors, underpinned by effective health and safety systems remain a focus. The following tasks are expected to be completed over the next reporting period:

- Engaging a Finnish health and safety professional to provide review and comment on the Kingsrose management system and approach to risk.
- Updating the corporate risk register and completing 'bow tie' risk assessments for risks with residual risk rating of significant or greater.
- Updating project-specific risk registers and developing effective change management processes to manage changes in proposed works and additional risks posed by seasonal changes.
- Developing health and safety targets for each project.

Our Leadership

Råna project

Board of Directors

The Kingsrose Board of Directors, as stewards of the Company and shareholder representatives, steer business affairs, provide management guidance in determining our long-term strategy and review opportunities, key risks, and corresponding mitigation measures.

Mike Andrews
Non-Executive Chairman

Dr Andrews is a geologist with more than 40 years' of research and mining industry experience in gold, copper, coal, and iron exploration. He holds an Honours Degree in Geology from the University of Reading, and a Doctorate in Exploration Geochemistry from the University of Wales.

A Founding Director of Kingsrose, Dr Andrews played an instrumental role in the discovery, exploration, feasibility and development of its Way Linggo Gold Mine in Indonesia and he has been actively involved with the development of several other gold mines in Southeast Asia.

Dr Andrews also held the positions of Executive Director and Chief Geologist of Aulron Energy Ltd, Director of Gold Operations for Meekatharra Minerals Ltd, and managed the Teck Corporation-MM Gold Indonesian Joint Venture, an exploration portfolio of 13 gold and copper projects, and also held senior exploration positions with Ashton Mining Ltd, Aurora Gold Ltd and Muswellbrook Energy and Minerals. He is a Fellow of the Australasian Institute of Mining and Metallurgy, the Geological Society, and the Society of Economic Geologists.

- BSc (Hons), PhD, FAusIMM, FSEG
- **Non-Executive Chairman Appointed: 5 December 2018**
- Non-Executive Director
  Appointed: 16 August 2017
  Resigned: 4 December 2018

Other Directorships:
Former Non-Executive Director of Southern Arc Minerals Inc (Resigned May 2024)

Special Responsibilities:
Member of the Remuneration Committee

Fabian Baker
Managing Director

Mr Baker is a geologist with more than 14 years' of experience in the minerals exploration industry. Mr Baker was the founder and Chief Executive Officer of Tethyan Resource Corp ("Tethyan"), a TSX Venture Exchange listed company. He led Tethyan's entry into Serbia and neighbouring Balkan countries, identifying and negotiating the acquisition of significant gold, copper, and base metal advanced exploration assets. In 2020 Tethyan was successfully acquired by Adriatic Metals plc, a company listed on the ASX and LSE.

Prior to Tethyan, Mr Baker's positions included that of Chief Geologist at Lydian International, where he was an integral part of the team which proved up the +4 million ounce gold resource and completed the feasibility study on the major Amulsar gold deposit in Armenia. He was also Exploration Manager for Royal Road Minerals in Turkey.

Mr Baker holds a Bachelor of Science in Applied Geology from the Camborne School of Mines.

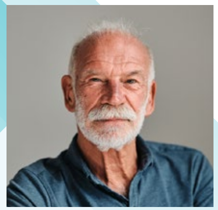
- BSc Applied Geology
- **Managing Director Appointed: 25 June 2021**
- Chief Executive Officer
  Appointed: 8 February 2021
  Ceased: 25 June 2021

Other Directorships:
Non-Executive Director – Fusion Jersey Limited

Non-Executive Director – Highlander Silver (Resigned: July 2024)

Special Responsibilities:
Member of the Health and Safety Committee

John Carlile
Non-Executive Director



Mr Carlile is a geologist with more than 40 years' of experience in both major and junior resources companies. He has played key roles in major discoveries, project acquisitions and the establishment and growth of public companies. Mr Carlile led Newcrest's presence in Indonesia and grass-roots discovery and exploration of the Gosowong high-grade epithermal gold-silver deposit.

Previously as a member of BHP-Utah's World Metals Group, he was involved in evaluation of acquisition and exploration opportunities in a number of countries, particularly in Asia.

- BSc (Honours) Geology, MSc DIC in Mineral Exploration, FAusIMM
- **Independent Non-Executive Director**
  Appointed: 4 February 2019

Special Responsibilities:

Chair of the Remuneration Committee

Other Directorships:

Former Non-Executive Director of Southern Arc Minerals Inc (Resigned May 2024)

Andrew Cooke
Non-Executive Director

Mr Cooke holds a law degree from Sydney University and has extensive experience in law, corporate finance, governance, and compliance. He has over 30 years' of boardroom experience and has developed a practical blend of legal and commercial acumen. He has served as a consultant to listed, public and private companies in the resources, property, mining services, technology and biotech sectors focusing on securities exchange, capital raisings, regulatory compliance, and a wide range of corporate transactions.

Much of his work has been focussed on the resources sector where he has worked closely with exploration, mining and oil and gas companies in Australia, Canada, Fiji, and the Solomon Islands.

- LLB
- **Independent Non-Executive Director**
  Appointed: 19 November 2020

Other Directorships:

Chairman of Admissions Committee – Sydney Stock Exchange

Company Secretary – Southern Palladium Limited

Company Secretary - Amplia Therapeutics Limited

Special Responsibilities:

Chair of the Audit and Risk Committee

Tim Coughlin
Non-Executive Director

Dr Coughlin is an exploration geologist with over 30 years' of experience exploring for gold, copper, base metals and oil in Australasia, the Americas, Asia, the Middle East, and Eastern Europe. Dr Coughlin was responsible for the discovery of new gold deposits in Peru and Armenia. He has held senior positions with major companies and founded and listed two successful exploration companies on the Toronto Stock Exchange.

- BSc, MSc, PhD, FAusIMM, MSEG
- **Independent Non-Executive Director**
  Appointed: 19 November 2020

Other Directorships:

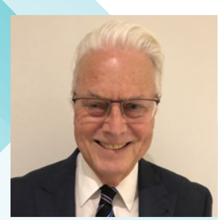
President and CEO - Royal Road Minerals Limited

Special Responsibilities:

Member of the Audit and Risk Committee

Member of the Remuneration Committee

Daryl Corp
Non-Executive Director



Mr Corp is an experienced mining executive with over 40 years' in the minerals industry in a wide range of both corporate and operational roles. This has involved base metals, iron ore and precious metals projects and operations, both in Australia and offshore.

Commencing his career as a graduate mining engineer in Broken Hill he moved to a role as Senior Mining Engineer with a small gold and base metals company before joining Newcrest Mining Limited in mid-1990. Whilst at Newcrest he progressed through technical roles to more senior roles where he developed broader corporate skills, holding a range of positions including Transformation Executive – Business Development, General Manager – ExCo Co-ordination and Projects, Head of Ore Reserves Governance, General Manager – Corporate Affairs, and Manager – Business Development.

Mr Corp managed feasibility studies for several underground gold mine developments and well as initial studies for both the Cadia Hill and Ridgeway mines. He was responsible for delivering permits required for development of the Gosowong Gold Mine in Indonesia, remaining with the project as Project Manager – Mining during the construction and early operations at Gosowong.

Mr Corp holds a Bachelor of Engineering in Mining from the University of Melbourne and a Diploma in Geoscience from Macquarie University. He is a Fellow of The Australasian Institute of Mining and Metallurgy

- B.Eng (Mining), GradDipGeoSc FAusIMM
- **Independent Non-Executive Director**
  Appointed: 19 November 2020

Other Directorships:

Non-Executive Director - Sihayo Gold Limited (Resigned: September 2024)

Special Responsibilities

Lead Independent Director

Chair of Health and Safety Committee

Member of Audit and Risk Committee

Executive Management

Our carefully selected management team combines extensive local and global experience in sustainable minerals exploration. Each member contributes their distinct flair, knowledge, and expertise, guiding our path to success with unwavering passion and determination.

1. Andrew Tunningley
2. Graham Farrer
3. Lui Evangelista
4. Peter Dodds
5. Richard Hornsey

Andrew Tunningley
Head of Exploration

- 20+ years' of experience exploring for a diverse range of precious and base metal deposits in Europe, Middle East, Central Asia, and the Americas.
- Former senior geologist with Ivanhoe Mines in Mongolia and China, and exploration manager for Tethyan Resource Corp and Adriatic Metals in Eastern Europe.

Graham Farrer
Head of Sustainability

- 20+ years' of experience within land development, oil and gas, and mining. 15 years' working exclusively in exploration and mining.
- Graham has held leadership positions within engineering consultancy, for Rio Tinto, for the Northern Territory Government (in Australia) and within sustainability consultancy.

Lui Evangelista
Chief Financial Officer

- Chartered Accountant - Joined July 2024 replacing Mark Smith who had been CFO for the entire 2024 financial year.
- 30 years' of senior finance roles with TSX and ASX companies in established and emerging markets including Australia, DRC, West Africa, Melanesia.
- Previously Lui served as Finance Manager at IGO's Nova nickel-copper operation.

Peter Dodds
Exploration Manager - Scandinavia

- 10 years' of mineral exploration experience, beginning on the Sakatti Ni-Cu-PGE deposit, Finland.
- Managed exploration field programmes across Scandinavia and Greenland, exploring for a wide range of base and precious metal deposit types.
- Ran JV projects between private explorers and mining companies, including OZ Minerals, and Centerra Gold.

Richard Hornsey
Technical Advisor

- Globally recognised expert in Ni-sulphide and PGE exploration and mine development with 30+ years' of experience.
- Exploration & development experience includes Anglovaal/Avmin's Sun Project (deep Wits exploration) and Nkomati nickel sulphide mine, Lonhro's Western Platinum Mine, and Two Rivers Platinum Project.
- Lead global PGE and Ni project generation and exploration for Lonmin, African Nickel and MMG. Continues to consult to numerous major and junior companies while completing a PhD.

Directors' Report

Sámi Lavvu

The Directors submit their report of the "Consolidated Entity" or "Group", being Kingsrose Mining Limited ("Kingsrose" or "the Company") and its Controlled Entities for the year ended 30 June 2024.

Directors

The names of the Company's Directors in office during the financial year and until the date of this report are listed on Pages 40 - 42. Directors were in office for the entire period unless otherwise stated.

Company Secretary

Erlyn Dawson and Alessandra Gauvin were appointed as joint Company Secretaries on 1 June 2023. Both Mrs Dawson and Ms Gauvin are experienced corporate governance professionals with over 15 years of combined company secretarial experience working with ASX listed companies across a diverse range of industries including mining, technology, biotech and industrials. Both Mrs Dawson and Ms Gauvin are Chartered Secretaries, and each hold a Bachelor of Commerce and a Graduate Diploma in Applied Corporate Governance.

Principal Activities

The principal activities of the Group for the year ended 30 June 2024 were:

- Kingsrose and BHP enter Exploration Alliances.
- Kingsrose receives environmental permit and exploration permit for the Penikat project.
- Kingsrose intercepts new zones of nickel sulphide mineralisation at the Råna project.
- Receival of drilling permit for the Porsanger project.
- Strongly conductive zones identified at Rånbogen prospect.
- Global search for a new advanced asset.

Operating and Financial Review

A review of the operations and financial position of the Group during the year ended 30 June 2024, including details of the results of operations, changes in the state of affairs and likely developments in the operation of the Company in subsequent financial years, are set out on pages 5 to 38.

Significant Changes in State of Affairs

Other than as referred to in the Operations Report there have not been any significant changes in the state of affairs of the Group during the financial year.

Material Business Risks

The Board is committed to monitoring and mitigating business risks faced by the Group, including the following key risks that have the potential to materially impact its financial prospects:

Exploration and development risk

The exploration for and development of mineral deposits involve significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, not all exploration activity will lead to the discovery of economic deposits, and even fewer are ultimately developed into producing mines. Major expenditure may be required to locate and establish Ore Reserves, to establish rights to mine the ground, to receive all necessary operating permits, to develop metallurgical processes and to construct mining and processing facilities at a particular site.

Future capital requirements

The Company has finite financial resources and no current cash flow from producing assets and therefore requires additional financing in order to carry out its exploration and development activities. There can be no assurance that any such funding will be available to the Company on favourable terms or at all. Failure to obtain appropriate financing on a timely basis could cause the Company to have an impaired ability to expend the capital necessary to undertake or complete drilling programs, forfeit its interests in certain properties, and reduce or terminate its operations entirely. If the Company raises additional funds through the issue of equity securities, this may result in dilution to the existing shareholders and/or a change of control at the Company.

Råna project field survey

Title, tenure and land access risks

The rights to mineral tenements carry with them various obligations which the holder is required to comply with in order to ensure the continued good standing of the tenement. Failure to meet these requirements could prejudice the right to maintain title to a given area and result in government or third-party action to forfeit a tenement or tenements. Mining and exploration tenements are subject to periodic renewal. The renewal of the term of granted tenements is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority.

Sovereign risk

The Company is subject to political, social, economic and other uncertainties including, but not limited to, changes in policies or the personnel administering them, foreign exchange restrictions, changes of law affecting foreign ownership, currency fluctuations, royalties and tax increases.

Environmental regulation

The Company's exploration and evaluation activities are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities are materially in compliance with all applicable laws and regulations.

Dividends

No dividends were declared or paid during the financial year (2023: nil).

New Entities

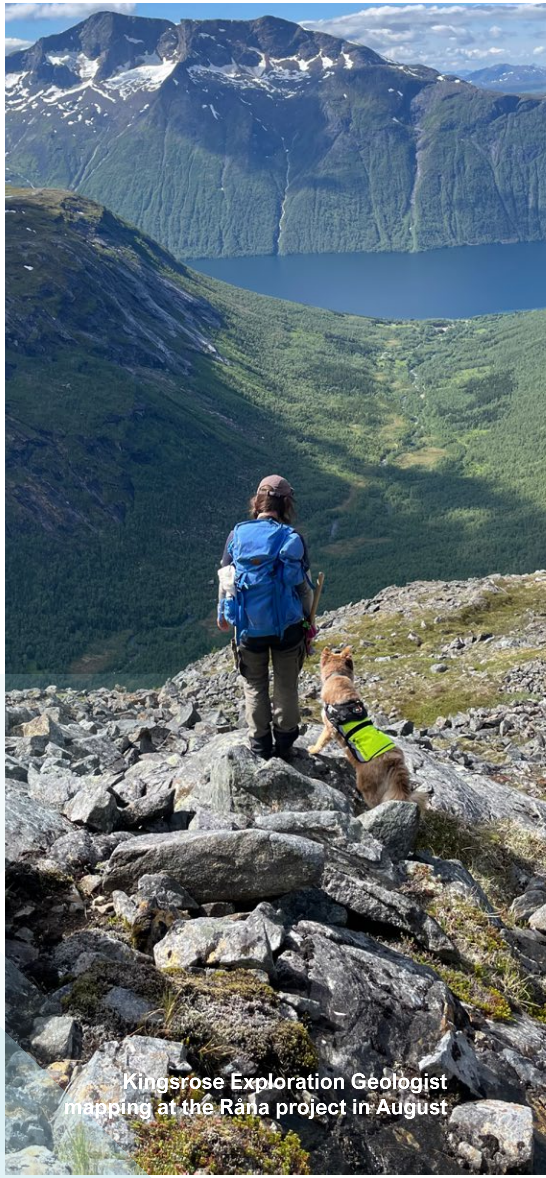
Kingsrose Finnmark AS (Norway) incorporated 11 December 2023.

Subsequent Events

On 12 August 2024, the Company announced that an appeal against the granting of its Exploration Permit concerning Area 1 of the Penikat project (Exploration Permit) was lodged on 5 August 2024. Based on the Company's preliminary assessment, the appeal will be heard in the Northern Finland Administrative Court (Administrative Court).

The Company expects the Administrative Court to render its decision approximately 12 months following the lodgement of the appeal and therefore it is expected that drilling at Area 1 of the Penikat project may not commence until approximately December 2025.

On 4 September 2024, the Company announced that the conditions to second completion of the Transaction Implementation Agreement (as amended) announced on 18 January 2023 regarding its staged investment into the Råna Nickel-Copper-Cobalt project (Råna Project) have been satisfied (**Second Completion**). As at Second Completion, the Company has earnt a 51% interest in the Råna Project by incurring $3 million of expenditure on the Råna Project and drilling more than 5,000 metres. In accordance with the Transaction Implementation Agreement, the Company has issued 1,000,000 fully paid ordinary shares in the Company to 'the nominee of' Scandinavian Resource Holdings Pty Ltd as part consideration for the earn in at Penikat and Råna projects.



