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ANNUAL REPORT

2024



AUSTRALIAN MINES LIMITED
ABN 68 073 914 191

ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2024

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DIRECTORS

Michael Ramsden, Non-Executive Chairman

Michael Elias, Non-Executive Director

Dominic Marinelli, Non-Executive Director

Lee (Les) Guthrie, Non-Executive Director
(Resigned 18 July 2023)

CHIEF EXECUTIVE OFFICER

Michael Holmes (Appointed 5 September 2022,
Resignation effective 2 October 2023)

Andrew Nesbitt (Appointed 2 October 2023)

COMPANY SECRETARY

Oliver Carton

REGISTERED OFFICE

Level 34, 1 Eagle Street

Brisbane, Queensland, 4000

Telephone: +61 7 3184 9184

www.australianmines.com.au

STOCK EXCHANGE

Australian Securities Exchange Limited

20 Bridge Street

Sydney, New South Wales, 2000

ASX Code: AUZ

AUDITORS

BDO Audit Pty Ltd

Level 9, Mia Yellagonga Tower 2

5 Spring Street

Perth, Western Australia, 6000

Telephone: +61 8 6382 4600

SHARE REGISTRY

Automic Pty Ltd

Level 5, 126 Phillip Street

Sydney, NSW 2000, Australia

Telephone: +61 2 9698 5414

SOLICITORS

Allion Partners Pty Ltd

Level 23, 108 St Georges Terrace

Perth, Western Australia, 6000

Telephone: +61 8 9216 7100

BANKERS

National Australia Bank Limited

100 St Georges Terrace

Perth, Western Australia, 6000

Telephone: 13 22 65

Chairman's Letter



Dear Shareholders,

We appreciate the continued support during a time that metal prices remain challenging for aspirant suppliers of the metals necessary for the green energy transition. We remain committed to developing our Sconi Project in Queensland, which when developed will deliver sustainable nickel and cobalt in the form of advanced battery materials.

The long-term green energy transition represents a highly supportive structural change. In parallel, Western governments are driving a de-coupling of critical mineral supply chains from China. This structural change and de-coupling support the potential for Sconi to deliver significant value. We remain optimistic despite the headwind of increased Indonesian nickel supply and the slowdown of electric vehicle uptake, which have put pressure on green energy metal prices.

We continue to maintain the Sconi project in good standing and are pursuing alternative development strategies, be it joint venture partners, committed off-take partners, consolidation or other alternative available funding options. Our goal is to align Sconi's development with the next nickel bull cycle which many expect around 2027/2028. In the meantime, as key supply chain risks are progressively addressed, opportunities to advance Sconi are anticipated.

At the end of 2023 the company embarked on a strategy to expose shareholders to the potential of new discoveries by acquiring tenements totalling approximately 1450 km² located in Brazil. It is pleasing that systematic exploration has identified three drill-ready targets: two targeting ionic Rare Earth Element ("REE") discoveries and one targeting a tin, tantalum, and lithium discovery.

In Jequie North the 1.5 x 3 km anomaly (demarcated by Total Rare Earth Oxide ("TREO") grade of between 500 and 1,430 ppm is earmarked for auger drilling while in Jequie South a 1 km trend (demarcated by TREO grade of between 500 and 3,107 ppm has been identified. At our Resende project which has stream sediments containing up to 0.12% tin; a high priority target has been identified covering a strike length of some 1,600 m and a width of 300 m.

We note significant interest in the company's successful advancement of its solid-state hydrogen storage technology and a potential resurgence in the demand for scandium as a critical metal for the hydrogen economy, lightweight metals, and advanced electronics.

Stable, efficient, sustainable and low risk supply chains are key for the structural changes required for the disruptive green energy technologies to unfold. The origin of supply is becoming critical, with the concept of "domestic supply" widening to include allies only. Australian Mines intends to continue to advance its strategy of developing critical metal projects within stable jurisdictions.

Yours sincerely,

Michael Ramsden

Chairman

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Directors' Report

The directors present their report together with the financial statements of the Group comprising Australian Mines Limited ("the Company" or "Australian Mines") and its controlled entities for the year ended 30 June 2024, and the auditor's report thereon.

1. DIRECTORS

The Directors of the Company at any time during or since the end of the financial year are:

Michael Ramsden – Independent Non-Executive Chairman appointed 9 March 2011

BEC, LLB, FFIN

Michael Ramsden is a lawyer with more than 30 years' experience as a corporate advisor. He has been involved with all forms of finance, including money markets, futures trading, lease finance, trade finance and foreign exchange.

Mr Ramsden is the Managing Director of Terrain Capital Limited in Australia, and has previously worked for international companies including CIBC Australia, JP Morgan and Scandinavian Pacific Investments Limited. He is also Vice Chairman of the Victoria Racing Club Ltd, Chairman of Cremorne Capital Ltd, Chairman of African Mahogany Australia Pty Ltd, and formerly Chairman of Terrain Australia Ltd and Director of D&D Tolhurst Ltd.

Mr Ramsden is the Chairman of the Company's Remuneration Committee and a member of the Audit and Risk Committee.

Michael Elias – Independent Non-Executive Director appointed 1 July 2005

BSc(Hons), FAusIMM

Michael Elias has more than 40 years' extensive, international experience in all aspects of nickel resource development in both laterites and sulphides, from project generation and evaluation, exploration planning and management, development studies, open cut and underground mine geology, resource/reserve estimation, and resource economics. He has been a Principal Consultant with mining consultancy ERM (previously CSA Global Pty Ltd) since 2001.