Kingsrose Exploration Geologist mapping at the Råna project in August


Porsanger (Porsáŋgu)

Directors' Meetings

The number of Directors' meetings (including meetings of committees or Directors) and number of meetings attended by each of the Directors of the Company during the financial year are set out below:

	Directors' Meetings		Audit and Risk Committee		Remuneration Committee		Health and Safety Committee	
Director	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Michael Andrews	7	7	-	-	1	1	-	-
Fabian Baker	7	6	-	-	-	-	4	4
John Carlile	7	7	-	-	1	1	-	-
Andrew Cooke	7	7	2	2	-	-	-	-
Daryl Corp	7	7	2	2	-	-	4	4
Timothy Coughlin	7	4	2	1	1	1	-	-

Directors' Interests

The relevant interest of each Director in the share capital as notified by the Directors to the Australian Securities Exchange in accordance with section 205G(1) of the *Corporations Act 2001*, at the date of this report is as follows:

Director	Fully Paid Ordinary Shares	Options Over Ordinary Shares	Performance Rights
Michael Andrews	71,388,435	4,500,000	-
Fabian Baker	3,113,000	5,000,000	-
John Carlile	1,750,000	4,500,000	-
Andrew Cooke	80,000	4,500,000	-
Daryl Corp	200,000	4,500,000	-
Timothy Coughlin	1,700,001	4,500,000	-
Total	**78,231,436**	**27,500,000**	**-**

Shares Under Option

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

Instrument	Number Under Option	Exercise Price	Expiry Date
Options	3,250,000	$0.100	22 April 2025
Options	5,000,000	$0.059	8 February 2026
Options	22,500,000	$0.107	30 June 2026
Options	3,000,000	$0.072	24 July 2026
Options	1,000,000	$0.102	23 May 2028
Total	**34,750,000**		

Option holders do not have any right, by virtue of the options, to participate in any share issue of the Company or any related body corporate.

Performance Rights Under Issue

The performance rights of the Company under issue at the date of this report are as follows:

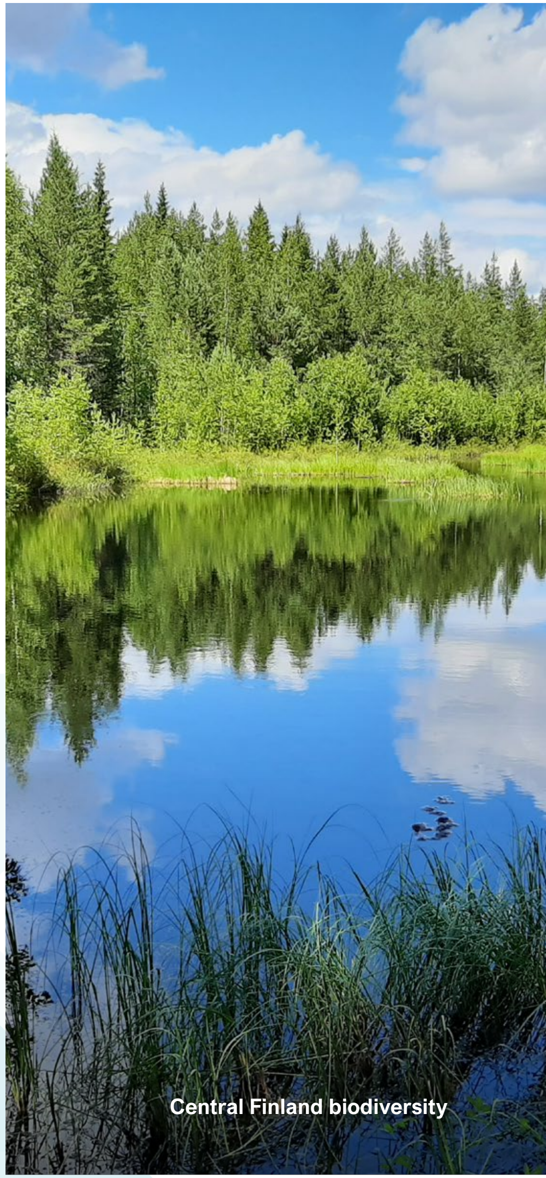
Instrument	Number Under Issue	Exercise Price	Expiry Date
Share Performance Rights	1,200,000	-	31 December 2024
Share Performance Rights	2,400,000	-	31 December 2025
Total	**3,600,000**		

Performance Rights do not entitle the holder to vote in respect of that Performance Right, nor participate in dividends, when declared, until such time as the Performance Rights vest and are subsequently registered as ordinary shares.

Options and Share Performance Rights Issued

No options were issued during the financial year ended 30 June 2024.

No share performance rights were issued during the financial year ended 30 June 2024.



Central Finland biodiversity


Råna flora

Options and Share Performance Rights Lapsed or Cancelled

No options were forfeited during the financial year ended 30 June 2024.

The following share performance rights lapsed or were forfeited during the financial year ended 30 June 2024:

Instrument	Number	Exercise Price	Expiry Date
Share Performance Rights	1,150,000	-	31 December 2023
Share Performance Rights	500,000	-	30 June 2024
Total	**1,650,000**		

Securities Exercised

There were no securities exercised during the financial year ended 30 June 2024.

Environmental Regulation and Performance

The Group's activities in Scandinavia are subject to local environmental laws, regulations, and permit conditions.

The Directors of the Company are not aware of any material breach of environmental legislation while conducting their activities in Scandinavia during the 2024 reporting period.

Insurance of Officers

During the financial year, the Company paid a premium of $38,624 (2023: $38,624) to insure the Directors and Officers of the Company and its controlled entities. The liabilities insured are costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the Directors and Officers in their capacity as officers of entities in the Group except where the liability arises out of conduct involving a lack of good faith.

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Proceedings On Behalf Of The Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Remuneration Report

Råna landscape

Introduction

This report for the year ended 30 June 2024 outlines the remuneration arrangements of the Group in accordance with the requirements of section 300A of the Corporations Act 2001 and its regulations. This information has been audited as required by section 308(3C) of the Corporations Act 2001.

This report details the remuneration arrangements for Key Management Personnel ("KMP") of the Group who are defined as those persons who have the authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether Executive or otherwise) of the parent company, Kingsrose Mining Limited. KMP identified Directors (whether Executive or otherwise) and the Chief Financial Officer.

For the purposes of this report the term "Executives" include the Managing Director and Chief Financial Officer.

Details of KMP of the Group during the reporting period are set out below:

Name	Position	Term as KMP
Non-Executive Directors		
Michael Andrews	Non-Executive Chairman	Full financial year
John Carlile	Non-Executive Director	Full financial year
Andrew Cooke	Non-Executive Director	Full financial year
Daryl Corp	Non-Executive Director	Full financial year
Timothy Coughlin	Non-Executive Director	Full financial year
Executives		
Fabian Baker	Managing Director	Full financial year
Mark Smith	Chief Financial Officer	Full financial year

Mark Smith, Chief Financial Officer, resigned on 30 June 2024 and Lui Evangelista was appointed as Chief Financial Officer on 29 July 2024.

Remuneration Governance

The Remuneration Committee is responsible for reviewing and recommending the remuneration arrangements for the Executive and Non-Executive Directors and KMP each year and ensuring that the Group's remuneration structures are aligned with the long-term interests of the Company and its shareholders. This includes an annual remuneration review of base salary, Short-Term Incentives (STIs) and any Long-Term Incentives (LTIs) including the appropriateness of performance hurdles and total payments proposed, superannuation, termination payments and service contracts.

Remuneration matters are discussed by non-conflicted Remuneration Committee members during Remuneration Committee meetings. Remuneration matters are then recommended by the Remuneration Committee to the full Board for approval, as appropriate.

Additional information regarding the role and function of the Remuneration Committee can be found within the Corporate Governance Section of the Company's website.


Råna project drilling team

Råna flora

Remuneration Consultants

In the previous financial year, the Remuneration Committee approved the engagement of BDO Rewards (WA) Pty Ltd, ("BDO") to provide advice on Executive Remuneration Benchmarking.

The Board was satisfied that the advice from BDO was free from undue influence from the KMP to whom the remuneration recommendations apply. The remuneration recommendations were provided to the Remuneration Committee and the Board as an input into decision making only. The Remuneration Committee and the Board considered the recommendations, along with other factors, in making its decisions.

Services provided by BDO Reward (WA) Pty Ltd were not utilised and no payments were made in the current year (2023: $11,963).

Remuneration Overview & Strategy

The Company has adopted a remuneration strategy intended to support the delivery of long-term shareholder value and to ensure remuneration accurately reflects achievement in line with general market conditions. The strategy is designed to attract, motivate and retain high calibre individuals through the provision of remuneration packages which contain the appropriate balance of fixed remuneration, short-term incentives and long-term incentives measured against clearly defined performance hurdles aligned with the strategic and operational objectives of the Company and the creation of value for shareholders.

In accordance with good corporate governance practices, the structure of Non-Executive Director and Executive remuneration is separate and distinct.

Executive Remuneration Framework

The Board's objective is to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities and that is competitive within the market. With this in mind, the remuneration of Executives comprises both fixed and "at-risk" or variable remuneration, with variable remuneration incorporating a balance of short-term and long-term incentives.

Performance Linked Remuneration

Performance linked remuneration includes both short- and long-term incentives and is designed to provide an at-risk reward in a manner which aligns this element of remuneration with the creation of shareholder value.

All Executives are eligible to receive both short- and long-term incentives.

Short-Term Incentives

The Company's short-term incentive programme is made up of two at-risk components, a short-term incentive bonus and employee options.

Short-Term Incentive Bonus

The Company's Short-Term Incentive Bonus programme offers Executives with the opportunity to earn a cash payment if certain financial hurdles and agreed key performance indicators (KPIs) are achieved. Ordinarily, the KPIs would include measures relating to the Group and individual, and include financial, production, safety and risk measures.

The quantum of STI bonus to be awarded to Executives is determined by the Board and generally does not exceed 40% of the base salary for the Managing Director and Chief Executive Officer and 25% of the base salary of other Executives or any other employee deemed eligible by the Board.

The formal STI bonus programme was suspended in May 2019 with the Board retaining the discretion to award STI bonus payments on an ad-hoc basis in the case of exceptional performance.

During the period no cash bonuses were awarded. (FY23: nil).

Employee Options

Options are issued pursuant to the Company's Incentive Option and Performance Rights Plan (IOPRP) and are issued with vesting periods requiring the recipient to complete a minimum period of employment with satisfactory performance before the options vest. Satisfactory performance is determined by the Board of Directors and in some cases, are based on a pre-agreed set of performance conditions. The Board will consider the individual's performance with a focus on delivery against the key responsibilities outlined in that person's employment agreement and/or job description. During the year no options were issued to any executive.

Long-Term Incentives

Long-term incentives are provided to Executives in the form of share performance rights issued pursuant to the Company's IOPRP. The Company's LTI plan is designed to provide its Executives with long term incentives which create a link between the delivery of value to shareholders, financial performance, and rewarding and retaining executives. Share performance rights are designed to reward long term sustainable business performance measured by share price appreciation over a period determined by the Board.

No amount is payable by the recipient on the grant or vesting of share performance rights. Share performance rights that do not vest automatically lapse.

The quantum of share performance rights to be awarded to Executives is determined by the Board and generally does not exceed 50% of the base salary for the Managing Director and Chief Executive Officer and 25% of the base salary of other Executives or any other employee deemed eligible by the Board.

Finnmark landscape


Råna project Exploration Geologist

Share Performance Rights Granted, Vested and Lapsed During the Year

There have been no share performance rights granted, vested or lapsed during the year.

Group Performance

The table below sets out the performance of the Group (as measured by the Group's EPS from continuing operations) over the past five years up to and including the current financial year:

	2020	2021	2022	2023	2024
EPS (cents/share)					
- Basic	2.70	(0.91)	(1.45)	(0.91)	**(0.39)**
- Diluted	2.70	(0.91)	(1.45)	(0.91)	**(0.39)**
Share Price	$0.041	$0.053	$0.056	$0.068	**$0.039**

Executive Remuneration

The table below represents the total remuneration (both fixed and variable) paid or payable to Executives of the Group during the 2024 and 2023 financial years:

		Short-Term					Post Employment		Long-Term	Share-Based Payment	Total	Proportion of Remuneration Performance Related
		Salary & Fees $	Cash Bonus $	Annual Leave Benefits $	Non-Monetary Benefits $	Consulting Fees $	Superannuation[3] $	Termination Allowance $	Long Service Leave Benefits $	Options & Rights[4] $	$	%
Executive Director												
Fabian Baker	2024	351,242	-	-	-	-	-	-	-	-	351,242	-
	2023	316,725	-	-	-	-	-	-	-	46,636	363,361	-
Other Executives												
Mark Smith[1]	2024	-	-	-	-	266,500	-	-	-	-	266,500	-
	2023	-	-	-	-	255,000	-	-	-	16,558	271,558	-
Ivan Kusnadi[2]	2024	-	-	-	-	-	-	-	-	-	-	-
	2023	57,870	-	-	-	-	-	-	-	-	57,870	-
Total	**2024**	**351,242**	**-**	**-**	**-**	**266,500**	**-**	**-**	**-**	**-**	**617,742**	**-**
Total	**2023**	**374,595**	**-**	**-**	**-**	**255,000**	**-**	**-**	**-**	**63,194**	**692,789**	**-**

1 Mr Smith was appointed Chief Financial Officer on 26 April 2021 and resigned on 30 June 2024.

2 Mr Kusnadi ceased employment with the Group on 16 December 2022 following the divestment of the Way Linggo project.

3 The executives reside outside Australia, therefore are not subject to superannuation.

4 Details of performance conditions for the options and share performance rights are outlined in the Executive Remuneration Framework section of the Remuneration Report. The amount included as remuneration relating to options and share performance rights is not related to, or indicative of the benefit (if any), that the individual may ultimately realise. The fair value of these options and share performance rights as at their date of grant was determined in accordance with AASB 2 Share-Based Payment applying valuation models. Details of the assumptions underlying the valuations are set out in Note 25 to the Financial Statements.

Executive Employment Arrangements

Remuneration arrangements for Executives are formalised in employment or consulting agreements. Except as disclosed below, all Executives of the Company are employed on individual, open-ended employment contracts with three months' notice of termination required by either party, except in the event of summary dismissal. In addition, they are entitled to termination payments in accordance with the National Employment Standards as defined in the Fair Work Act 2009 (Cth), which outline the minimum termination benefits based on years of service.

Fabian Baker

Managing Director (Appointed 25 June 2021)

Chief Executive Officer (Appointed 8 February 2021, ceased 25 June 2021)

- Appointed Chief Executive Officer on 8 February 2021 via a consultancy agreement with no fixed term;
- Appointed as Managing Director on 25 June 2021.
- An initial base consultancy fee of $300,000 per annum plus statutory on-costs and three months' notice of termination required by either party except in the event of summary dismissal. A revised executive service agreement was signed on 28 January 2022 with the Executive being employed as an employee on an annual salary of £170,000 (or equivalent to $300,000). On 1 January 2023, following a remuneration review, the annual salary was increased to £183,150 (or equivalent to $327,472 at the time of the review); On 1 January 2024, following a remuneration review, the annual salary was increased to £192,308 (or equivalent to $343,846 at the time of the review).
- In the case of the Company terminating the employment of Mr Baker, three month's termination notice is required, and the Company must pay a cash sum equal to six months remuneration (subject to any relevant shareholder approval being obtained).

Mark Smith

Chief Financial Officer (Appointed 26 April 2021 - Ceased 30 June 2024)

- Appointed Chief Financial Officer on 26 April 2021 via a consultancy agreement with no fixed term;
- Base consultancy fee of $250,000 inclusive of statutory on-costs and three months' notice of termination required by either party except in the event of summary dismissal;
- On 1 January 2023, following a remuneration review, the annual salary of Mr Smith was increased to $260,000.
- On 1 January 2024, following a remuneration review, the annual salary of Mr Smith was increased to $273,000.
- Mr Smith resigned on 30 June 2024. No termination benefit was payable.

Lui Evangelista

Chief Financial Officer (Appointed 29 July 2024)

- Appointed Chief Financial Officer on 29 July 2024 via a consultancy agreement with no fixed term.
- Base consultancy fee of $150,000 inclusive of statutory on-costs and one month's notice of termination within the first four months of appointment and thereafter three months' notice of termination required by either party except in the event of summary dismissal.
- Working hours of no less than 20 hours per week.

Ivan Kusnadi

PTNM President Director

- Appointed acting PTNM President Director from 16 June 2017 pending Indonesian Mines Department approval (obtained 9 April 2018);
- Initial two-year term commencing 9 April 2018 which was extended for a further two years on 10 August 2020. On 1 April 2022 due to the Company's operations having transitioned from producer to explorer, a revised employment agreement was signed reducing the annual base salary by 50%. With this reduction it was agreed that 50% of the eligible termination benefits would be paid in advance and the balance six months later. Contractual termination benefits totalled US$433,205 (A$628,836);
- Initial base salary of US$135,000 plus Indonesian statutory entitlements commencing 1 June 2017 which was increased to US$175,000 plus Indonesian statutory entitlements on 1 February 2018. On 1 April 2022 as referenced above the annual base salary was reduced by 50%; and
- Following the divestment of Way Linggo on 16 December 2022 Mr Kusnadi ceased to be an Employee and KMP of the Group.

Non-Executive Director Remuneration

The Company's policy is to remunerate Non-Executive Directors at market rates (for comparable ASX listed companies) for their time, commitment, and responsibilities. Fees paid to Non-Executive Directors are not directly linked to the performance of the Company, however, to align Directors' interests with shareholders' interest, Directors are encouraged to hold shares in the Company.

Fees paid to Non-Executive Directors cover all activities associated with their role on the Board and any sub-committees. The Company does not pay additional fees to Directors who are appointed to the Boards of subsidiary or associated companies. However, Non-Executive Directors may be remunerated at market rates for additional work undertaken as required, on behalf of the Group. They may also be reimbursed for reasonable out of pocket expenses incurred as a result of their Directorships.

Non-Executive Director's fees are determined within an aggregate limit, which currently sits at $300,000 per annum and was approved by shareholders at the Annual General Meeting of 1 November 2012. Fees paid to Non-Executive Directors are reviewed annually against fees paid by comparable peer companies and general market conditions.

The table below represents the total remuneration paid or payable to Non-Executive Directors of the Group during the 2024 and 2023 financial years:

		Short-Term			Post Employment	Share-Based Payments	Total	Proportion of Remuneration Performance Related
		Salary & Fees $	Non-Monetary Benefits $	Consulting Fees $	Superannuation $	Options & Rights $	$	%
Non-Executive Directors								
Michael Andrews[1,4]	2024	66,000	-	-	-	-	66,000	-
	2023	66,000	-	-	-	-	66,000	-
John Carlile[2,4]	2024	54,000	-	-	-	-	54,000	-
	2023	49,000	-	-	-	-	49,000	-
Tim Coughlin[3,4]	2024	44,000	-	-	-	-	44,000	-
	2023	44,000	-	-	-	-	44,000	-
Daryl Corp[3]	2024	50,000	-	-	5,500	-	55,500	-
	2023	45,000	-	-	4,725	-	49,725	-
Andrew Cooke[3,5]	2024	55,500	-	-	-	-	55,500	-
	2023	50,400	-	-	-	-	50,400	-
Total	**2024**	**269,500**	**-**	**-**	**5,500**	**-**	**275,000**	**-**
Total	**2023**	**254,400**	**-**	**-**	**4,725**	**-**	**259,125**	**-**

1 Dr Andrews was appointed Non-Executive Chairman on 5 December 2018.

2 Mr Carlile was appointed on 4 February 2019.

3 Dr Coughlin, Mr Corp and Mr Cooke were appointed 19 November 2020.

4 As non-residents for Australian tax purposes, Dr Andrews, and Messer's Carlile and Coughlin have elected to receive a cash payment in lieu of all superannuation contributions, in accordance with the Superannuation Guarantee (Administration) Act 1992. The cash payment is paid as part of their Non-Executive Director's fees. The amount is included in salary and fees.

5 Mr Cooke's fees are inclusive of superannuation in accordance with the Superannuation Guarantee (Administration) Act 1992.

Råna flora

Equity Instruments Held by KMP

Ordinary Shares

The number of ordinary shares in the Company held during the year by each Director of the Company and any other KMP of the Group, including their personally related entities, are as follows:

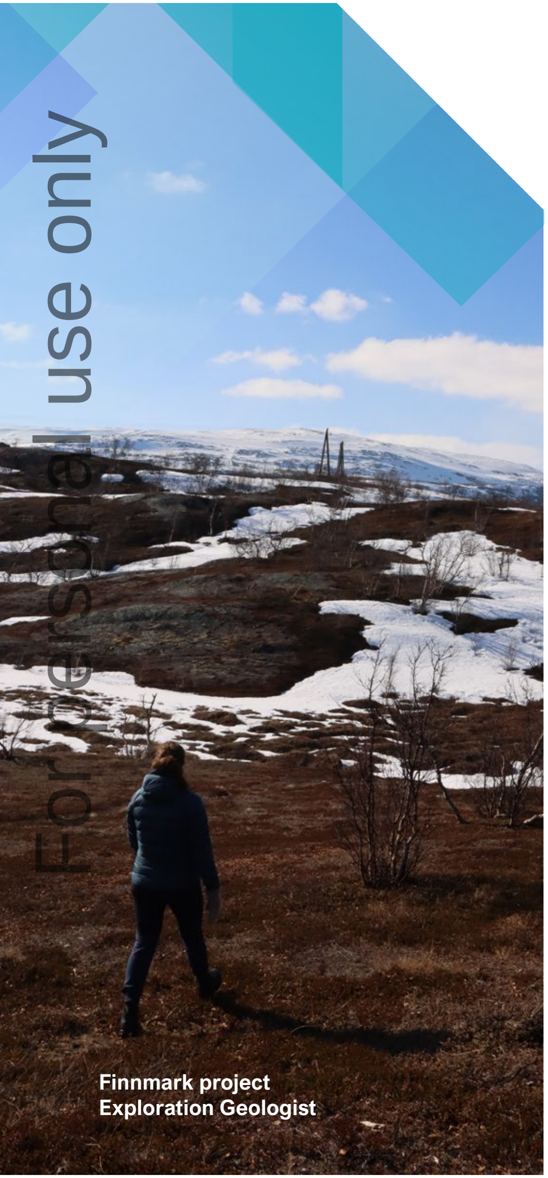
	Balance at 1 July 2023	Granted as Remuneration	On Exercise of Options/Share Performance Rights	Net Change Other	Balance at 30 June 2024
Executive Director					
Fabian Baker	3,113,000	-	-	-	3,113,000
Non-Executive Directors					
Michael Andrews	71,388,435	-	-	-	71,388,435
John Carlile	1,750,000	-	-	-	1,750,000
Tim Coughlin	1,700,001	-	-	-	1,700,001
Daryl Corp	-	-	-	200,000	200,000
Andrew Cooke	-	-	-	80,000	80,000
Other KMP					
Mark Smith	-	-	-	-	-
Total	**77,951,436**	**-**	**-**	**280,000**	**78,231,436**

Options

The number of options over ordinary shares in the Company held during the year by each Director of the Company and any other KMP of the Group, including their personally related entities, are as follows:

	Balance at 1 July 2023	Granted as Remuneration	Options Exercised	Net Change Other	Balance at 30 June 2024	Not Vested and Not Exercisable	Vested and Exercisable
Executive Director							
Fabian Baker	5,000,000	-	-	-	5,000,000	-	5,000,000
Non-Executive Directors							
Michael Andrews	4,500,000	-	-	-	4,500,000	-	4,500,000
John Carlile	4,500,000	-	-	-	4,500,000	-	4,500,000
Tim Coughlin	4,500,000	-	-	-	4,500,000	-	4,500,000
Daryl Corp	4,500,000	-	-	-	4,500,000	-	4,500,000
Andrew Cooke	4,500,000	-	-	-	4,500,000	-	4,500,000
Other KMP							
Mark Smith	3,000,000	-	-	-	3,000,000	-	3,000,000
Total	**30,500,000**	**-**	**-**	**-**	**30,500,000**	**-**	**30,500,000**


Central Finland Survey



Finnmark project
Exploration Geologist

Share Performance Rights

The number of share performance rights in the Company held during the year by each Director of the Company and any other KMP of the Group, including their personally related entities, are as follows:

	Balance at 1 July 2023	Granted as Remuneration	Rights Exercised	Rights Lapsed	Balance at 30 June 2024	Not Vested	Vested
Executive Director							
Fabian Baker	-	-	-	-	-	-	-
Non-Executive Directors							
Michael Andrews	-	-	-	-	-	-	-
John Carlile	-	-	-	-	-	-	-
Tim Coughlin	-	-	-	-	-	-	-
Daryl Corp	-	-	-	-	-	-	-
Andrew Cooke	-	-	-	-	-	-	-
Other KMP							
Mark Smith	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Other Transactions and Balances With Key Management Personnel and Their Related Parties

Element-46 Limited

E-46 was acquired in November 2021 for a total consideration of $5,206,743 including cash, shares and deferred consideration. Fabian Baker and Tim Coughlin had an ownership interest in E-46 of 0.9% and 10.8% respectively as at the acquisition date. The issue of shares to Messrs Baker and Coughlin following the Company's acquisition of E-46 was approved by shareholders at the Company's Annual General Meeting held on 28 January 2022. As at 30 June 2024, the amount of deferred consideration payable to the former owners of E-46 was $818,038. As referred to in Note 18 the underlying amount owing of £451,250 has been converted to the applicable end of financial year exchange rate for AUD (2023: $819,524).

End of Remuneration Report.

Auditor's Independence Declaration and Non-Audit Services

Auditor's Independence

The auditor's independence declaration for the year ended 30 June 2024 is on page 62. This declaration forms part of the Directors' Report.

Non-Audit Services

The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Details of amounts paid or payable to the auditor for non-audit services provided during the year are detailed in Note 30 of the financial statements.

The report is signed for and on behalf of the Directors in accordance with a resolution of the Directors.

Michael Andrews
Non-Executive Chairman

27 September 2024

For personal use only

Building a better working world

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Auditor's independence declaration to the Directors of Kingsrose Mining Limited

As lead auditor for the audit of the financial report of Kingsrose Mining Limited for the financial year ended 30 June 2024, I declare to the best of my knowledge and belief, there have been:

a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b) No contraventions of any applicable code of professional conduct in relation to the audit; and

c) No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Kingsrose Mining Limited and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

Mark Cunningham
Partner
27 September 2024

Financial Statements

Råna flora

For personal use only

Consolidated Income Statement

For The Year Ended 30 June 2024

	Note	2024 $	2023 $
Continuing operations			
Other income	4(a)	**1,750,743**	3,017,517
Corporate & Operational support expenses	4(b)	**(5,401,668)**	(5,279,644)
Finance costs	4(c)	**(11,424)**	(59,136)
Loss before income tax		**(3,662,349)**	(2,321,263)
Income tax (expense) / benefit	5(a)	**(198,466)**	79,232
Loss after tax from continuing operations		**(3,860,815)**	(2,242,031)
Discontinued operations			
Loss after tax from discontinued operations	27	**-**	(4,633,726)
Loss after tax from discontinued operations		**-**	(4,633,726)
Net loss for the period			
Loss for the year is attributable to:			
- Owners of the parent		**(2,945,689)**	(6,878,458)
- Non-controlling interest		**(915,126)**	2,701
		(3,860,815)	(6,875,757)
Loss per share attributable to the ordinary equity holders of the parent:		**Cents**	**Cents**
- Basic loss per share – cents per share	6	**(0.39)**	(0.91)
- Diluted loss per share – cents per share	6	**(0.39)**	(0.91)
Loss per share for continuing operations attributable to the ordinary equity holders of the parent:		**Cents**	**Cents**
- Basic loss per share – cents per share	6	**(0.39)**	(0.30)
- Diluted loss per share – cents per share	6	**(0.39)**	(0.30)

The above consolidated income statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

For The Year Ended 30 June 2024

	2024 $	2023 $
Net loss for the year	**(3,860,815)**	(6,875,757)
Other comprehensive loss		
Items that may be reclassified to profit and loss in subsequent periods		
Foreign currency translations attributable to parent entity interest	**(14,627)**	6,445,925
Income tax effect	**-**	-
	(14,627)	6,445,925
Other comprehensive (loss) / income for the year, net of tax	**(14,627)**	6,445,925
Total comprehensive loss for the year	**(3,875,442)**	(429,832)
Total comprehensive loss for the year is attributable to:		
- Owners of the parent	**(2,960,316)**	(432,533)
- Non-controlling interest	**(915,126)**	2,701
	(3,875,442)	(429,832)
Total comprehensive loss for the year attributable to owners of the parent arises from:		
- Continuing operations	**(2,960,316)**	(2,318,867)
- Discontinued operations	**-**	1,889,035
	(2,960,316)	(429,832)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

For personal use only

Consolidated Statement of Financial Position

For The Year Ended 30 June 2024

	Note	2024 $	2023 $
Current Assets			
Cash and cash equivalents	8	**28,866,934**	33,840,430
Trade and other receivables	9	**68,146**	58,651
Income tax receivable	5(d)	**-**	82,068
Other	10	**52,525**	84,413
Total Current Assets		**28,987,605**	34,065,562
Non-Current Assets			
Plant and equipment	11	**310,685**	445,614
Exploration and evaluation assets	14	**11,209,421**	5,796,748
Other	10	**-**	1,071,529
Total Non-Current Assets		**11,520,106**	7,313,891
TOTAL ASSETS		**40,507,711**	41,379,453
Current Liabilities			
Trade and other payables	15	**2,845,543**	451,766
Interest-bearing liabilities	16	**64,750**	67,913
Income tax payable	5(d)	**192,450**	-
Other provisions	17	**69,743**	33,562
Other	18	**818,038**	819,524
Total Current Liabilities		**3,990,524**	1,372,765
Non-Current Liabilities			
Interest-bearing liabilities	16	**-**	64,553
Total Non-Current Liabilities		**-**	64,553
TOTAL LIABILITIES		**3,990,524**	1,437,318
NET ASSETS		**36,517,187**	39,942,135
EQUITY			
Equity attributable to equity holders of the parent			
Contributed equity	19	**107,326,091**	107,326,091
Reserves	20	**12,318,811**	12,329,442
Accumulated losses		**(82,659,087)**	(79,713,398)
		36,985,815	39,942,135
Non-controlling interest	23(b)	**(468,628)**	-
TOTAL EQUITY		**36,517,187**	39,942,135

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

For personal use only

Consolidated Statement of Cashflows

For The Year Ended 30 June 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Payments to suppliers and employees		**(4,846,198)**	(4,823,231)
Proceeds received in respect of BHP Alliance		**3,621,523**	-
Payments made in respect of BHP Alliance		**(996,000)**	-
VAT refund received		**-**	146,291
Management fee income		**113,077**	-
Interest received		**1,274,235**	1,092,716
Interest and other finance costs paid		**(4,267)**	(6,724)
Disposal costs on sale of subsidiary		**-**	(843,182)
Income tax received		**76,052**	533,050
Net cash flows from operating activities	8(a)	**(761,578)**	(3,901,080)
Cash flows from investing activities			
Payments for plant and equipment		**(23,106)**	(170,480)
Proceeds from sale of subsidiary (net of cash disposed)		**-**	11,008,406
Prepayments of other non-current assets		**-**	(1,071,529)
Payment for exploration and evaluation expenditure		**(4,024,802)**	(678,727)
Net cash flows used in investing activities		**(4,047,908)**	9,087,670
Cash flows from financing activities			
Repayment of principal portion of lease liabilities	8(b)	**(67,716)**	(50,596)
Net cash flows used in financing activities		**(67,716)**	(50,596)
Net (decrease) / increase in cash and cash equivalents		**(4,877,202)**	5,135,994
Cash and cash equivalents at beginning of the year		**33,840,430**	27,626,719
Effects of exchange rate changes on cash and cash equivalents held		**(96,294)**	1,077,717
Cash and cash equivalents at end of the year	8	**28,866,934**	33,840,430

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

For personal use only

Consolidated Statement of Changes in Equity

For The Year Ended 30 June 2024

	Issued Capital	Share-Based Payments Reserve	General Reserve	Foreign Currency Translation Reserve	Other Capital Reserve	Accumulated Losses	Owners of the Parent	Non-Controlling Interest	Total
	$	$	$	$	$	$	$	$	$
At 30 June 2022	**107,326,091**	**12,196,096**	**97,832**	**(6,503,807)**	**3,402,490**	**(76,370,444)**	**40,148,258**	**1,728,111**	**41,876,369**
Net loss for the period	-	-	-	-	-	(6,878,458)	(6,878,458)	2,701	(6,875,757)
Other comprehensive income for the period	-	-	-	6,445,925	-	-	6,445,925	-	6,445,925
Total comprehensive income / (loss) for the period	**-**	**-**	**-**	**6,445,925**	**-**	**(6,878,458)**	**(432,533)**	**2,701**	**(429,832)**
Transactions with owners in their capacity as owners:									
Transfer on Divestment	-	-	(133,014)	-	(3,402,490)	3,535,504	-	(1,730,812)	(1,730,812)
Share-based payments	-	226,410	-	-	-	-	226,410	-	226,410
At 30 June 2023	**107,326,091**	**12,422,506**	**(35,182)**	**(57,882)**	**-**	**(79,713,398)**	**39,942,135**	**-**	**39,942,135**
Net loss for the period	-	-	-	-	-	(2,945,689)	(2,945,689)	(915,126)	(3,860,815)
Other comprehensive loss for the period	-	-	-	(14,627)	-	-	(14,627)	-	(14,627)
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**-**	**(2,945,689)**	**(2,960,316)**	**(915,126)**	**(3,875,442)**
Transactions with owners in their capacity as owners:									
Share-based payments	-	3,996	-	-	-	-	3,996	-	3,996
Acquisition of subsidiary	-	-	-	-	-	-	-	446,498	446,498
At 30 June 2024	**107,326,091**	**12,426,502**	**(35,182)**	**(72,509)**	**-**	**(82,659,087)**	**36,985,815**	**(468,628)**	**36,517,187**

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

Notes to the Consolidated Financial Statements

For The Year Ended 30 June 2024

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

1. Corporate Information

This full year financial report of Kingsrose Mining Limited ("Kingsrose" or the "Company") and its controlled entities (the "Group") for the year ended 30 June 2024 was authorised for issue by directors on 27 September 2024.