Mr Elias previously held the positions of Chief Geologist – WA Nickel Operations and Chief Geologist – Nickel Resource Development at WMC Resources Ltd and was a director of Silver Swan Group Ltd until his resignation on 19 November 2012. Mr Elias holds a Bachelor of Science (Honours) in Geology from the University of Melbourne and is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Elias is a member of the Audit and Risk Committee.

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1. DIRECTORS (cont.)

Dominic Marinelli – Independent Non-Executive Director appointed 9 March 2011

MBA, BEng, PGD Sc

Dominic Marinelli has over 20 years' corporate fundraising and mergers and acquisitions experience covering a wide range of industries including resources and other emerging technologies.

Mr Marinelli is a Director of Terrain Capital Limited in Australia. He holds an MBA from the Melbourne Business School, a degree in Electrical and Computer Systems Engineering from Monash University and a diploma in Nanotechnology from Leeds University.

Mr Marinelli is the Chairman of the Audit and Risk Committee and a member of the Company's Remuneration Committee.

Lee (Les) Gordon Guthrie – Independent Non-Executive Director (resigned 18 July 2023)

BSc, MAICD

Lee Guthrie is a corporate executive with over 40 years' experience in the development and delivery of projects across the mining, infrastructure and energy sectors in Australia, North America, Asia and the UK.

Mr Guthrie was a member of the Audit and Risk Committee until his resignation as Director on 18 July 2023.

2. COMPANY SECRETARY

The Company Secretary of the Company during or since the end of the financial year is:

Oliver Carton appointed 1 January 2018

Oliver Carton is a qualified lawyer with over 30 years' experience in a variety of corporate roles. He is currently a director or company secretary of a number of listed, unlisted and not for profit entities such as Prestal Holdings Limited and Australian Mines Limited. He currently runs his own consulting business and was previously a Director of the Chartered Accounting firm KPMG. Prior to that, he was a senior legal officer with ASIC.

3. ANNUAL REPORTING CALENDAR

Reporting Requirement	Date
Audited Financial Statements Year ended 30 June 2024	24 September 2024
Deadline for nomination as Director	2 October 2024
Appendix 5B and Quarterly Activities Report - quarter ended 30 September 2024	31 October 2024
Annual Report	31 October 2024
Notice of AGM	21 October 2024
AGM	20 November 2024
Appendix 5B and Quarterly Activities Report - quarter ended 31 December 2024	31 January 2025
Half-Year Report	14 March 2025
Appendix 5B and Quarterly Activities Report - quarter ended 31 March 2025	30 April 2025
Appendix 5B and Quarterly Activities Report - quarter ended 30 June 2025	31 July 2025
Audited Financial Statements Year ended 30 June 2025	24 September 2025

4. DIRECTORS' MEETINGS

The number of directors' meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year is as follows:

Director	Board Meetings		Remuneration Committee		Audit & Risk Committee	
	Held	Attended	Held	Attended	Held	Attended
Michael Ramsden	14	14	0	0	4	4
Michael Elias	14	14	0	0	4	4
Dominic Marinelli	14	14	0	0	4	4
Lee Guthrie	0	0	0	0	0	0

The Remuneration Committee is responsible for making recommendations to the Board on remuneration policies and packages applicable to the Board members and senior executives of the Company. The broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and level of performance and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The Audit & Risk Committee is required to meet at least twice per year, review annual and half-year accounts, and report to the Board of Directors. The Audit & Risk Committee also oversees the Company's risk management systems and procedures.

5. PRINCIPAL ACTIVITIES

The consolidated entity's principal activity during the course of the financial year was the exploration of mineral properties located in Brazil, which are prospective for those metals critical to the green energy transition, namely Rare Earth Elements (REE) and Lithium including Niobium. While the company's 100%-owned Sconi Battery Minerals Project located in North Queensland, Australia, remains in good standing to take advantage of next nickel bull cycle, the company is continuing to de-risk the project and seek development partners.

6. OPERATING AND FINANCIAL REVIEW

The period saw a continuation in the decline of Nickel and Cobalt commodity prices, thus the Company focused on preserving shareholder value by reviewing the Company's 100% owned Sconi Nickel-Cobalt-Scandium Battery Minerals Project ("Sconi") within the current commodity environment. Due to the current market conditions related to Nickel and Cobalt, the Company has diversified to include Lithium and REE Projects.

By entering into an agreement to acquire the Jequie Rare Earth and the Resende Lithium Projects, both located in Brazil, the Company is now in the position to provide shareholders optionality and exposure to additional battery metals in conjunction with the potential for new discoveries.

The company continued the development of its Solid-State Hydrogen storage strategy resulting in the submission of patents of an improved metal hydride (MH-May 24) compared to the previous metal hydride (MH-Oct 23).

During the period the company engaged with several parties regarding the development of Sconi. To date these engagements have not developed sufficiently to meet disclosure requirements.

With regards to the Flemington Scandium Project, the US Geological Survey estimates that Scandium supply and demand has doubled, from 15-25 metric tons in 2021, to 30-40 metric tons in 2023¹. Considering this development the company will review the potential of updating the 2017 Flemington Scoping Study.

Highlights

- Completed several exploration programs on its Jequie licences resulting in the identification of 2 priority targets, namely Jequie North with peak Total Rare Earth Oxide (TREO) assays of 1,430 ppm and Jequie South with peak TREO assays of 3107 ppm.
- At the Resende Lithium project, the company completed several exploration programs resulting in the identification of several drainage basins prospective for tin, tantalum and lithium (peak assay for Sn, Ta and Li of 1,180, 56 and 38 ppm respectively) and the discovery of additional drainage basins prospective for REE with peak TREO assay of 2893 ppm.
- In May 2024, submitted Solid State Hydrogen Storage metal hydride patents.
- In February 2024, completed an equity placement of \$3.0m; of the \$3.0m raised, \$1.34m was used to settle all obligations associated with its Share Subscription Agreement. For further details see note 14.
- In December 2023 the Company executed a binding agreement with a local Brazilian Group RTB Geologia E Mineracao LTDA to acquire two, 100% owned, exploration projects in Brazil, namely the Jaquie Rare Earth Project (Bahia) and the Resende Lithium Project (Lithium Valley, Minas Gerais). In December 2023 the Company announced an equity placement to support the acquisition and associated drilling.
- On 5 July 2023 the Greenvale Mining Lease was approved and an application to extend the granted Mining Leases was submitted on 20 October 2023.

¹ <https://theoregongroup.com/investment-insights/the-hunt-for-scandium-has-started/>

6. OPERATING AND FINANCIAL REVIEW (cont.)

General Economic Conditions

The Consolidated Group made a loss for the year of \$3,799,223 (2023: loss \$4,104,356). There was no impairment of exploration assets during the year (2023: nil).

A comparison of the consolidated financial performance is included in the table below.

Financials	2024 \$	2023 \$
Revenue from operating activities	-	-
Net Loss	(3,799,223)	(4,104,356)
Cash and cash equivalents	4,491,872	4,632,842

The Company's financial results demonstrate a net loss due to the Company's position of mineral explorer, rather than producer. At this point in the Company's development, whilst it incurs expenditure through the ongoing exploration of tenements, no return has been generated as the Company is yet to move into production, thus providing income.

7. DIVIDENDS

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

8. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group during the financial year.

9. EVENTS SUBSEQUENT TO REPORTING DATE

The subsidiary Advanced Materials Limited has been officially dissolved as of 27 August 2024.

There have been no other events subsequent to reporting date.

10. LIKELY DEVELOPMENTS

Australian Mines will continue to develop and progress its projects within Brazil, continuously hold the Sconi Project in good standing, seek partners and/or undertake corporate actions to liberate shareholder value within the Sconi Project, while at the same time monetize non-core projects.

11. MATERIAL BUSINESS RISKS

For the purposes of section 299A (1) of the *Corporations Act 2001* (Cth), this section summarises the material business risks and uncertainties that could affect the operating and financial position of the Company.

The risks and uncertainties described herewith are not exhaustive. Additional risks and uncertainties may also become significant factors in the future that may affect the Company's operating and financial position.

Company Specific Risks

- **Land access and tenure** - Mining and exploration tenements are subject to periodic renewal and are subject to the mining act and the mining regulations. The maintaining of exploration licences, obtaining renewals, or getting additional exploration or mining licences granted, often depends on the Company being successful in obtaining the required statutory approvals for its proposed activities and that the licences, concessions, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions (such as increased expenditure and work commitments) will not be imposed in connection with any such renewals. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or the performance of the Company.
- **Native title and access risk** - The mining tenements in which the Company holds, or intends to acquire, an interest extend over areas in which legitimate native title rights of indigenous Australians exist. The ability of the Company to gain access to some or all of the mining tenements and to conduct exploration development and mining operations remains subject to native title rights and the terms of registered native title agreements. The right to negotiate process under native title matters can result in significant delays to the implementation of any project or stall it. Negotiated native title agreements may adversely impact on the economics of projects depending on the nature of any commercial terms agreed. The Company is also required to enter into access agreements with the land holders in which the mining tenements are situated. These agreements may expire in some circumstances and may not be able to be renewed on similar terms.
- **Failure to satisfy expenditure commitments** - The tenements held by the Company are subject to various conditions prescribed by the mining act and mining regulations. Depending on the type of tenement, the primary conditions relate to the payment of rent, minimum expenditure and reporting requirements.
- **Liquidity risk** - There is no guarantee that an active market in the Company's shares will be maintained or that the price of the shares will increase. There may be relatively few buyers or sellers of the Shares on the ASX at any particular time, which will adversely affect the liquidity of the Shares on ASX.
- **Resource estimations** - Estimating the quantity and quality of Mineral Resources is an inherently uncertain process and any mineral resources or ore reserves that the Company has stated now or in the future are and will be estimates and may not prove to be an accurate indication of the quantity and/or grade of mineralisation that the Company has identified or that it will be able to extract, process and sell. If the Company's actual mineral resources are less than current estimates, its prospects, value, business, results of operations and financial condition may be materially adversely affected.

11. MATERIAL BUSINESS RISKS (cont.)

- **Exploration and evaluation risks** - The mineral exploration licences of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration activities conducted on these exploration licences, or any other licences that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Company may be affected by a range of factors, including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title processes, changing government regulations and many other factors beyond the control of the Company. The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its exploration licences and obtaining all required approvals for its activities. In the event exploration programmes prove to be unsuccessful, this could lead to a diminution in the value of the exploration licences, a reduction in the cash reserves of the Company and possible relinquishment of the exploration licences. The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.
- **Development risks and costs** - There are many uncertainties that are inherent in developing a mining project, including:
 - i. the availability of capital to finance feasibility studies, construction and development activities;
 - ii. the timing and cost of constructing mining and processing facilities and related infrastructure;
 - iii. the availability and cost of skilled labour, power, water and transport; and
 - iv. the need to obtain necessary governmental permits and the timing of those permits.