Kingsrose is a for-profit company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX: KRM).

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

The address of the registered office of the Company is Suite 5 CPC, 145 Stirling Highway WA 6009.

2. Statement of Material Accounting Policy Information

a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on a historical cost basis and is presented in Australian dollars.

For the purpose of preparing the financial report, the Company is a for-profit entity.

b) Compliance with IFRS

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

c) Going concern

During the year ended 30 June 2024, the Group recorded a net loss for the year of $3,860,815, net cash outflows from operating activities of $761,578 and had a net working capital of $24,997,081. The Group has prepared a 15-month cash flow forecast which indicates adequate cash flows to sustain operations and as a result the financial statements have been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

d) Changes in Accounting Policies and Disclosures

(i) New and amended accounting standards and interpretations

The Group has adopted all new Australian Accounting Standards and Interpretations effective from 1 July 2023.There has been no material impact from the adoption of these standards and interpretations.

(ii) Accounting standards and interpretations issued but not yet effective

A number of new standards, amendment of standards and interpretation that have recently been issued but not yet effective have not been adopted by the Group as at the financial reporting date. The Group is in the process of analysing these standards and interpretations. Other than AASB 18 Presentation and Disclosure in Financial Statements, the Group does not expect that the new or amended standards will significantly affect the Group's accounting policies, financial position or performance. AASB 18 *Presentation and Disclosure in Financial Statements* will apply for the annual reporting period beginning 1 July 2027. The Group is currently in the process of assessing the impact of the standard.

e) Principles of consolidation

The consolidated financial statements comprise the financial statements of Kingsrose and its controlled entities, referred to collectively throughout these financial statements as the "Group". Controlled entities are consolidated from the date on which control commences until the date that control ceases.

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

2. Statement of Material Accounting Policy Information (Continued)

e) Principles of consolidation (continued)

The financial statements of the controlled entities are prepared for the same reporting period as the parent company using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The balances and effects of transactions between controlled entities included in the consolidated financial statements have been fully eliminated.

Non-controlling interests are allocated their share of net profit or loss after tax in the income statement and are presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the parent. Losses are attributed to the non-controlling interests even if that results in a deficit balance.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, whilst any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

f) Acquisitions

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired, and liabilities and contingent liabilities assumed, in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

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

On initial recognition, the cost of the asset acquired that is not a business combination, excludes any variable or contingent considerations. Accordingly, no liability is recognised for those variable or contingent amounts.

Råna Project Acquisition

During the year ended 30 June 2023, the Company entered into the Transaction Implementation Agreement ("TIA") to acquire an interest in the Råna Project through purchase of shares in Narvik Nikkel AS, the company that operates the Råna Project. The first completion milestone was satisfied in July 2023 upon which Kingsrose was issued with 10% shares in the company. The acquisition of an entity that does not meet the definition of a business under AASB 3 Business Combinations would be accounted for as an asset acquisition and not a business combination. It was assessed that Råna Project, due to being in an exploration phase, did not meet the definition of a business. Therefore, the acquisition was accounted for as an asset acquisition as an addition to exploration and evaluation assets. It was also assessed that on acquisition, when the Group acquired 10% equity in the company, Kingsrose obtained control over the relevant activities of the company for the purpose of application of AASB 10 Consolidated Financial Statements. Therefore, from the acquisition date, the company has been accounted for as a subsidiary of the Group, even though the Group obtained less than 50% of the shares in the company. At the acquisition date the value of the non-controlling interest was assessed as $446,498. The Group holds options to acquire an increased ownership interest in Narvik Nikkel AS in the future. If exercised, these options will be transactions with non-controlling interests. At balance date the fair value of these options has been assessed as not significant given the Project's pre-resource exploration stage.

Assets acquired are capitalised as exploration assets.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

2. Statement of Material Accounting Policy Information (Continued)

g) Foreign currency translation

(i) Functional and presentation currency

Both the functional and presentation currency of Kingsrose and its controlled entities are Australian dollars ($) other than its Scandinavian, United Kingdom and Jersey subsidiaries.

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the prevailing exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the prevailing exchange rate at the reporting date. All exchange differences in the consolidated financial statements are taken to the statement of comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

(iii) Translation of Group Companies' functional currency to presentation currency

The results of the foreign subsidiaries are translated into Australian dollars (presentation currency) as at the date of each transaction. Assets and liabilities are translated at exchange rates prevailing at the reporting date.

Exchange variations resulting from the translation are recognised in the foreign currency translation reserve in equity.

On consolidation, exchange differences arising from the translation of borrowings that form part of the net investment in the foreign subsidiaries are taken to the foreign currency translation reserve. If any foreign subsidiary was sold, the exchange differences would be transferred out of equity and recognised in the income statement.

h) Accounting for funding from BHP exploration alliance agreements

In May 2024 the Group entered into two exploration alliance agreements ('Alliance Agreements' or 'Alliances') with BHP where BHP will provide funding for mineral exploration across areas of interest in Norway and Finland. Effectively, the Alliances are 'farm-in' arrangements, where an entity engaged in exploration and evaluation ('E&E') activities ('the farmor') gives up the right to future reserves in exchange for a reduction in future funding obligations which will be met by another party ('the farmee').

The Group has recognised funds received from the farmee as cash and cash equivalents and a corresponding liability upon receipt, reflecting the refundable nature of the amounts received. Any unspent cash at the reporting dates will be disclosed as "restricted cash" in the notes to the financial statements. The Group does not record any expenditure in respect of the farmee's spend to earn an interest. As funds are spent on the farmee's behalf, the cash and cash equivalents and corresponding liability are reduced, except for the management fee component which will be recognised as other income.

The accounting for any issue of project equity and the Joint Venture Phase will be addressed if and when the Alliances get to that stage.

i) Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient for contracts that have a maturity of one year or less, are measured at the transaction price determined under AASB 15.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

2. Statement of Material Accounting Policy Information (Continued)

i) Financial Assets (continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Interest received is recognised as part of finance income in the statement of profit or loss and other comprehensive income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets that do not meet the criteria for amortised cost are measured at fair value through profit and loss.

Derivatives such as options to acquire equity instruments are accounted for at fair value through profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables due in less than 12 months, the Group applies the simplified approach in calculating ECLs. In this regard, the Group recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date. The lifetime ECL on these financial assets is estimated based on the Group's historic credit loss experience, adjusted for factors that are specific to the debtor, general economic conditions and an assessment of both the current as well as forecast conditions at the reporting date.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

2. Statement of Material Accounting Policy Information (Continued)

i) Financial Assets (continued)

For all other financial assets measured at amortised cost, the Group recognises lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to a 12-month ECL. The determination of the ECL includes both quantitative and qualitative information and analysis, based on the Group's historical experience and forward-looking information.

The Group considers an event of default has occurred when a financial asset is more than 90 days past due or external sources indicate that the debtor is unlikely to pay its creditors, including the Group. A financial asset is credit impaired when there is evidence that the counterparty is in significant financial difficulty or a breach of contract, such as a default or past due event has occurred. The Group writes off a financial asset when there is information indicating the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

j) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in the income statement as incurred.

The cost of property, plant and equipment constructed by the Group includes the costs of all materials used in construction, direct labour and an allocation of overheads.

Items of property, plant and equipment are depreciated as outlined below:

- Processing plant: unit of production based on economically recoverable Mineral Resource.
- Other plant and equipment: straight line or diminishing value method at a rate of 20% to 33% per annum, depending on the item of property, plant and equipment.

Assets are depreciated from the date when it is ready to be operated in the manner intended by the Group.

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

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognised.

l) Mine properties and development

Mine properties and development represent the acquisition costs and/or accumulation of exploration, evaluation and development expenditure in respect of areas of interest in which mining has commenced. When further development expenditure is incurred in respect of a mine property after the commencement of production, such expenditure is carried forward as part of mine properties and development only when substantial future economic benefits are thereby established, otherwise such expenditure is classified as part of the cost of production. Amortisation is provided on a production output basis, proportional to the depletion of the Mineral Resource expected to be ultimately economically recoverable. This policy only applied to those assets disposed in the prior year as disclosed within discontinued operations.

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

2. Statement of Material Accounting Policy Information (Continued)

m) Exploration and evaluation assets

Exploration and evaluation expenditure is carried forward as an asset where:

(i) such costs are expected to be recouped through successful development and exploration of the area of interest or, by its sale; or

(ii) exploration activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable Ore Reserves, Mineral Resources and active operations in relation to the area are continued.

Accumulated costs in relation to an abandoned area are written off in full in the year in which the decision to abandon the area is made. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated then exploration and evaluation expenditure and any subsequent expenditure within the area of interest are tested for impairment and reclassified to mine properties and development.

The determination as to whether there are any indicators to require an exploration and evaluation asset to be assessed for impairment, involves a number of judgments including whether the Group has title and tenure to the licenses, will be able to perform ongoing exploration and evaluation expenditure and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. Where an indicator of impairment is identified, the carrying value of exploration and evaluation assets is compared to the recoverable amount, which is the higher of value-in-use and the fair value less costs of disposal.

n) Impairment of non-current assets

The Group assesses at each reporting date, whether there is an indication that a non-current asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Any impairment losses are recognised in the income statement.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The future cash flows are based on:

- A mine plan based on estimates of the quantities of Ore Reserves and/or Mineral Resources for which there is a high degree of confidence of economic extraction;
- Future production rates; future commodity prices and future cash costs of production, royalties, capital expenditure and apportionment of overheads.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

o) Trade and other payables

Trade and other payables are carried at amortised cost. Due to their short-term nature, they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 14-30 days of recognition.

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

2. Statement of Material Accounting Policy Information (Continued)

p) Loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings. The increase in the loans and borrowings due to the passage of time is recognised as a finance cost.

Gains and losses are recognised in the income statement when the liabilities are derecognised.

Borrowing costs are recognised as an expense when incurred, except where the borrowing costs incurred are directly associated with the construction, purchase or acquisition of a qualifying asset, in which case the borrowing costs are capitalised as part of the cost of the asset.

q) Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, long service leave and other long-term service benefits.

Short-term benefits

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

Long-term benefits

The long-term employee benefits within the Group relate to liabilities for long service leave of the Group's employees and termination benefits for PTNM employees.

The liability for long service leave is recognised and measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. The obligation is calculated using expected future increases in wage and salary rates, experience of employee departures and period of service. Expected future payments are discounted using the market yields at the reporting date on high quality corporate bonds which have maturity dates approximating the terms of the Company's obligations.

The termination benefits are unfunded. The liability for termination benefits recognised is the present value of the defined benefit obligation at the reporting date. The obligation is calculated by independent actuaries using the projected unit credit valuation method. Actuarial gains and losses arising from the changes in actuarial estimates are recognised immediately in other comprehensive income. Past service costs arising from the introduction of the defined benefit plan or changes in the benefits payable of an existing plan are recognised immediately in the income statement if the benefits have vested immediately following the introduction of, or changes to, the defined benefit plan.

Defined contribution superannuation plan

Contributions to defined contribution superannuation plans are expensed when incurred.

Share-based payments

The Company provides benefits to its employees (including KMP and eligible employees of the Group) in the form of share-based payments via the Kingsrose Mining Limited Options and Share Rights Plan (OSRP), whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is determined using a Binomial based model and the fair value of share performance rights is determined using a Monte Carlo simulation model, further details of which are provided in Note 25. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the Company (market conditions) if applicable.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

2. Statement of Material Accounting Policy Information (Continued)

q) Employee benefits (continued)

The cost of equity-settled transactions with non-employees is measured by reference to the fair value of the goods and services received unless this cannot be reliably measured, in which case these are measured at the fair value of the equity instruments granted.

At each reporting date, the Group revises its estimate of the number of equity-settled transactions that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the income statement with a corresponding adjustment to equity.

r) Leases

When a contract is entered into, the Group assess whether the contract contains a lease. A lease arises when the Group has the right to direct the use of an identified asset which is not substitutable and to obtain substantially all economic benefits from the use of the asset throughout the period of use.

Leases as a lessee

Lease assets and lease liabilities are recognised at the lease commencement date, which is when the assets are available for use. The assets are initially measured at cost, which is the present value of future lease payments adjusted for any lease payments made at or before the commencement date, plus any make-good obligations and initial direct costs incurred.

Lease assets are depreciated using the straight-line method over the shorter of their useful life and the lease term. Periodic adjustments are made for any re-measurements of the lease liabilities and for impairment losses, assessed in accordance with the Group's impairment policies.

Lease liabilities are initially measured at the present value of future minimum lease payments, discounted using the Group's incremental borrowing rate if the rate implicit in the lease cannot be readily determined, and are subsequently measured at amortised cost using the effective interest rate. Minimum lease payments are fixed payments or index-based variable payments incorporating the Group's expectations of extension options.

The lease liability is remeasured when there are changes in future lease payments arising from a change in rates, index or lease terms from exercising an extension or termination option. A corresponding adjustment is made to the carrying amount of the lease assets, with any excess recognised in the income statement.

Short-term leases and leases of low value assets

Short-term leases (lease term of 12 months or less) and leases of low value assets are recognised as incurred as an expense in the income statement. Low value assets comprise office equipment.

s) Income tax and other taxes

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- When the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences;
- When the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

2. Statement of Material Accounting Policy Information (Continued)

s) Income tax and other taxes (continued)

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences.
- When the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it is probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST/VAT except when the GST/VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

The net amount of GST/VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST/VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

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

t) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

2. Statement of Material Accounting Policy Information (Continued)

t) Provisions (continued)

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

u) Provisions for decommissioning and restoration costs

The Group is required to decommission and rehabilitate mines at the end of their producing lives to a condition acceptable to the relevant authorities.

The expected cost of any approved decommissioning and rehabilitation program, discounted to its present value, is provided when the related environmental disturbance occurs. The cost is capitalised when it gives rise to future benefits, whether the rehabilitation activity is expected to occur over the life the operation or at the time of closure. The capitalised cost is amortised over the life of the operation and the increase in the net present value of the provision for the expected cost is included in financing expenses over the life of the mine. Expected decommissioning and rehabilitation costs are based on the discounted value of the estimated future cost of detailed plans prepared for each site.

Where there is a change in the expected decommissioning and restoration costs, the value of the provision and any related assets are adjusted, and the effect is recognised in the income statement on a prospective basis over the remaining life of the operation.

v) Contributed equity

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

w) Earnings per share

Basic earnings / (loss) per share is calculated as net profit / (loss) attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings / (loss) per share is calculated as net profit / (loss) attributable to members of the parent, adjusted for:

- Costs of servicing equity (other than dividends); and
- The after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses.

Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

x) Operating segments

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

y) Significant accounting judgements, estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

2. Statement of Material Accounting Policy Information (Continued)

y) Significant accounting judgements, estimates and assumptions (continued)

(i) Exploration and evaluation assets

The future recoverability of exploration and evaluation assets is dependent on a number of factors, including whether the Group decides to exploit the related area of interest itself. Factors that could impact the future recoverability include the level of Mineral Resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that the carrying value of the exploration and evaluation assets is determined not to be recoverable in the future, the carrying amount of the CGU would be reduced to its recoverable amount and an impairment loss recognised.

(ii) Deferred tax assets

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the Group will comply with relevant tax legislation and will generate sufficient taxable profit in future years in order to recognise and utilise those deferred tax assets. Estimates of future taxable profit are based on forecast cash flows from operations and existing tax laws in each jurisdiction. These assessments require the use of estimates and assumptions such as commodity prices and operating performance over the life of the assets.

A tax benefit will only be recognised to the extent that it is probable that future taxable profit will allow the deferred tax asset to be recovered.

(iii) Share-based payments

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options and share performance rights is determined by using a Binomial and Monte Carlo simulation models respectively, with the assumptions detailed in Note 25. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

(iv) Asset acquisitions

The acquisition of an entity that meets the requirements of the concentration test under AASB 3 would be accounted for as an asset acquisition and not a business combination. During the year ended 30 June 2023, the Company entered into the Transaction Implementation Agreement ("TIA") to acquire an interest in the Råna Project through purchase of shares in Narvik Nikkel AS, the company that operates the Råna Project. The first completion milestone was satisfied in July 2023 upon which Kingsrose was issued with 10% shares in the company. The acquisition of an entity that does not meet the definition of a business under AASB 3 Business Combinations would be accounted for as an asset acquisition and not a business combination. It was assessed that Råna Project, due to being in an exploration phase, did not meet the definition of a business. Therefore, the acquisition was accounted for as an asset acquisition as an addition to exploration and evaluation assets. It was also assessed that on acquisition, when the Group acquired 10% equity in the company, Kingsrose obtained control over the relevant activities of the company for the purpose of application of AASB 10 Consolidated Financial Statements. Therefore, from the acquisition date, the company has been accounted for as a subsidiary of the Group, even though the Group obtained less than 50% of the shares in the company. At the acquisition date the value of the non-controlling interest was assessed as $446,498. The Group holds options to acquire an increased ownership interest in Narvik Nikkel AS in the future. If exercised, these options will be transactions with non-controlling interests. At balance date the fair value of these options has been assessed as not significant given the Project's pre-resource exploration stage.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

2. Statement of Material Accounting Policy Information (Continued)

y) Significant accounting judgements, estimates and assumptions (continued)

The key estimates and assumptions that are only relevant to the comparative information are:

Cash-generating unit (CGU)

(i) Impairment of non-current assets

The recoverable amount of a CGU is determined as the higher of value in use and fair value less costs of disposal.

The future recoverability of the CGU is dependent on a number of factors, including the level of measured, indicated and inferred Mineral Resources, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Given the nature of the Group's mining activities, future changes in long term assumptions upon which these estimates are based, may give rise to material adjustments to the carrying value of the CGU.

To the extent that the carrying value of the CGU is determined not to be recoverable in the future, the carrying amount of the CGU would be reduced to its recoverable amount and an impairment loss recognised.

Refer to Note 13 for impairment testing of the Group's CGU at 30 June 2023.

(ii) Provision for Indonesian employee termination benefits

The present value of the Group's obligation for its Indonesian employee termination benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include among others, the determination of discount rate, future salary increase, employee turnover rate, disability rate, retirement age and mortality rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iii) Provisions for decommissioning and restoration costs

Decommissioning and restoration costs are a normal consequence of mining, and the majority of this expenditure is incurred at the end of a mine's life. In determining an appropriate level of provision, consideration is given to the expected future costs to be incurred, the timing of these expected future costs (largely dependent on the life of the mine), and the estimated future level of inflation.

The ultimate cost of decommissioning and restoration is uncertain, and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other mine sites. The expected timing of expenditure can also change, for example in response to changes in reserves or to production rates.

Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results.

z) Comparatives

Where necessary, comparatives have been reclassified and repositioned for consistency with current year's disclosures.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

3. Operating Segments

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated Entity that are regularly reviewed by the chief operating decision maker, being the Managing Director, in order to allocate resources to the segment and to assess its performance. The Consolidated Entity has one operating segment being mineral exploration.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

4. Other Income and Expenses

a) Other income

	2024 $	2023 $
Interest income	**1,283,730**	1,092,716
Net gain on foreign exchange	**353,936**	1,166,532
Sundry income	**113,077**	758,269
Total other income	**1,750,743**	3,017,517

b) Corporate & Operational support expenses

	2024 $	2023 $
Corporate & Operational support costs:		
- Wages and salaries	**2,429,581**	1,656,015
- Consultants and contractors	**953,733**	1,301,919
- Director fees	**276,575**	249,125
- Legal and compliance fees	**667,785**	468,190
- Travel and accommodation	**386,719**	386,932
- Auditor fees	**155,070**	120,561
- Communications and computers	**163,170**	122,598
- Other general and administrative costs	**206,203**	653,775
- Depreciation of equipment	**158,836**	94,119
- Share-based payments	**3,996**	226,410
Total corporate and operational support expenses	**5,401,668**	5,279,644

c) Finance costs

	2024 $	2023 $
Borrowing costs	**7,157**	19,641
Interest on lease liabilities	**4,267**	6,724
	11,424	26,365
Unwinding of discount and effect of changes in discount rate on non-current liabilities	**-**	32,771
Total finance costs	**11,424**	59,136

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

4. Other Income and Expenses (Continued)

d) Employee benefits expense

	2024 $	2023 $
Wages and salaries	**2,365,511**	1,601,583
Defined contribution superannuation expense	**-**	8,477
Share-based payments	**3,996**	226,410
Other employee benefits	**64,070**	45,955
Total employee benefits expense	**2,433,577**	1,882,425
Included in:		
- Corporate & Operational support expenses	**2,433,577**	1,882,425
	2,433,577	1,882,425

5. Income Tax

a) Income tax expense

	2024 $	2023 $
Income Statement		
Current income tax		
Current income tax expense / (benefit)	**192,450**	(80,293)
Under provision in prior year	**6,016**	1,061
	198,466	(79,232)
Deferred income tax		
Relating to origination and reversal of temporary differences	**-**	-
Income tax expense / (benefit) reported in the Income Statement	**198,466**	(79,232)

b) Amounts charged directly to other comprehensive income

	2024 $	2023 $
Statement of Other Comprehensive Income		
Deferred tax related to items recognised in other comprehensive income:		
Re-measurement adjustments on defined benefit obligations	**-**	-
Income tax benefit reported in other comprehensive income	**-**	-

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

5. Income Tax (Continued)

c) Numerical reconciliation of accounting loss to tax expense

A reconciliation between tax expense and the accounting loss before income tax multiplied by the Company's applicable income tax rate is as follows:

	2024 $	2023 $
Accounting loss before income tax from continuing operations	**(3,662,349)**	(2,321,263)
Loss before tax from a discontinued operation	**-**	(4,633,726)
Accounting loss before income tax	**(3,662,349)**	(6,954,989)
At statutory income tax rates	**(925,987)**	(1,975,991)
Net movement in unrecognised deferred tax assets - Australia	**272,431**	1,496,865
Net movement in unrecognised deferred tax assets – other countries	**731,538**	399,894
Foreign tax rate differential	**114,572**	-
Non-deductible expenses	**(1,103)**	-
Under provision in prior years	**6,016**	-
Share based payments	**999**	-
Aggregate income tax expense / (benefit)	**198,466**	(79,232)
Income tax expense reported in the statement of income	**198,466**	(79,232)
Income tax attributable to a discontinued operation	**-**	-
Aggregate income tax expense / (benefit)	**198,466**	(79,232)

d) Numerical reconciliation of current income tax assets and liabilities

	2024 $	2023 $
At 1 July	**82,068**	533,050
Charged to income	**(198,466)**	79,232
Net payments/(refunds)	**(76,052)**	(530,214)
At 30 June	**(192,450)**	82,068

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

5. Income Tax (Continued)

e) Recognised deferred tax assets and liabilities

	BALANCE SHEET	
	2024	2023
	$	$
Deferred tax at 30 June relates to the following:		
Deferred tax assets		
Provisions	**30,000**	18,840
Plant and equipment	**-**	-
Losses available for offset against future taxable income	**21,327,007**	20,567,041
Gross deferred tax assets	**21,357,007**	20,585,881
Deferred tax liabilities		
Unrealised foreign exchange movements	**-**	(323,761)
Mine properties and development	**-**	-
Gross deferred tax liabilities	**-**	(323,761)
Net deferred tax assets	**21,357,007**	20,262,120
Unrecognised net deferred tax assets	**(21,357,007)**	(20,262,120)
Net deferred tax assets	**-**	-
Reconciliation of net deferred tax assets movement:		
At 1 July		
Charged to income	**-**	-
Credited to other comprehensive income	**-**	-
At 30 June	**-**	-

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

5. Income Tax (Continued)

e) Recognised deferred tax assets and liabilities (continued)

Tax consolidation

The Company and its wholly owned Australian controlled entities formed a tax consolidated group on 27 February 2009. The head entity, Kingsrose, and its wholly owned Australian entities in the tax consolidated group continue to account for their own current and deferred tax balances. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

The Company and its wholly owned Australian entities in the tax consolidated group have entered into a tax funding arrangement and a tax sharing agreement on 7 September 2022 in order to allocate the income tax liabilities between the entities within the Group should the head entity default on its tax payment obligations. At the balance date, the possibility of default is remote.

Unrecognised deferred tax assets and tax losses

Included in unrecognised deferred tax assets are capital and income tax losses that arose in Australia of $19,979,603 (2023: $19,705,605) and in foreign operations of $1,347,404 (2023: $579,434). The Australian tax losses are available indefinitely subjective to satisfying loss recoupment tests.

6. Loss Per Share

The following reflects the income and share data used in the basic and dilutive earnings per share computations:

a) Loss per share

	2024 $	2023 $
Continuing operations	**(2,945,689)**	(2,242,031)
Discontinued operations	**-**	(4,636,427)
Net loss attributable to ordinary equity holders of the parent	**(2,945,689)**	(6,878,458)

b) Weighted average number of shares

	2024 $	2023 $
	Shares	Shares
Weighted average number of ordinary shares for basic loss per share	**752,526,519**	752,526,519
Effect of dilution:		
Options and share performance rights *	**-**	-
Weighted average number of ordinary shares adjusted for the effect of dilution	**752,526,519**	752,526,519

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

6. Loss Per Share (Continued)

c) Loss per share attributable to the equity holders of the Company:

	2024 $	2023 $
	Cents	Cents
Basic loss per share – cents per share	**(0.39)**	(0.91)
Diluted loss per share – cents per share	**(0.39)**	(0.91)
Loss per share for continuing operations attributable to the ordinary equity holders of the parent:		
Basic loss per share – cents per share	**(0.39)**	(0.30)
Diluted loss per share – cents per share	**(0.39)**	(0.30)

To calculate the EPS for discontinued operations (Note 27), the weighted average number of ordinary shares for both the basic and diluted EPS is as per the table above.

Note (*): Because the diluted loss per share amount is decreased when taking share options into account, the share options had an anti-dilutive effect on the basic loss per share for the year and were ignored in the calculation of diluted loss per share. Therefore, the diluted loss per share amounts are based on the loss for the year of $2,945,689 (2023: loss of $6,878,458), and the weighted average number of ordinary shares 2024: 752,526,519 (2023: 752,526,519) on issue during the year that are considered in the calculation of basic loss per share.

d) Information on the classification of securities

Options and share performance rights

Total options of 34,750,000 (2023: 34,750,000) on issue at balance date are considered to be potential ordinary shares; however, are not included in the determination of diluted loss per share given they have anti-dilutive effect.

Total share performance rights of 3,600,000 (2023: 5,250,000) on issue at balance date are not included in the determination of diluted loss per share as they are contingently issuable securities.

No shares, options or share performance rights were issued between the reporting date and the date of completion of these financial statements.

7. Dividends Paid and Proposed

No dividends have been paid, declared or recommended by the Company for the years ended 30 June 2024 and 30 June 2023.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

8. Cash and Cash Equivalents

	2024 $	2023 $
Current		
Cash at bank and in hand (i)	**26,241,411**	25,448,019
At-call deposits (ii)	**-**	8,392,411
Restricted Cash (iii)	**2,625,523**	-
	28,866,934	33,840,430

Terms and conditions

(i) Cash at bank earn interest at floating rates based on bank deposit rates.

(ii) At-call deposits are made for a minimum period of 31 days and earn interest at the respective currency's official cash rate plus an agreed margin.

(iii) Funds advanced by BHP that have yet to be spent as at 30 June 2024 (refer note 2(h)).

a) Reconciliation to the Statement of Cash Flows

Reconciliation of net loss after income tax to net cash flows from operating activities:

	2024 $	2023 $
Net loss after income tax	**(3,860,815)**	(6,875,757)
Adjustments for:		
Depreciation of plant and equipment	**158,836**	147,910
Unrealised net foreign exchange loss	**214,185**	(2,715,358)
Share-based payments (Note 25)	**3,996**	226,410
Loss on sale of subsidiary, before disposal costs	**-**	4,690,973
Change in assets and liabilities		
(Increase)/decrease in trade and other receivables	**(9,495)**	258,543
(Increase)/decrease in inventories	**-**	(2,004)
Decrease in prepayments	**31,888**	-
Decrease in income tax receivable	**82,068**	450,875
Decrease/(increase) in other assets	**-**	60,975
Increase / (Decrease) in trade and other payable	**2,392,290**	(186,254)
(Decrease)/increase in interest bearing liabilities	**(3,163)**	-
Increase in income tax payable	**192,450**	-
Increase in provisions	**36,182**	42,607
Net cash flows from operating activities	**(761,578)**	(3,901,080)
Non-cash investing and financing activities		
Acquisition of assets by means of leases	**-**	136,818

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

8. Cash and Cash Equivalents (Continued)

b) Changes in Liabilities Arising from Financing Activities

For the financial year ended 30 June 2024:

	1 July 2023 $	Cash Flows $	Foreign Exchange Movement $	New Leases $	Disposal $	Other $	30 June 2024 $
Current							
Lease liabilities	**67,913**	**(67,716)**	**-**	**-**	**-**	**64,553**	**64,750**
Non-Current							
Lease liabilities	**64,553**	**-**	**-**	**-**	**-**	**(64,553)**	**-**
Total liabilities from financing activities	**132,466**	**(67,716)**	**-**	**-**	**-**	**-**	**64,750**

For the financial year ended 30 June 2023:

	1 July 2022 $	Cash Flows $	Foreign Exchange Movement $	New Leases $	Disposal $	Other $	30 June 2023 $
Current							
Lease liabilities	65,355	(53,600)	5,288	72,265	(71,991)	50,596	67,913
Non-Current							
Lease liabilities	209,872	-	14,442	64,553	(173,718)	(50,596)	64,553
Total liabilities from financing activities	275,227	(53,600)	19,730	136,818	(245,709)	-	132,466

The 'Other' column includes the effect of reclassification of non-current portion of lease liabilities to current due to passage of time. The Group classifies interest paid as cash flows from operating activities.

9. Trade and Other Receivables

	2024 $	2023 $
Current		
Bonds and deposits	**26,169**	26,125
Other receivables (i)	**41,977**	32,526
	68,146	58,651

Notes

(i) Other receivables consist primarily of VAT recoverable that is expected to be recovered within 1 to 3 months.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

10. Other Assets

	2024 $	2023 $
Current		
Other assets (i)	**52,525**	84,413
Non-Current		
Other assets (ii)	**-**	1,071,529

Notes

(i) Other current assets represent prepayments for insurances and software licences.

(ii) Other non-current assets represent prepayments for expenditure incurred under the Råna and EMX project agreements and was transferred to Exploration and Evaluation assets during the current year (refer to note 14).

11. Plant and Equipment

	2024 $	2023 $
Non-Current		
Plant and Equipment		
Gross carrying amount – at cost	**426,644**	404,068
Accumulated depreciation and impairment	**(178,866)**	(89,572)
Net carrying amount	**247,778**	314,496
Right-of-Use Assets – Equipment		
Gross carrying amount – at cost	**-**	-
Accumulated depreciation	**-**	-
Net carrying amount	**-**	-
Right-of-Use Assets – Office Premises		
Gross carrying amount – at cost	**136,818**	136,818
Accumulated depreciation	**(73,911)**	(5,700)
Net carrying amount	**62,907**	131,118
Total Plant and Equipment	**310,685**	445,614

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

11. Plant and Equipment (Continued)

Movements in Plant and Equipment

	2024 $	2023 $
Plant and Equipment		
Carrying amount at 1 July	**314,496**	253,095
Additions	**23,106**	274,004
Disposals	**-**	(158,128)
Depreciation charge	**(90,627)**	(90,775)
Foreign exchange translation gain	**803**	36,300
Carrying amount at 30 June	**247,778**	314,496
Right-of-Use Assets - Equipment		
Carrying amount at 1 July	**-**	16,182
Disposals	**-**	(19,200)
Depreciation charge	**-**	-
Foreign exchange translation gain	**-**	3,018
Carrying amount at 30 June	**-**	-
Right-of-Use Assets - Office Premises		
Carrying amount at 1 July	**131,118**	289,079
Additions	**-**	136,818
Disposals	**-**	(240,341)
Depreciation charge	**(68,209)**	(57,135)
Foreign exchange translation gain / (loss)	**-**	2,697
Carrying amount at 30 June	**62,907**	131,118

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

12. Mine Properties And Development

	2024 $	2023 $
Non-Current		
Gross carrying amount – at cost	-	-
Accumulated amortisation and impairment	-	-
	-	-
Movements in Mine Properties and Development		
Carrying amount at 1 July	-	4,929,197
Disposals	-	(5,103,294)
Foreign exchange translation gain	-	174,097
Carrying amount at 30 June	-	-

Notes

(i) On 16 December 2022, the Company announced the completion of the sale of the interest in the Way Linggo gold project. As a result of this divestment all mineral properties and development assets relating to Way Linggo have been derecognised from the statement of financial position.