As with any mining project, the Company may experience unexpected problems and delays during development, construction and mine start-up. Even if mining commences, there is a risk that the geology of the mines will be more complex than the Company's geological investigations have indicated, and that the ore extracted will be lower grade or have different metallurgy than anticipated, which may increase mining costs, increase processing costs or result in lower recoveries.

- **Operating risks** - The Company may be subject to the risks involved in the establishment of a new mining operation if the Company decides to develop its mineral assets. There is no assurance that can be given to the level of viability that the Company's operations may achieve. Lower than expected productivity and technical difficulties and late delivery of materials and equipment could have an adverse impact on any future construction and commissioning schedules. No assurance can be given that the intended production schedules will be met or that the estimated operating cash costs and development costs will be accurate.

11. MATERIAL BUSINESS RISKS (cont.)

- Environmental risk** - The Company is subject to a number of laws and regulations to minimise the environmental impact of any operations as well as rehabilitation of any areas affected by the Company's operations. These laws can be costly to operate under and can change, further adversely affecting the Company. No assurance can be given that current or future requirements under environmental laws will not result in the cessation of exploration or production activities, the curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Company's financial condition, results of operations or prospects. Penalties for failure to adhere to the laws or in the event of environmental damage the penalties and remediation costs can be substantive. The Company may require approval from relevant authorities before it can undertake activities that may impact the environment. Failure to obtain such approvals may prevent the Company from achieving its business objectives. The Company intends to conduct itself and manage any joint ventures so that their activities are conducted in an environmentally responsible manner and in accordance with all applicable laws. Despite this, the Company may still be subject to accidents or other unforeseen events which may compromise its environmental performance, and which may have adverse financial implications.
- Future capital requirements** - At the date of this report, the Company has no income producing assets and will generate losses for the foreseeable future. The Company's current funds will not be sufficient for expenditure expected to be required for any development of the Sconi project, including the works required to commence production. Accordingly, the Company expects to raise additional funds for working capital in order to finance its projected capital expenditure at the Sconi Project, potentially by raising debt and/or equity. However, if these funding alternatives do not eventuate or are insufficient, the Company may need to raise additional equity. Any additional equity financing may be dilutive to Shareholders, and debt financing, if available, may involve restrictions on financing and operating activities. There is no assurance that the Company will be able to obtain or access additional funding when required, or that the terms associated with that funding will be acceptable to the Company. The Company's failure to raise capital, if and when needed, could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities, financial condition and its ability to continue as a going concern or its ability to pay its debts as and when they fall due. Also, no guarantee or assurance can be given as to whether the Sconi Projects can be developed to the stage where it will generate positive cashflow or the timing of this development.
- Potential acquisitions** - As part of its business strategy, the Company may make acquisitions of, or significant investments, in companies, products, technologies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects.
- Litigation risk** - Exposure to possible native title claims, tenure disputes and environmental claims. Dispute proven or unproven may impact the company's operation. Australian Mines Limited is not currently engaged in any litigation.
- Financial risks** - The Company's activities may expose it to market risk (fair value of future cash flows of a financial instrument will fluctuate), interest rate and credit risk (interest rates may impact the value of consolidated assets and liabilities) and liquidity risk (ability of the Company to maintain sufficient cash and source-out funding to support its projects).

11. MATERIAL BUSINESS RISKS (cont.)

- **Climate change** – The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions in the future. The climate change may also cause certain physical and environmental risks, such as increase severity of weather conditions or extreme weather events that may negatively impact specific exploration and development activities.
- **Reliance on key personnel** - The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.
- **Volatility of the price of commodities and exchange rate risks** – Exchange rates, the price of nickel, cobalt and other minerals fluctuates widely and is affected by numerous factors beyond the control of the Company. Future serious price declines in the market value of nickel, cobalt and other minerals could force the Company to discontinue production or development and it may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even if commercial quantities of nickel and cobalt or other minerals are produced, a profitable market will exist for them.
- **Inherent mining risks** - The Company's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risks, including: environmental hazards; industrial accidents; metallurgical and other processing problems; unusual or unexpected rock formations; structure cave-in or slides; flooding; fires and interruption due to inclement or hazardous weather conditions. These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury or death, environmental damage, delays in mining, increased production costs, monetary losses and possible legal liability. Whether income will result from projects undergoing exploration and development programs depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and commodity prices affect successful project development.
- **Insurance and uninsured risks** - The Company, where economically feasible, may insure its operations in accordance with industry practice. However, even if insurance is taken out, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered, or fully covered, by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance of all risks associated with mineral exploration and production is not always available and, where available, the costs can be prohibitive.

11. MATERIAL BUSINESS RISKS (cont.)

General Risks

The operating and financial performance of the Company is influenced by a number of general, economic and business conditions, including, but not limited to:

- General movements in Australian and international stock markets;
- Australian and international economic conditions and outlook;
- Changes in government legislation and policies, including taxation laws and foreign investment legislation;
- political instability, including international hostilities and acts of terrorism;
- Competition, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's business.

Further, the effect of these conditions on the Company's ability to obtain financing, and the terms on which any such financing can be obtained, is uncertain. These conditions may however adversely affect the financial position and / or share price of the Company and its ability to obtain new financing or to do so on reasonable terms.

12. DIRECTORS' INTERESTS

As at the date of this report, the number of shares and options in the Company held by each Director of Australian Mines Limited and other key management personnel of the Consolidated Group, including their personally-related entities, are as follows:

Specified Directors and Key Management Personnel	Shares	Listed Options	Unlisted Options
M Ramsden	19,596,970	-	903,833
M Elias	12,268,115	-	144,067
D Marinelli	15,376,320	-	296,610
T Maclean	995,000	-	-
A Nesbitt	20,000,000	-	-

13. SHARE OPTIONS

Listed Options

On 29 January 2024, 133,636,332 listed options were issued to shareholders as part of a capital raising. The options expire on the 29 January 2027 and allow for the purchase of shares prior to this date at a price of \$0.022 per share.

On 6 May 2024, 108,235,314 listed options were issued to shareholders as part of a capital raising on a basis of one option for every two shares subscribed. The options expire on the 6 May 2027 and allow for the purchase of shares prior to this date at a price of \$0.032 per share.

On 30 May 2024, 38,354,907 unexercised options expired due to reaching their expiration date.

14. REMUNERATION REPORT – AUDITED

The directors present the Company's 2024 remuneration report outlining key aspects of our remuneration policy and framework, and remuneration awarded this year. The report includes the following:

- Key management personnel covered in this report
- Overview of remuneration policies
- Principles of compensation
- Directors and executive officers' remuneration
- Terms of equity settled share-based payment transactions
- Equity instruments held by key management personnel
- Remuneration consultants
- Voting and comments made at the company's 2024 Annual General Meeting
- Loans to key management personnel
- Other key management personnel transactions

a) Key management covered in this report

Non-executive and executive directors and officers (see pages 6 to 7 for director details)

Michael Ramsden (Chairman)

Michael Elias (Non-Executive Director)

Dominic Marinelli (Non-Executive Director)

Lee (Les) Guthrie (Non-Executive Director, Resigned 18 Jul 2023)

Michael Holmes (CEO, Appointed 5 Sep 2022, Resignation effective 2 October 2023)

Andrew Nesbitt (CEO Appointed 2 October 2023)

Tim Maclean (Chief Operating Officer)

b) Overview of remuneration policies

The board remuneration policy is to ensure that remuneration properly reflects the relevant person's duties and responsibilities, and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Board believes that the best way to achieve this objective is to provide Executive Directors and Executives with a remuneration package that reflects the person's responsibilities, duties and personal performance. An employee Loan Share Plan scheme for key Executives is in place.

The remuneration of Non-Executive Directors is determined by the Board as a whole having regard to the level of fees paid to Non-Executive Directors by other companies of similar size in the mining industry.

The Board has established a Remuneration and Nomination Committee (Remuneration Committee) responsible for making recommendations to the Board on remuneration arrangements for Directors and Executives of the Company.

14. REMUNERATION REPORT – AUDITED (cont.)

Assessing performance

The Remuneration Committee is responsible for assessing performance against Key Performance Indicators (KPI) and determining Short Term Incentives (STI) and Long-Term Incentives (LTI) to be paid.

In the event of serious misconduct or a material misstatement in the company's financial statements, the remuneration committee can cancel or defer performance-based remuneration.

c) Principles of compensation

Remuneration of directors and executives is referred to as compensation throughout this report.

Compensation levels for key management personnel, and for relevant key management personnel of the Consolidated Group, are competitively set to attract and retain appropriately qualified and experienced directors and executives.

Fixed Compensation

Fixed compensation consists of base compensation as well as employer contributions to superannuation funds. Compensation levels are reviewed annually by the Remuneration Committee through a process that considers individual and overall performance of the Consolidated Group.

Short term Incentive Bonus

The Company has no scheme to pay discretionary bonuses based on short term performance. No bonus amount was paid to any Directors or Key Management Personnel during the financial year (2023: \$13,239).

Long Term Incentive Bonus

On 23 September 2023, 4,060,000 Performance Shares were transferred from previous CEO Michael Holmes, and an additional 15,940,000 Performance Shares were issued by the Group to Andrew Nesbitt in accordance with his employment contract and the Loan Share Plan. The total shares issued to Andrew were 20,000,000 and the Group provided an interest free limited recourse loan to enable him to purchase the Shares.

On 21 November 2023, 10,000,000 performance shares each were issued by the Group to Directors Dominic Marinelli, Michael Ramsden and Michael Elias in accordance with their employment contract and the Loan Share Plan. The Group provided an interest free limited recourse loan to the Directors to enable them to purchase the shares.

The shares were purchased at a market rate of \$0.015 per share. The plan shares are divided into multiple tranches and subject to service period vesting conditions.

Further details around the structure of the Loan Share Plan can be found in the following table.

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14. REMUNERATION REPORT – AUDITED (cont.)

c) Principles of compensation (cont.)