13. Impairment Testing of Non-Current Assets

30 June 2024 Assessment

In accordance with the Group's accounting policies, each asset or cash-generating unit (CGU) is evaluated to determine whether there are any indications of impairment. If any such indications of impairment exist, a formal estimate of the recoverable amount is performed.

In assessing whether an impairment is required, the carrying value of the asset or CGU is compared with its recoverable amount. The recoverable amount is the higher of the CGU's fair value less costs of disposal (FVLCD) and value in use (VIU). FVLCD will provide the higher value for these assets as a VIU cannot be determined for the Exploration Assets given the nature of these assets.

As all mine properties and development were disposed of in the prior year, no impairment assessment is required at 30 June 2024.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

13. Impairment Testing of Non-Current Assets (Continued)

30 June 2023 Assessment

In accordance with the Group's accounting policies, each asset or cash-generating unit (CGU) is evaluated to determine whether there are any indications of impairment. If any such indications of impairment exist, a formal estimate of the recoverable amount is performed.

In assessing whether an impairment is required, the carrying value of the asset or CGU is compared with its recoverable amount. The recoverable amount is the higher of the CGU's fair value less costs of disposal (FVLCD) and value in use (VIU). FVLCD will provide the higher value for these assets as a VIU cannot be determined for the Exploration Assets given the nature of these assets.

The assessment has determined that no impairment was required at 30 June 2023.

14. Exploration and Evaluation Assets

	2024 $	2023 $
Non-Current		
At cost	**11,209,421**	5,796,748
Movements in Exploration and Evaluation Assets		
Carrying amount at 1 July	**5,796,748**	9,541,154
Additions – Råna and EMX (i)	**1,071,529**	-
Additions	**4,405,581**	678,727
Write off (ii)	**-**	-
Divestment of subsidiary (iii)	**-**	(4,575,763)
Foreign exchange translation gain / (loss)	**(64,437)**	152,630
Carrying amount at 30 June	**11,209,421**	5,796,748

Recoverability of the carrying amount of the exploration and evaluation assets is dependent upon the successful development and continuing exploitation, or alternatively, sale of the assets.

Notes

(i) Refer details below in relation to Råna project Agreement and Råna EMX project Agreement, and Note 10 where the costs were originally recognised as Other Assets as at 30 June 2023 and transferred to exploration and evaluation expenditure during the year ended 30 June 2024

(ii) At each reporting date, the Group undertakes an assessment of the carrying amount of its exploration and evaluation assets. During the year ended 30 June 2024, the Group has not identified any indicator of impairment on is exploration and evaluation assets

(iii) On 16 December 2022 the Company announced the completion of the sale of the interest in the Way Linggo gold project. As a result of this divestment all exploration and evaluation assets relating to Way Linggo have been derecognised from the statement of financial position.

14. Exploration and Evaluation Assets (Continued)

Råna Project Agreement

On 18 January 2023 the Company announced that it has entered into a transaction implementation agreement (Transaction Implementation Agreement) with Scandinavian Resource Holdings Pty Ltd (SRH) and Global Energy Metals Corporation (GEMC) for a staged investment into the brownfield Råna Nickel-Copper-Cobalt (Ni-Cu-Co) project (Project or Råna Project) and formation of a joint venture for the development and operation of the Project (Transaction).

The Transaction Implementation Agreement allows for Kingsrose to earn up to 75% over eight years, through staged expenditure up to a total of A$15m.

The Company has completed the First Completion under the Transaction Implementation Agreement and holds a 10% interest in the project following the issue of 10,000 shares in Narvik Nikkel AS, the joint venture company that operates the Råna Project.

As per the Subsequent Events in Note 29, the Company has completed Second Completion under the Transaction Implementation Agreement and holds a 51% interest in the project following the issue of 1,000,000 shares in Kingsrose Mining Limited to SRH.

Subsequent Completion events under the Transaction Implementation Agreement which create contingent payments are:

Third Completion: for the Company to extend the shareholding to 65% of Narvik Nikkel AS it is required to spend a further A$4,000,000 within two years following the date of Second Completion. The Company is then required to issue 1,000,000 shares in Kingsrose Mining Limited and make a cash payment of A$250,000 to Scandinavian Resource Holdings Pty Ltd.

Fourth Completion: for the Company to extend the shareholding to 75% of Narvik Nikkel AS it is required to spend a further A$8,000,000 within three years following the date of Third Completion. The Company is then required to make a cash payment of A$750,000 to Scandinavian Resource Holdings Pty Ltd.

The acquisition of an entity that does not meet the definition of a business under AASB 3 Business Combinations would be accounted for as an asset acquisition and not a business combination. It was assessed that Råna Project, due to being in an exploration phase, did not meet the definition of a business. Therefore, the acquisition was accounted for as an asset acquisition as an addition to exploration and evaluation assets.

It was also assessed that on acquisition, when the Group acquired 10% equity in the company, Kingsrose obtained control over the relevant activities of the company for the purpose of application of AASB 10 Consolidated Financial Statements. Therefore, from the acquisition date, the company has been accounted for as a subsidiary of the Group, even though the Group obtained less than 50% of the shares in the company.

At the acquisition date the value of the non-controlling interest was assessed as $446,498.

The Group holds options to acquire an increased ownership interest in Narvik Nikkel AS in the future. If exercised, these options will be transactions with non-controlling interests. At balance date the fair value of these options has been assessed as not significant given the Project's pre-resource exploration stage.

Råna EMX Project Agreement

On 6 March 2023 the Company announced that it had entered into an Option Agreement with VIAD Royalties AB (Optionor), a wholly owned subsidiary of EMX Royalty Corp (EMX), to purchase Råna Nickel AS (Target), a Norwegian incorporated entity that holds a 100% interest in 19 exploration licences (EMX Licences) totalling 183 square kilometres adjacent to the brownfield Råna Nickel-Copper-Cobalt (Ni-Cu-Co) project held by Kingsrose under a joint venture.

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

14. Exploration and Evaluation Assets (Continued)

The Company can acquire a 100% interest in the Target by a) making A$30,000 and NOK 75,000 cash payments upon execution of the Option Agreement and b) making a further cash payment of A$100,000 and spending a minimum of A$150,000 on exploration during a 12-month option period. Upon exercise of the option, Kingsrose will:

- Provide EMX with a 2.5% NSR royalty interest in the EMX Licences. On or before the eighth anniversary after exercise of the option, Kingsrose has the option to purchase 0.5% of the NSR on the EMX Licences by paying EMX A$1,200,000.
- To maintain its interest in the EMX Licences, Kingsrose will make additional exploration expenditures of A$150,000 by the second anniversary, A$350,000 by the third anniversary, and A$350,000 by the fourth anniversary of the agreement, respectively, for a total of A$1,000,000 in exploration expenditures within four years.
- Pay to EMX annual advance royalty (“AAR”) payments of A$25,000 commencing on the third anniversary of the agreement, with the AAR payment increasing 10% each year thereafter (but capped at an annual payment of A$75,000).
- A milestone cash payment of A$250,000 will be made to EMX upon completion of the first 10,000 metres of drilling on the EMX Licences.
- An additional milestone cash payment of A$500,000, will be made to EMX upon disclosure of a Mineral Resource estimate from within the EMX Licences.

On 6 March 2024, the Company exercised the option to purchase 100% of Råna Nickel AS.

15. Trade and Other Payables

	2024 $	2023 $
Current		
Trade creditors (i)	**94,691**	248,410
Accruals	**125,329**	203,356
Other (ii)	**2,625,523**	-
	2,845,543	451,766

Terms and conditions

(i) Trade and sundry creditors are non-interest bearing and are normally settled in accordance with the terms of trade.

(ii) Cash call advanced by BHP but expenditure yet to be incurred

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

16. Interest Bearing Liabilities

	2024 $	2023 $
Current		
Lease liabilities (i) (Note 22)	**64,750**	67,913
Non-Current		
Lease liabilities (i) (Note 22)	**-**	64,553

Terms and conditions

(i) Lease liabilities represent *Right of Use Assets* for leased office space with an average term of less than 1 year.

17. Rehabilitation and Other Provisions

	2024 $	2023 $
Current		
Other provisions	**6,349**	20,380
Employee entitlements	**63,394**	13,182
	69,743	33,562
Non-Current		
Rehabilitation	**-**	-
	-	-

The nature of the provisions is described in Note 2(t) and 2(u).

	2024 $	2023 $
Movements in Rehabilitation Provision		
At 1 July	**-**	1,519,328
Disposals	**-**	(1,549,415)
Utilised during the year	**-**	-
Foreign exchange translation loss	**-**	30,087
At 30 June	**-**	-

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

18. Other Liabilities

	2024 $	2023 $
Current		
Deferred cash consideration (i)	**818,038**	819,524
Non-Current		
Deferred cash consideration (i)	**-**	-

Notes

(i) The deferred cash consideration relates to the £451,250 due to former shareholders of Element-46 Limited based on the occurrence of certain milestone events which the Company has assigned a 100% probability of at least one of these events occurring. The fair value of the deferred consideration to be settled in cash is discounted to net present value at the expected settlement date.

	2024 $	2023 $
Movements in Deferred Consideration		
At 1 July	**819,524**	723,377
Unwinding of discount	**-**	32,771
Foreign exchange translation loss / (gain)	**(1,486)**	63,376
At 30 June	**818,038**	819,524

19. Contributed Equity

	2024 $	2024 Number	2023 $	2023 Number
Ordinary Shares				
Issued and fully paid	**107,326,091**	**752,526,519**	107,326,091	752,526,519
Movement in Ordinary Shares				
Balance at 1 July	**107,326,091**	**752,526,519**	107,326,091	752,526,519
Shares issued	**-**	**-**	-	-
Options exercised	**-**	**-**	-	-
Balance at 30 June	**107,326,091**	**752,526,519**	107,326,091	752,526,519

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

19. Contributed Equity (Continued)

Terms and conditions

Holders of ordinary shares have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of, and amounts paid up on shares held. Ordinary shares entitle the holder to one vote, either in person or by proxy, at a meeting of the Company.

Escrow restrictions

There are no escrow restrictions on securities in the Company.

Options and share performance rights on issue

The total number of options on issue as at 30 June 2024 was 34,750,000 (2023: 34,750,000).

The total number of share performance rights on issue at 30 June 2024 was 3,600,000 (2023: 5,250,000).

20. Reserves

Nature and purpose of reserves

Share-based payments reserve

The share-based payments reserve is used to record the value of deferred equity consideration, options and share performance rights provided to shareholders, consultants, vendors and employees including key management personnel as part of their remuneration.

General reserve

The general reserve is used primarily to record the portion of PTNM's accumulated profits required to be set aside in accordance with the prevailing laws and regulations in Indonesia.

On 16 December 2022 the Company announced the completion of the sale of the interest in the Way Linggo gold project. As a result of this divestment, the majority of the general reserve has been reclassified to accumulated losses.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record exchange gains or losses on borrowings that form part of the Company's net investments in foreign operations.

On 16 December 2022 the Company announced the completion of the sale of the interest in the Way Linggo gold project. As a result of this divestment, foreign currency translation reserve relating to the translation of the financial statements of related entities have been reclassified from equity to profit or loss.

Other capital reserve

The other capital reserve is used to record the minority shareholder's 14.7% interest in PTNM at 23 December 2014. The minority shareholder has legal ownership interest in PTNM of 15%; however, its interest was reduced to 0.3% from December 2014 in the financial statements due to the accounting treatment of the limited recourse loans extended by the Group to the minority shareholder on 8 October 2013 and 23 December 2014 under *AASB 2 Share-Based Payment*.

On 16 December 2022 the Company announced the completion of the sale of the interest in the Way Linggo gold project. As a result of this divestment, other capital reserve has been reclassified to accumulated losses.

21. Financial Instruments and Capital Risk Management

The Group's principal financial instruments comprise receivables, payables, loans, leases, cash and short-term deposits.

Objectives and Policies

The Group manages its exposure to key financial risks in accordance with the Group's financial risk management policy.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

21. Financial Instruments and Capital Risk Management (Continued)

The objective of the policy is to support the delivery of the Group's financial targets whilst protecting future financial security.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, commodity price risk, liquidity risk and credit risk. The Group uses different methods to measure and manage different types of risk to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rates, foreign exchange and commodity prices. Ageing analysis and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Board of Directors because, due to the size of the Company, there is currently no financial risk management committee.

a) Interest rate risk

The Group's exposure to market interest rates relates primarily to the Group's cash holdings. At the reporting date, the Group had the following financial assets exposed to variable interest rate risk:

	2024 $	2023 $
Financial Assets		
Cash and cash equivalents	**28,866,934**	33,840,430
Net exposure	**28,866,934**	33,840,430

The Group constantly monitors its interest rate exposure and consideration is given to renewals of existing positions and the mix of fixed and variable interest rates. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. The 2% increase and 2% decrease in rates is based on management's assessment of the reasonably possible changes over a financial year.

At 30 June 2024, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post-tax profit would have been affected as follows:

	Post-Tax Profit Higher/(Lower)	
	2024 $	2023 $
Judgements of reasonably possible movements:		
+2% (200 basis points)	**404,137**	461,225
-2% (200 basis points)	**(404,137)**	(461,225)

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

21. Financial Instruments and Capital Risk Management (Continued)

b) Foreign currency risk

The Group has transactional currency exposures as a result of interests in United Kingdom, Jersey and Scandinavia. The Group seeks to mitigate the effect of its foreign currency exposure by actively monitoring foreign exchange movements and their impact on the Group's budgeted future cash flows and future net asset positions denominated in foreign currencies.

At 30 June 2024, the Group had the following exposure to foreign currencies:

	2024 USD Denominated balances A$	2024 NOK Denominated balances A$	2024 GBP Denominated balances A$	2024 EUR Denominated balances A$
Financial Assets				
Cash and cash equivalents	**17,822**	**2,978,833**	**252,342**	**620,893**
	17,822	**2,978,833**	**252,342**	**620,893**
Financial Liabilities				
Trade and other payables	**-**	**(69,571)**	**(16,040)**	**(19,747)**
Other (BHP)	**-**	**(2,118,725)**	**-**	**(506,798)**
Interest-bearing liabilities (Note 16)	**-**	**-**	**(64,750)**	**-**
Deferred cash consideration (Note 18)	**-**	**-**	**(818,038)**	**-**
	-	**(2,188,296)**	**(898,828)**	**(526,545)**
Net exposure	**17,822**	**790,537**	**(646,486)**	**94,348**

At 30 June 2023, the Group had the following exposure to foreign currencies:

	2023 USD Denominated balances A$	2023 NOK Denominated balances A$	2023 GBP Denominated balances A$	2023 EUR Denominated balances A$
Financial Assets				
Cash and cash equivalents	32,944,608	327,652	257,121	238,381
	32,944,608	327,652	257,121	238,381
Financial Liabilities				
Trade and other payables	-	(121,272)	(12,051)	(80,994)
Interest-bearing liabilities (Note 16)	-	-	(132,466)	-
Deferred cash consideration (Note 18)	-	-	(819,524)	-
	32,944,608	(121.272)	(964,041)	(80,994)
Net exposure	32,944,608	206,380	(706,920)	157,387

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

21. Financial Instruments and Capital Risk Management (Continued)

At 30 June 2024, had the Australian and US dollar moved, as illustrated in the table below, with all other variables held constant, post-tax loss would have been affected as follows:

	Post-Tax Loss Higher/(Lower)	
	2024 $	2023 $
Judgements of reasonably possible movements:		
A$/US$ +10% (2023: +10%)	**(1,620)**	(2,096,475)
A$/US$ -10% (2023: -10%)	**1,980**	2,562,358

Significant assumptions used in the foreign currency exposure sensitivity analysis include:

- Reasonably possible movements in foreign exchange rates were determined based on a review of the last two years' historical movements and economic forecasters' expectations;
- The reasonably possible movement of 10% was calculated by taking the foreign currency spot rate as at balance date, moving this spot rate by 10% and then re-converting the foreign currency into AUD with the "new spot-rate". This methodology reflects the translation methodology undertaken by the Group;
- The translation of the net assets in subsidiaries with a functional currency other than AUD has not been included in the sensitivity analysis as part of the equity movement; and
- The net exposure at balance date is representative of what the Group was and is expecting to be exposed to in the next twelve months from balance date.

c) Commodity price risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Group's commodity inputs and outputs. As at reporting date, the Group had no financial instruments with material exposure to commodity price risk.

d) Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of external funding. The Group monitors on a regular basis rolling forecasts of liquidity on the basis of expected cash flow.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

21. Financial Instruments and Capital Risk Management (Continued)

The following table reflects the liquidity risk arising from the financial liabilities held by the Group at balance date. The contractual maturity represents undiscounted gross amounts.