Key Management Personnel	
Grant Date	23 September 2023
Number of Shares	20,000,000
Share Price at Grant Date	\$0.015 The issue price was calculated at market value, being the 5-day volume weighted average price of the Company prior to the date of appointment.
Vesting Conditions	Continuous employment from the Commencement Date; and From the Commencement Date to 30 June 2026 (Performance Period): A) 10,000,000 Shares (Tranche 1) will vest on total shareholder return (TSR) hurdle measured against the Peer Group as follows: (i) If TSR is at 50th percentile of the Peer Group, 65% of the Tranche 1 Shares will vest; (ii) If the TSR is at 90th percentile of the Peer Group, 100% of the Tranche 1 Shares will vest; and (iii) If the TSR is between the 50th and 90th percentile, a pro-rata number of the Tranche 1 Shares will vest (as determined by the board). B) 10,000,000 Shares (Tranche 2) will vest on upon a decision by the Board, project sponsor, capital provider, and/or joint owner to fully proceed with the investment for the construction and commissioning of the Sconi Project, including the decision that sufficient financial resources are available to meet the total project spend.
Lapse of Performance Shares	Performance Shares will be forfeited in the following circumstances: <ul style="list-style-type: none"> • Employment, office or contractual relationship with the Company ceases; • Relevant vesting conditions are not satisfied by the relevant time; • The Key Management Personnel acts fraudulently or dishonestly or in breach of their obligations to the Group; or • They become insolvent. <p>If the Performance Shares are forfeited and sold pursuant to the Plan Rules, the proceeds will first be applied against the respective loan and any surplus applied in accordance with the Plan Rules.</p>
Loan Arrangements	Under the Loan Agreement, the Group will lend the Key Management Personnel the funds required to purchase the Performance Shares. No interest will be payable on the loan and it is a limited recourse loan.

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Directors	
Grant Date	21 November 2023
Number of Shares	30,000,000
Share Price at Grant Date	<p>\$0.015</p> <p>The issue price was calculated as 1.3 times the 5-day volume weighted average price of the Company's shares up to the issue date.</p>
Vesting Conditions	<p>The Performance Shares are divided into 3 tranches and subject to the following vesting conditions:</p> <ul style="list-style-type: none"> (i) 1/3 for service to the Company as an Eligible Person until 1 June 2024 (ii) 1/3 for service to the Company as an Eligible Person until 1 June 2025 (iii) 1/3 for service to the Company as an Eligible Person until 1 June 2026
Lapse of Performance Shares	<p>Performance Shares will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> • Employment, office or contractual relationship with the Company ceases; • Relevant vesting conditions are not satisfied by the relevant time; • The Director acts fraudulently or dishonestly or in breach of their obligations to the Group; or • They become insolvent. <p>If the Performance Shares are forfeited and sold pursuant to the Plan Rules, the proceeds will first be applied against the respective loan and any surplus applied in accordance with the Plan Rules.</p>
Loan Arrangements	<p>Under the Loan Agreement, the Group will lend the Directors the funds required to purchase the Performance Shares. No interest will be payable on the loan and it is a limited recourse loan.</p>

14. REMUNERATION REPORT – AUDITED (cont.)

c) Principles of compensation (cont.)

Consequences of Performance on Shareholder Wealth

In considering the Group's performance and benefits for shareholder wealth, the remuneration committee takes into account profitability and share price movements when setting the total amount of any bonuses. No performance bonuses were paid in the current financial year.

	2024	2023	2022	2021	2020
Loss for the Year	\$3,799,226	\$4,104,356	\$5,788,309	\$4,493,350	\$3,523,194
Change in Share Price	(56%)	(76%)	(73%)	182%	(62%)

Service Contracts - Executive Officers

The Company entered into an executive employment agreement with Tim Maclean as chief operating officer effective 17 July 2017. Mr Maclean has been employed on a salary of \$291,375 (2023: \$290,062) per annum inclusive of superannuation. The agreement includes an invitation to participate in the Loan Share Plan whereby the executive can apply for shares. The contract has no defined term however either party may terminate this agreement by providing three months written notice in accordance with the agreement.

Mr Michael Holmes resigned as Chief Executive Officer effective 2 October 2023. Australian Mines issued Mr Michael Holmes a termination of employment letter, which terminated his employment in accordance with the terms of his agreement. His final termination payment totaled \$69,949.

The Company entered into a service agreement contract with Mr Andrew Nesbitt as Chief Executive Officer on 2 October 2023. Mr Andrew Nesbitt has been employed on a salary of \$283,050 per annum inclusive of superannuation. The agreement includes an invitation to participate in the Loan Share Plan whereby the executive can apply for shares. The contract has no defined term however either party may terminate this agreement by providing three months written notice in accordance with the agreement.

At any time, contracts of employment may be terminated by the Company forthwith if the executive officer (amongst other items) breaches duties connected with the performance of services; engages in misconduct; or becomes incapacitated. Under such circumstances the Company will pay an amount equal to the aggregate of unpaid salary, annual leave and long service leave accrued to the date of termination.

The remuneration of executive officers will be reviewed annually by the Company in conjunction with a performance review. If warranted the Company may approve bonus payments, however, they are under no obligation to pay a bonus each year.

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14. REMUNERATION REPORT – AUDITED (cont.)

c) Principles of compensation (cont.)

Non-Executive Directors

Total remuneration for all non-executive directors is not to exceed \$800,000 per annum, excluding options and other share-based incentives which are approved separately at a general meeting. Non-executive directors' fees are set with reference to fees paid to other non-executive directors of comparable companies and Mr M Elias and Mr D Marinelli are presently paid \$70,000 (2023: \$70,000) per annum each. Mr L Guthrie resigned as a non-executive director on 18 July 2023. His final termination payment totaled \$5,833 inclusive of superannuation. The non-executive chairman received a fee of \$105,000 (2023: \$105,000) per annum.