	Maturity Analysis			
	Within 1 year $	1 to 5 years $	After 5 years $	Total $
Financial Liabilities				
2024				
Trade and other payables	**(2,845,543)**	**-**	**-**	**(2,845,543)**
Interest-bearing liabilities				
- Lease liabilities	**(64,750)**	**-**	**-**	**(64,750)**
Deferred cash consideration	**(818,038)**	**-**	**-**	**(818,038)**
	(3,728,331)	**-**	**-**	**(3,728,331)**

	Maturity Analysis			
	Within 1 year $	1 to 5 years $	After 5 years $	Total $
Financial Liabilities				
2023				
Trade and other payables	(451,766)		-	(451,766)
Interest-bearing liabilities				
- Lease liabilities	(67,913)	(66,082)	-	(133,995)
Deferred cash consideration	(819,524)	-	-	(819,524)
	(1,339,203)	(66,082)	-	(1,405,285)

e) Credit risk exposure

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counterparty, with the maximum exposure equal to the carrying amount of these assets as indicated in the statement of financial position.

The Group does not hold any credit derivatives to offset its credit exposure. The Group trades only with recognised, credit worthy third parties and as such collateral is not requested nor is it the Group's policy to securitise its trade and other receivables. Receivable balances are monitored on an ongoing basis with the result that the Group does not have a significant exposure to bad debts.

Cash

Cash is held with several reputable financial institutions assigned A or greater credit ratings by Standard and Poor's.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

21. Financial Instruments and Capital Risk Management (Continued)

(f) Fair values

The fair values of all financial assets and liabilities approximate their carrying amounts at balance date.

The fair values of the Group's cash and cash equivalents, trade and other receivables, and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

(g) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future developments of the business. Capital, in this context, consists of debt, which includes trade and other payables, interest-bearing liabilities, cash and cash equivalents and equity. The Board's focus has been to raise sufficient funds through debt and equity to fund exploration, evaluation and development activities. There were no changes in the Group's approach to capital management during the year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements. The table below summarises the components of capital managed by the Group.

	2024 $	2023 $
Total borrowings*	**1,102,807**	1,339,203
Less: Cash and cash equivalents	**(28,866,934)**	(33,840,430)
Net (cash)	**(27,764,127)**	(32,501,227)
Total equity	**36,517,187**	39,942,135
Total capital	**8,753,060**	7,440,908
Gearing ratio	**-**	-

*Includes trade and other payables and interest-bearing liabilities.

22. Leases

Group as a lessee

The Group has lease contracts for various plant and equipment. These leases have average term of three years with the option to purchase the assets at the completion of the lease term at a nominal value.

The Group also has certain leases with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemption for these leases. The carrying amounts of right-of-use assets recognised and the movements during the year are set out in Note 11.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

22. Leases (Continued)

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	2024 $	2023 $
At 1 July	**132,466**	275,227
Additions	**-**	136,818
Disposals	**-**	(245,709)
Accretion of interest	**4,267**	6,724
Payments	**(71,983)**	(60,324)
Foreign exchange translation loss	**-**	19,730
At 30 June	**64,750**	132,466
Included in the financial statements as interest-bearing liabilities (Note 16):		
Current	**64,750**	67,913
Non-current	**-**	64,553
Total	**64,750**	132,466

The maturity analysis of lease liabilities is disclosed in Note 21(d).

The following are the amounts recognised in profit or loss:

	2024 $	2023 $
Depreciation expense of right-of-use assets	**68,209**	57,135
Interest expense on lease liabilities	**4,267**	6,724
Expense relating to leases of low-value and short-term assets (included in corporate and operational support expenses)	**243,434**	61,894
Total amount recognised in profit or loss	**315,910**	125,753

The Group had total cash outflows for leases of $71,983, comprising payments of principal $67,716 and interest $4,267 during the year. The Group had total cash outflows for short-term leases and leases of low value assets of $243,434

The Group did not have leases that have not yet commenced but committed at reporting date.

23. Information Relating to Subsidiaries

a) The consolidated financial statements of the Group include:

Entity	Place of Incorporation	Equity Interest 2024	Equity Interest 2023
MM Gold Pty Ltd (i)	Australia (WA)	**-**	100%
Kingsrose Tanggamus Pty Ltd (ii)	Australia (WA)	**-**	100%
Kingsrose Mining (Jersey) Limited	Jersey (SH)	**100%**	100%
Element-46 Limited	United Kingdom (LON)	**100%**	100%
Kingsrose Minerals Oy (formerly Pallagen Oy)	Finland (HEL)	**100%**	100%
Kingsrose Exploration Oy	Finland (HEL)	**100%**	100%
Kingsrose Norge AS (formerly Exploration AS)	Norway (OS)	**100%**	100%
Narvik Nikkel AS (iv)	Norway (OS)	**10%**	-
Kingsrose Finnmark (iii)	Norway (OS)	**100%**	-
Råna Nickel AS	Norway (OS)	**100%**	-

Notes

(i) Deregistered on 6 August 2023 subsequent to the completion of the sale of the interest in the Way Linggo gold project
(ii) Deregistered on 14 November 2023 subsequent to the completion of the sale of the interest in the Way Linggo gold project
(iii) Incorporated on 11 November 2023
(iv) On 4 September 2024 the Company increased its equity interest to 51% - refer Note 29 – Subsequent Events

b) Financial information of subsidiaries that have material non-controlling interest are provided below:

PTNM

PTNM is a subsidiary in the Group that had a material non-controlling interest. PTNM's principal place of business is in Indonesia. At 30 June 2023, the proportion of legal equity interest held by non-controlling interest was 90% due to the completion of the sale of the interest in the Way Linggo gold project announced on 16 December 2022 (2022: 15%).

	2024 $	2023 $
Accumulated balances of material non-controlling interest	**-**	-
Gain / (loss) allocated to material non-controlling interest	**-**	2,701

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

23. Information Relating to Subsidiaries (Continued)

The summarised financial information of PTNM is provided below. This information is based on amounts before intercompany eliminations.

Summarised Income Statement	Period ended 16 December 2022 $	Period ended 16 December 2022 $
Other income	-	1,205,578
Administrative expenses	-	(266,705)
Other expenses	-	(37,122)
Finance costs	-	(1,322)
Gain from discontinued operations before income tax	-	900,429
Income tax	-	-
Gain for the year from discontinued operations after income tax	-	900,429
Total comprehensive gain	-	900,429
Attributable to non-controlling interest	-	2,701
Dividend paid to non-controlling interest	-	-

Summarised Statement of Financial Position	16 December 2022 $	30 June 2022 $
Current Assets	**533,651**	1,440,437
Non-Current Assets	**11,223,360**	10,946,642
Current Liabilities	**(47,849,205)**	(48,222,046)
Non-Current Liabilities	**(1,549,416)**	(1,518,328)
Total Capital Deficiency	**(37,641,610)**	(37,353,295)
Attributable to:		
Owners of the parent	**(37,638,909)**	(39,082,406)
Non-controlling interest	**(2,701)**	1,728,111

Summarised Cash Flow Information	Period ended 16 December 2022 $	Year ended 30 June 2022 $
Operating	**(550,217)**	(2,286,782)
Financing	-	1,573,728
Net decrease in cash and cash equivalents	**(550,217)**	(713,054)

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

23. Information Relating to Subsidiaries (Continued)

Narvik Nikkel

Narvik Nikkel ("Narvik") is another subsidiary in the Group that has a material non-controlling interest. Narvik's principal place of business is in Norway. At 30 June 2024, the proportion of legal equity interest held by non-controlling interest was 90% after the First Completion under the Transaction Implementation Agreement with Scandinavian Resource Holdings Pty Ltd (SRH) and Global Energy Metals Corporation (GEMC) for a staged investment into the brownfield Råna Nickel-Copper-Cobalt (Ni-Cu-Co) project (Project or Råna Project) and formation of a joint venture for the development and operation of the Project as announced on 18 January 2023. The acquisition of the 10% equity interest in Narvik occurred in July 2023.

	2024 $	2023 $
Accumulated balances of material non-controlling interest	**(468,628)**	-
Gain / (loss) allocated to material non-controlling interest	**-**	-

The summarised financial information of Narvik is provided below. This information is based on amounts before intercompany eliminations.

Summarised Income Statement	Period ended 30 June 2024 $	Period ended 30 June 2023 $
Other income	**-**	-
Administrative expenses	**(1,016,453)**	-
Other expenses	**-**	-
Finance costs	**-**	-
Loss from continued operations before income tax	**(1,016,453)**	-
Income tax	**-**	-
Loss for the year from continued operations after income tax	**(1,016,453)**	-
Total comprehensive loss	**(1,016,453)**	-
Attributable to non-controlling interest	**(915,126)**	-
Dividend paid to non-controlling interest	**-**	-

Summarised Statement of Financial Position	30 June 2024 $	30 June 2023 $
Current Assets	**-**	-
Non-Current Assets	**4,240,916**	-
Current Liabilities	**(6,376)**	-
Non-Current Liabilities	**(5,208,856)**	-
Total Capital Deficiency	**(974,316)**	-
Attributable to:		
Owners of the parent	**(97,432)**	-
Non-controlling interest	**(876,884)**	-

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

23. Information Relating to Subsidiaries (Continued)

Summarised Cash Flow Information	Year ended 30 June 2024 $	Year ended 30 June 2023 $
Operating	**-**	-
Financing	**-**	-
Net (decrease) in cash and cash equivalents	**-**	-

24. Parent Entity Disclosures

The parent entity is Kingsrose Mining Limited.

	2024 $	2023 $
Current Assets	**25,029,527**	33,118,626
Non-Current Assets	**542,451**	563,001
Total Assets	**25,571,978**	33,681,627
Current Liabilities	**(1,246,302)**	(1,038,089)
Non-Current Liabilities	**-**	-
Total Liabilities	**(1,246,302)**	(1,038,089)
Net Assets	**24,325,676**	32,643,538
Issued Capital	**107,326,092**	107,326,092
Accumulated Losses	**(95,426,918)**	(87,105,059)
Reserves	**12,426,502**	12,422,506
Total Shareholder's Equity	**24,325,676**	32,643,539
Loss of the parent entity	**(8,321,859)**	(10,815,929)
Total comprehensive income of the parent entity	**(8,321,859)**	(10,815,929)

Kingsrose has not entered into any guarantees in relation to the debts of its controlled entities during the years ended 30 June 2024 and 30 June 2023.

Kingsrose has contractual commitments arising under agreements entered in respect of Råna and Råna EMX projects as disclosed in Note 14.

There are no other contractual commitments and contingent liabilities for the Company at balance date.

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

25. Share-Based Payments

a) Recognised share-based payment expenses

The expense arising from share-based payment transactions recognised for employee services received during the year are as follows:

	2024 $	2023 $
Options	**3,996**	101,113
Share performance rights	**-**	125,297
	3,996	226,410

b) Incentive Option and Performance Rights Plan

The Company has an Incentive Option and Performance Rights Plan (IOPRP or Plan) which was approved by shareholders at the Annual General Meeting on 2 November 2018. Under the Plan, the Company can issue options or share performance rights to eligible persons or their nominees for no cash consideration. The options or share performance rights granted under the Plan may be subject to various forfeiture conditions and/or performance conditions as determined by the Board.

c) Movements in options during the year

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

	2024 Number	2024 WAEP	2023 Number	2023 WAEP
Outstanding at the beginning of the year	**34,750,000**	**0.10**	35,500,000	0.10
Granted during the year	**-**	**-**	1,000,000	0.10
Exercised during the year	**-**	**-**	-	-
Lapsed/cancelled during the year	**-**	**-**	(1,750,000)	0.10
Outstanding at the end of the year	**34,750,000**	**0.10**	34,750,000	0.10
Exercisable at the end of the year	**34,500,000**	**0.10**	32,375,000	0.10

Notes

- Weighted average remaining contractual life – The weighted average remaining contractual life for the options outstanding as at 30 June 2024 is 1.84 years (2023:2.84 years).
- Weighted average fair value – The weighted average fair value of options granted during the year ended 30 June 2024 was Nil (2023: $0.027).
- Valuation model – The fair value of the options granted during the period was estimated at the date of grant using a binomial pricing model, taking into account the terms and conditions upon which the options were granted.

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

25. Share-Based Payments (Continued)

c) Movements in options during the year (continued)

There were no options granted during the year ended 30 June 2024.

The following table lists the inputs to the model used for the year ended 30 June 2023:

Grant date	23 May 2023
Number granted	1,000,000
Dividend yield	-
Share price at grant date	$0.057
Exercise price	$0.102
Expected volatility	70%
Risk-free interest rate	3.395%
Expiration period	5 years
Expiry date	23 May 2028
Binomial valuation per option	$0.027

d) Movements in share performance rights during the year

The following table illustrates the number of, and movements in, share performance rights during the year:

	2024 Number	2023 Number
Outstanding at the beginning of the year	**5,250,000**	7,000,000
Granted during the year	**-**	1,500,000
Exercised during the year	**-**	-
Lapsed/cancelled during the year	**(1,650,000)**	(3,250,000)
Outstanding at the end of the year	**3,600,000**	5,250,000
Exercisable at the end of the year	**-**	-

Notes

- Weighted average remaining contractual life – The weighted average remaining contractual life for the share performance rights outstanding as at 30 June 2024 is 0.66 years (2023: 1.66 years).
- Range of exercise price – The exercise price for the share performance rights outstanding at the end of the year 30 June 2024 is Nil (2023: Nil).
- Weighted average fair value – The weighted average fair value of share performance rights granted during the year ended 30 June 2024 was Nil (2023: $0.029).
- Valuation model – The fair value of the share performance rights was estimated at the date of grant using a Monte Carlo simulation model.
- 1,650,000 share performance rights lapsed during the year ended 30 June 2024 as they did not vest at expiry date Share performance rights that do not vest will automatically lapse.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

26. Related Party Disclosures

a) Interests in Subsidiaries

The information about the Group's structure including the details of the subsidiaries is set out in Note 23(a).

b) Transactions with Related Parties

The following table provides the amount of transactions and outstanding balances that have been entered into with related parties during the year:

		Amount of Transactions	Interest Charged	Amount Owed by/(to) Related Parties
		$	$	$
E-46 Acquisition (i)	**2024**	**-**	**-**	**818,038**
	2023	-	-	819,524

(i) E-46 Acquisition

E-46 was acquired in November 2021 for a total consideration of $5,206,743 including cash, shares and deferred consideration. Fabian Baker and Tim Coughlin had an ownership interest in E-46 of 0.9% and 10.8% respectively as at the acquisition date. The issue of shares to Messrs Baker and Coughlin following the Company's acquisition of E-46 was approved by shareholders at the Company's Annual General Meeting held on 28 January 2022. As at 30 June 2024, the amount of deferred consideration payable to the former owners of E-46 was $818,038 (2023: $819,524).

c) Compensation of Key Management Personnel

	2024 $	2023 $
Short-term benefits	**887,242**	821,125
Post-employment benefits	**5,500**	4,725
Share-based payments	**-**	63,194
Total	**892,742**	889,044

Interests held by Key Management Personnel under the IOPRP

Options and share performance rights held by key management personnel under the Incentive Option and Performance Rights Plan (IOPRP) have the following expiry dates and weighted average exercise prices:

Issue Date	Expiry Date	WAEP	2024	Expiry Date	WAEP	2023
			Number Outstanding			Number Outstanding
Nil			-			-

Details of the IOPRP are set out in Note 25(b).

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

27. Discontinued Operation

In February 2022, the Group announced that it was considering divestment opportunities for the Way Linggo project.

On 3 October 2022, the Group entered into a binding Share Sale and Purchase Agreement with Capwill Global Ltd for the sale of the Way Linggo project, via the sale of the entire issued capital of its subsidiary, Natarang Offshore Pty Ltd.

Upon completion of all closing conditions of the agreement on 16 December 2022, the Group received gross proceeds of US$7.5 million.

Additionally, the Group will receive a 2% net smelter royalty in respect of the Way Linggo project, subject to a cap of US$7.5 million including the applicable withholding tax payable from the restart of the mining operation.