Directors' fees cover all main board activities and membership of committees. The directors have participated in the employees Loan Share Plan and received an allotment of shares as detailed in note 13.

d) Directors' and executive officers' remuneration

Details of the nature and amount of each major element of the remuneration of each director of the Group and other key management personnel of the Group are shown on the following table.

14. REMUNERATION REPORT – AUDITED (cont.)

d) Directors' and executive officers' remuneration (cont.)

Directors and Executive Officers	Year	Non-Executive Directors' Fees	Executive Salaries	Bonus	Fringe Benefits (B)
		\$	\$	\$	\$
Non-Executive Directors					
Mr M Ramsden	2024	94,595	-	-	-
	2023	95,023	-	-	-
Mr M Elias	2024	63,063	-	-	-
	2023	63,349	-	-	-
Mr D Marinelli	2024	63,063	-	-	-
	2023	63,349	-	-	-
Executive Director					
Mr L Guthrie (A)	2024	5,255	-	-	-
	2023	63,349	39,819	-	-
Total Compensation Directors	2024	225,976	-	-	-
	2023	285,070	39,819	-	-
Executive Officers					
Mr B Bell (C)	2023	-	29,976	-	-
Mr M Holmes (D)	2024	-	127,239	-	-
	2023	-	379,213	-	-
Mr T Maclean	2024	-	263,976	-	-
	2023	-	264,770	13,239	-
Mr A Nesbitt (E)	2024	-	191,738	-	-
Total Compensation Executive Officers	2024	-	582,953	-	-
	2023	-	673,959	13,239	-

- (A) Les Guthrie was appointed as interim CEO on 11 May 2022 until 5 September 2022. He retained the non-executive director position until his resignation on 18 July 2023, and as such has non-executive and executive components to his remuneration for the year 2023, but non-executive component only for the year 2024.
- (B) Other long-term benefits include movements in the annual and long service leave provisions.
- (C) Benjamin Bell resigned as an Executive Director on 11 May 2022 and was issued a termination of employment letter on 21 July 2022. His termination and retirement benefits are inclusive of unused annual leave, unused long service leave and termination notice pay.
- (D) Michael Holmes was appointed CEO on 5 September 2022 and received performance shares in line with his executive service agreement outlined in the remuneration report. Michael Holmes resigned as CEO on 2 October 2023. Michael did not receive a termination payment, but employee leave entitlement was paid out. A reversal of the Share-based Payment expense recorded to date was recognized in the accounts at the date of termination.
- (E) Andrew Nesbitt was appointed as CEO on 2 October 2023.

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Super-annuation Contribution	Termination and Retirement Benefits	Other Long-Term Benefits (C)	Share-Based Payments	TOTAL	Proportion of remuneration performance based	Value of share-based payments as a proportion of remuneration
\$	\$	\$	\$	\$	%	%
10,405	-	-	32,939	137,940	-	24
9,977	-	-	-	105,000	-	-
6,937	-	-	32,939	102,939	-	32
6,651	-	-	-	70,000	-	-
6,937	-	-	32,939	102,939	-	32
6,651	-	-	-	70,000	-	-
578	-	-	-	5,833	-	-
10,833	-	(696)	-	113,305	-	-
24,857	-	-	98,817	349,650	-	28
34,112	-	(696)	-	358,305	-	-
12,590	138,886	-	-	181,452	-	-
7,850	-	20,713	(85,852)	69,950	-	-
22,745	-	15,549	85,852	503,359	-	17
27,399	-	(2,385)	-	288,990	-	-
25,292	-	17,155	-	320,456	4	-
20,549	-	14,646	40,371	267,304	-	-
55,798	-	32,974	(45,481)	626,244	-	-
60,627	138,886	32,704	85,852	1,005,267	4	17

14. REMUNERATION REPORT – AUDITED (cont.)

e) Equity instruments held by key management personnel

Movement in shares

The movement during the reporting period in the number of ordinary shares held directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

Name	Held at 1 July 2023	Purchased	Sold/ Transferred	Held at 30 June 2024
Directors				
M Ramsden	9,577,832	10,019,138	-	19,596,970
M Elias	2,268,115	10,000,000	-	12,268,115
D Marinelli	5,376,320	10,000,000	-	15,376,320
L Guthrie	593,220	-	-	593,220
KMP				
T Maclean	995,000	-	-	995,000
M Holmes	4,907,457	-	(4,060,000)	847,457
A Nesbitt	-	20,000,000	-	20,000,000

Movement in options

The movement during the reporting period in the number of options held directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

Name	Held at 1 July 2023	Purchased	Sold/Expired	Held at 30 June 2024
Directors				
M Ramsden	1,424,328	22,478	(542,973)	903,833
M Elias	281,757	-	(137,690)	144,067
D Marinelli	593,072	-	(296,462)	296,610
L Guthrie	296,610	-	-	296,610
KMP				
T Maclean	-	-	-	-
M Holmes	423,728	-	-	423,728
A Nesbitt	-	-	-	-

f) Voting and comments made at the company's 2023 Annual General Meeting

The Company received 62.72% "for" votes on its remuneration report for the 2023 financial year at the Annual General Meeting held on 21 November 2023. As the Company received more than 25% votes against the approval of the Remuneration Report, the Company recorded its first strike in accordance with the *Corporations Act 2001*. While the Board is mindful of genuine concerns of shareholders concerning remuneration, it notes that a majority of shareholders approved the Remuneration Report, and that Key Management Personnel, including Directors and their associates, were unable to vote. The Board proposes to take questions on this matter at the 2024 AGM.