Financial performance and net cash flow generated from sale of the discontinued operation

The results of the discontinued operation for the period are presented below:

	2024 $	2023 $
Statement of income		
Other income	-	1,205,578
Expenses	-	(305,149)
Profit / (Loss) before income tax	-	900,429
Income tax benefit		-
Profit / (Loss) from discontinued operation after income tax	-	900,429
Loss on sale of subsidiary after income tax (see (b) below)	-	(5,534,155)
Loss from discontinued operation	-	(4,633,726)
The net investing cashflows generated from the divestment of the Way Linggo project are, as follows:		
Cash received from the sale of the discontinued operation before disposal costs	-	11,067,668
Cash derecognised as part of the discontinued operation	-	(59,262)
Net cash inflow on date of disposal	-	11,008,406
The net cashflows incurred by the discontinued operation are, as follows:		
Net cash outflow from operating activities	-	(1,393,299)
Net cash inflow from investing activities	-	-
Net cash outflow	-	(1,393,399)
	Cents	Cents
Loss per share		
Basic loss per share from discontinued operations	-	(0.61)
Diluted loss per share from discontinued operations	-	(0.61)

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

27. Discontinued Operation (Continued)

a) Details of the sale of the discontinued operation

	2023 $
Calculation of loss	
Disposal consideration [(i)]	11,067,668
Disposal costs on sale	(843,182)
Carrying amount of net assets disposed of	(9,778,949)
Non-controlling interest	1,730,812
Gain on sale before income tax and reclassification of foreign currency translation reserve	2,176,349
Reclassification of foreign currency translation reserve	(7,710,504)
Loss on sale of discontinued operation [(ii)]	(5,534,155)
Attributable tax expense	-
Loss on sale of discontinued operations after income tax	(5,534,155)

Notes

(i) The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant reversal in the amount of cumulative income recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Due to uncertainty of receipt of the 2% royalty from the smelter in the future, this amount was not recognised as part of the disposal consideration.

(ii) The loss on sale of discontinued operation is derived from the release of the foreign currency translation reserve associated with the disposal of the discontinued operation's net assets. The sale gave rise to a capital tax loss in Australia which has not been recognised as a deferred tax asset at 30 June 2023.

The carrying amounts of assets and liabilities of the discontinued operation as at the date of sale (16 December 2022) were:

	16 December 2022 $
Carrying amounts of assets and liabilities	
Cash	59,262
Trade and other receivables	293,887
Inventories	153,580
Other current assets	26,922
Plant and equipment	158,128
Mine properties and development	5,103,294
Exploration and evaluation assets	4,575,763
Non-current receivables	1,386,175
Total assets disposed of	11,757,011
Trade and other payables	(421,865)
Provisions	(1,556,197)
Total liabilities disposed of	(1,978,062)
Net assets disposed of	9,778,949

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

28. Commitments and Contingent Liabilities

Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group will be required to outlay approximately $482,204 (2023: $232,543) in the following twelve months in respect of tenement tenure payments (of which $443,085 to be funded by BHP through the BHP Alliances). These obligations are expected to be fulfilled in the normal course of operations and have not been provided for in the financial report.

Contingent asset and Contingent Liabilities

There are no contingent assets or contingent liabilities at 30 June 2024 (30 June 2023: nil).

29. Subsequent Events

On 12 August 2024, the Company announced that an appeal against the granting of its exploration permit concerning Area 1 of the Penikat project (**Exploration Permit**) was lodged on 5 August 2024. Based on the Company's preliminary assessment, the appeal will be heard in the Northern Finland Administrative Court (**Administrative Court**). The Company expects the Administrative Court to render its decision approximately 12 months following the lodgement of the appeal and therefore it is expected that drilling at Area 1 of the Penikat project may not commence until approximately December 2025.

On 4 September 2024, the Company announced that the conditions to second completion of the Transaction Implementation Agreement (as amended) announced on 18 January 2023 regarding its staged investment into the Råna Nickel-Copper-Cobalt project (**Råna Project**) have been satisfied (**Second Completion**). As at Second Completion, the Company has earnt a 51% interest in the Råna Project by incurring $3 million of expenditure on the Råna Project and drilling more than 5,000 metres. In accordance with the Transaction Implementation Agreement, the Company has issued Scandinavian Resource Holdings Pty Ltd with 1,000,000 fully paid ordinary shares in the Company as part consideration for the earn in.

There are no other material subsequent events after the balance date.

For personal use only

Notes to the Consolidated Financial Statements (Continued)

For The Year Ended 30 June 2024

30. Auditor's Remuneration

The auditor of Kingsrose Mining Limited is Ernst & Young (Australia).

	2024 $	2023 $
Fees to Ernst & Young (Australia) for:		
(i) Auditing the statutory financial report of the parent covering the group and auditing the statutory financial reports of any controlled entities	**126,126**	93,000
(ii) Other services		
- Tax compliance	**-**	-
Total fees to Ernst & Young (Australia)	**126,126**	93,000
Fees to other overseas member firms of Ernst & Young (Australia) for:		
(i) Auditing the financial report of any controlled entities	**-**	-
Total fees to overseas member firms of Ernst & Young (Australia)	**-**	-
Fees to other firms not associated with Ernst & Young (Australia)		
(i) Auditing the financial report of any controlled entities	**28,944**	-
Total Fees to other firms not associated with Ernst & Young (Australia)	**28,944**	-
Total auditor's remuneration	**155,070**	93,000

For personal use only

Consolidated Entity Disclosure Statement

As at 30 June 2024

Basis of Preparation

The Consolidated Entity Disclosure Statement has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

		Body Corporate		Tax Residency	
Entity Name	**Type of Entity**	**Place formed or Incorporated**	**% of share Capital held**	**Australian or foreign tax resident**	**Jurisdiction for foreign resident**
Kingsrose Mining Limited	Body Corporate	Australia	100%	Australian	N/a
Kingsrose Mining (Jersey) Ltd	Body Corporate	Jersey	100%	Foreign	Jersey
Element 46 Ltd	Body Corporate	United Kingdom	100%	Foreign	United Kingdom
Kingsrose Exploration Oy	Body Corporate	Finland	100%	Foreign	Finland
Kingsrose Minerals Oy	Body Corporate	Finland	100%	Foreign	Finland
Kingsrose Norge AS	Body Corporate	Norway	100%	Foreign	Norway
Narvik Nickel AS	Body Corporate	Norway	10%	Foreign	Norway
Kingsrose Finnmark AS	Body Corporate	Norway	100%	Foreign	Norway
Råna Nickel AS	Body Corporate	Norway	100%	Foreign	Norway

At the end of the financial year, no entity within the consolidated entity was a partner in a partnership within the consolidated entity

Directors' Declaration

In accordance with a resolution of the Directors of Kingsrose Mining Limited, I state that:

1. In the opinion of the Directors:
   - (a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
     - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
     - (ii) compliance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and *Corporations Regulations 2001*.
   - (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2(a).
   - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
   - (d) the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act is true and correct.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024.

On behalf of the Board

Michael Andrews
Non-Executive Chairman
27 September 2024

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Independent auditor's report to the members of Kingsrose Mining Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Kingsrose Mining Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, 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:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

For personal use only

Building a better working world

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

1. Carrying value of capitalised exploration and evaluation assets

Why significant	How our audit addressed the key audit matter
As disclosed in Note 14 to the financial report, the Group held capitalised exploration and evaluation assets of $11,209,421 as at 30 June 2024. The carrying value of exploration and evaluation assets are assessed for impairment by the Group when facts and circumstances indicate that the capitalised exploration and evaluation assets may exceed their recoverable amount. The determination as to whether there are any indicators to require an exploration and evaluation asset to be assessed for impairment, involves a number of judgments including whether the Group has title and tenure to the licenses, will be able to perform ongoing exploration and evaluation expenditures and whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. Given the size of the balance and the degree of judgement involved in assessing whether any indicators of impairment exist, we consider this a key audit matter.	We evaluated the Group's assessment of the carrying value of exploration and evaluation assets. In performing our procedures, we: ▶ Considered the Group's right to explore in the relevant exploration area which included obtaining and assessing supporting documentation such as license agreements. ▶ Considered the Group's intention to carry out exploration and evaluation activity in the relevant exploration areas which included an assessment of the Group's cash-flow budgets, enquiries with senior management and Directors as to the intentions and strategy of the Group. ▶ Assessed whether exploration and evaluation data existed to indicate that the carrying amount of exploration and evaluation assets is unlikely to be recovered through development or sale. ▶ Assessed the adequacy of the related disclosures in the consolidated financial statements.

Building a better working world

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

2. Acquisition of Narvik Nikkel AS

Why significant	How our audit addressed the key audit matter

As disclosed in Note 14 to the financial report, during the year ended 30 June 2024, the Group acquired 10% of the shares of Narvik Nikkel AS ("Narvik"). The Group assessed that on acquisition of 10% of the shares of Narvik, the Group obtained control over the relevant activities of Narvik for the purposes of the application of AASB 10 Consolidated Financial Statements. Therefore, from the acquisition date, Narvik has been accounted for as a subsidiary of the Group.
 	
As Narvik held only exploration licences at the date of acquisition, it was assessed by the Group that Narvik did not meet the definition of a business under AASB 3 Business Combinations. Therefore, the acquisition was accounted for as an asset acquisition as an addition to exploration and evaluation assets.
 	
Given the degree of judgement involved in assessing the relevant activities of Narvik when assessing control, we consider this to be a key audit matter.
	We evaluated the Group's assessment of the accounting for the acquisition of Narvik Nikkel AS. In performing our procedures, we:
	▶ Obtained and reviewed the related agreements (including amendments) to understand the background and key terms and conditions applicable to the acquisition
	▶ Considered the appropriateness of the Group's accounting for the acquisition including:
	  ▶ Evaluated the Group's determination of the purchase consideration with reference to Australian Accounting Standards
	  ▶ Assessed the Group's conclusion that Narvik did not constitute a business
	  ▶ Assessed the Group's conclusion that it had control of the relevant activities of Narvik
	▶ Assessed the adequacy of the related disclosures in the consolidated financial statements.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2024 annual report, 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, with the exception of the Remuneration Report and our related assurance opinion.

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.

For personal use only

Building a better working world

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Responsibilities of the directors for the financial report

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

a. 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;

a. The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i. 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; and

ii. 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 Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to

For personal use only

Building a better working world

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the audit of the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 50 to 60 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Kingsrose Mining Limited 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.

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Building a better working world

Ernst & Young

Mark Cunningham
Partner
Perth
27 September 2024

For personal use only

Additional ASX Information

The following information as required by ASX Listing Rules is current as at 6 September 2024.

Distribution of Equity Securities

There are 753,526,519 ordinary fully paid shares quoted on ASX.

Size of Shareholding	Number of Holders	Number of Shares	% of Issued Capital
1 -1,000	308	142,420	0.02
1,001 – 5,000	502	1,526,520	0.20
5,001 – 10,000	312	2,579,846	0.34
10,001 – 100,000	1,016	39,567,981	5.25
100,001 and Over	552	709,709,752	94.19
Total	**2,690**	**753,526,519**	**100.00**

There are 1,271 shareholders holding less than a marketable parcel of shares in the Company.

Substantial Shareholders

Substantial shareholders as disclosed in the substantial shareholding notices received by the Company are:

Name	Number of Shares
Michael John Andrews	66,826,024
Grimpeur Holdings Limited	56,893,039
Rex Harbour and Associates	54,729,940

For personal use only

Top 20 Shareholders

The names of the twenty largest holders of ordinary fully paid shares are listed below:

Name	Number of Shares	% of Issued Capital
CITICORP NOMINEES PTY LIMITED	175,945,092	23.35
BNP PARIBAS NOMS PTY LTD	106,889,358	14.19
MR MICHAEL JOHN ANDREWS	66,826,024	8.87
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	11,919,438	1.58
MR SCOTT GORDAN NORTH	10,300,000	1.37
PEGASUS CORP (AUST) PTY LTD <XINGFA MA FAMILY A/C>	10,000,000	1.33
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,149,212	1.08
PETER BOWMAN NOMINEES PTY LTD <PETER BOWMAN FAMILY A/C>	6,500,000	0.86
BUTTONWOOD NOMINEES PTY LTD	6,479,063	0.86
JUST GREENERY PTY LTD <GREEN FAMILY SUPER FUND A/C>	6,350,000	0.84
ZILSTAME NOMINEES PTY LTD	6,110,902	0.81
MR BINH THANH LE	5,999,288	0.80
MRS ZHEN LI FAN	4,882,460	0.65
MR SIMON LANYCIA	4,700,000	0.62
BLUE MANGO ENTERPRISES PTY LTD <BLUE MANGO FAMILY A/C>	4,629,185	0.61
CALAMA HOLDINGS PTY LTD <MAMBAT SUPER FUND A/C>	3,852,000	0.51
ACN 139 886 025 PTY LTD	3,729,316	0.49
MR LAURIE THOMAS ETHERINGTON & MRS WENDY ETHERINGTON <ARCADIA S/F A/C>	3,609,994	0.48
MR ROBERT GEORGE GOLD & MR BEN LYALL GOLD <ROBERT GOLD SF A/C>	3,550,000	0.47
IDRAWFAST QLD PTY LTD	3,461,453	0.46
Total	**453,882,785**	**60.23**

Options

The Company has 34,750,000 unlisted options with various exercise prices and expiry dates on issue. Options do not entitle the holder to vote in respect of that Option, nor participate in dividends, when declared, until such time as the Option is exercised and is subsequently registered as an ordinary share.

Instrument	Number Under Option	Exercise Price	Expiry Date	Number of Holders
Employee Options	3,250,000	$0.100	22 April 2025	4
Employee Options	5,000,000	$0.059	8 February 2026	1
Employee Options	22,500,000	$0.107	30 June 2026	5
Employee Options	3,000,000	$0.072	24 July 2026	1
Employee Options	1,000,000	$0.102	23 May 2028	1
Total	**34,750,000**			

Performance Rights

The Company has 3,600,000 Performance Rights on issue. Performance Rights do not entitle the holder to vote in respect of that Performance Right, nor participate in dividends, when declared, until such time as the Performance Rights vest and are subsequently registered as ordinary shares.

Instrument	Number	Exercise Price	Expiry Date	Number of Holders
Performance Rights	1,200,000	-	31 December 2024	3
Performance Rights	2,400,000	-	31 December 2025	5
Total	**3,600,000**			

Restricted Securities

Currently no securities are subject to either ASX imposed or voluntary restrictions.

On Market Buy Back

Currently there is no on-market buy-back of the Company's securities.

Voting Rights

All fully paid ordinary shares carry one vote per ordinary share without restriction.

Recent legislative changes to the Corporations Act 2001 Cth. mean there are new options for how shareholders receive communications. Therefore, in line with our environmental values, commitment to reducing our carbon footprint and minimising our environmental impact, Kingsrose will no longer send physical meeting documents unless a shareholder requests a copy to be mailed.

Kingsrose encourages all shareholders to provide an email address so we can communicate with you electronically when our shareholder notices become available online, for items such as meeting documents (notices and voting forms), dividend statements, annual reports or any other documents prescribed by the relevant regulations.

Shareholders, however, can still elect to receive some or all of their communications in physical or electronic form.

To review your communication preference or sign up to receive your shareholder communications via email, please update your details at the Link Investor Centre. To do this, you will need your Security Reference Number (SRN) or Holder Identification Number (HIN) to verify your identity. If you cannot locate your SRN or HIN, please visit the Link Investor Centre, or contact the Registry.

If you are a shareholder and require an additional copy of a Company communication; need further information about the options available to you or have questions about your holding, visit the Link Investor Centre or contact the Registry.

Link Market Services, Locked Bag A14,
Sydney South NSW 1235
P +61 1300 554 474

Shareholders can use the Link Investor Centre to:

- Set up and add their holdings to a portfolio
- Review and update their contact details, communication preferences and payment instructions
- Provide their TFN and/or ABN
- View their holding details
- Make online enquires

Our corporate website has more information about our business, investors, media, sustainability, and careers at Kingsrose. Stay up to date at www.kingsrose.com.

Annual General Meeting of shareholders

We consider the Annual General Meeting of shareholders (AGM) to be an important event in our calendar and a significant opportunity to engage with our shareholders. At this stage, the 2024 AGM is scheduled to be held on 14 November 2024. Further details will be set out in the Notice of AGM and detailed on our website at kingsrose.com.

Company Directory

Directors

Michael Andrews - Non-Executive Chairman
Fabian Baker - Managing Director
John Carlile - Non-Executive Director
Tim Coughlin - Non-Executive Director
Daryl Corp - Non-Executive Director
Andrew Cooke - Non-Executive Director

Company Secretary

Erlyn Dawson
Alessandra Gauvin

Registered Office

Suite 5 CPC, 145 Stirling Highway
Nedlands WA 6009
T: +61 8 9389 3190
E: info@kingsrose.com
W: www.kingsrose.com

Australian Business Number

49 112 389 910

Jersey Office

2nd Floor, Weighbridge House
St Helier
Jersey, JE2 3NA

Auditors

Ernst & Young
11 Mounts Bay Road
Perth WA 6000

Share Registry

Link Market Services Limited
Level 12, QV1 Building
250 St Georges Terrace
Perth WA 6000
T: 1300 554 474

Stock Exchange Listing

Australian Securities Exchange (ASX: KRM)

Kingsrose

Kingsrose Mining Limited

Suite 5 CPC
145 Stirling Highway
Nedlands
WA 6009, Australia

Registered in Australia 112 389 910

Kingsrose Mining (Jersey) Ltd

2nd Floor, Weighbridge House
Liberation Square
St Helier
Jersey, JE2 3QQ

Registered in Jersey Co No: 134567

www.kingsrose.com | info@kingsrose.com