14. REMUNERATION REPORT – AUDITED (cont.)

g) Loans to key management personnel

A limited recourse loan has been provided to key management personnel to allow them to purchase performance shares pursuant to the terms of the Loan Share Plan, detailed at note 13. No interest is payable on the loan and repayment is due upon forfeiture or sale of the shares. Details of the shares and loans can be found below:

Name	Issue Date	Shares Issued	Issue Price	Loan Balance
Michael Ramsden	24 Nov 2014	700,000	\$0.07	\$49,000
Dominic Marinelli	24 Nov 2014	700,000	\$0.07	\$49,000
		1,400,000		\$98,000
Michael Ramsden	24 Nov 2017	860,000	\$1.16	\$997,600
Michael Elias	24 Nov 2017	520,000	\$1.16	\$603,200
Dominic Marinelli	24 Nov 2017	520,000	\$1.16	\$603,200
Tim MacLean	24 Nov 2017	995,000	\$1.16	\$1,154,200
		2,895,000		\$3,358,200
Andrew Nesbitt	23 Sep 2023	4,060,000	\$0.015	\$60,900
Andrew Nesbitt	23 Sep 2023	15,940,000	\$0.015	\$239,100
Dominic Marinelli	21 Nov 2023	10,000,000	\$0.018	\$180,000
Michael Ramsden	21 Nov 2023	10,000,000	\$0.018	\$180,000
Michael Elias	21 Nov 2023	10,000,000	\$0.018	\$180,000
		50,000,000		\$840,000

The above figures have been adjusted for the 1 for 10 share consolidation that occurred on 10 January 2022.

On 23 September 2023, 4,060,000 Performance Shares were transferred from previous CEO Michael Holmes upon his resignation and resulting forfeiture of the shares under the Share Loan Plan, and an additional 15,940,000 Performance Shares were issued by the Group to Andrew Nesbitt in accordance with his employment contract and the Loan Share Plan. The total shares issued to Andrew were 20,000,000 and the Group provided an interest free limited recourse loan to enable him to purchase the Shares.

On 21 November 2023 10,000,000 performance shares each were issued by the Group to Directors Dominic Marinelli, Michael Ramsden and Michael Elias in accordance with their employment contract and the Loan Share Plan. The Group provided an interest free limited recourse loan to the Directors to enable them to purchase the shares.

See note 13 for further details of movements in the share plan loans and note 22 for events subsequent to report date.

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14. REMUNERATION REPORT – AUDITED (cont.)

h) Other key management personnel transactions

Mr Michael Holmes resigned as CEO effective 2 October 2023.

The Company entered into a service agreement contract with CEO, Andrew Nesbitt on 2 October 2023.

Mr L Guthrie resigned as a non-executive director effective 18 July 2023.

The terms and conditions of the transactions with key management personnel were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

Apart from the details disclosed in the Remuneration Report, no director has entered into a contract with the Group since the end of the previous financial year and there were no contracts involving directors' interests existing at year end.

This is the end of the Audited Remuneration Report.

15. CORPORATE GOVERNANCE

The Group's corporate governance policies and practices are set out in pages 80-87.

16. ENVIRONMENTAL REGULATIONS

The Group conducts mining and exploration activities on mineral tenements. The right to conduct these activities is granted, subject to environmental conditions and requirements and as such is governed by a range of environmental legislation. The directors have considered the requirements of the *National Greenhouse and Energy Reporting Act 2007* (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. As the Company has not yet commenced construction of the Sconi Project, the Company is not yet subject to the public reporting requirements of the NGER Act. The Group aims to ensure a high standard of environmental care is achieved and, as a minimum, to comply with relevant environmental regulations. To the best of the directors' knowledge, the Company has adequate systems in place to ensure compliance with the requirements of the applicable legislation and is not aware of any material breach of those requirements during the financial year and up to the date of the Directors' Report.

In addition, Australian Mines is the first mineral resources company to be certified a Carbon Neutral Organisation under the Australian Government's Climate Active programme. Meeting the Climate Active Carbon Neutral Standard demonstrates the Company's carbon neutral status is based on best practice, international standards and emissions reductions.

17. FINANCIAL REPORTING

The directors have declared, in writing to the board that the Company's financial statements are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board.

18. INDEMNIFICATION AND INSURANCE OF OFFICERS

The Company has entered into Director and Officer Protection Deeds (Deed) with each director and the company secretary (officers). Under the Deed, the Company indemnifies the officers to the maximum extent permitted by law and the constitution against legal proceedings, damage, loss, liability, cost, charge, expense, outgoing or payment (including legal expenses on a solicitor/client basis) suffered, paid or incurred by the officers in connection with the officers being an officer of the Company, the employment of the officer with the Company or a breach by the Company of its obligations under the Deed.

Also pursuant to the Deed, the Company must insure the officers against liability and provide access to all board papers relevant to defending any claim brought against the officers in their capacity as officers of the Company.

The Company has paid insurance premiums during the year of \$241,688 (2023: \$232,295) in respect of liability for any current and future directors, Company secretary, executives and employees of the Company.

19. NON-AUDIT SERVICES

There was no work performed in the current year or prior year.

20. LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 30 and forms part of this Directors' Report for the year ended 30 June 2024.

21. ROUNDING OFF

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191 dated 24 March 2016 and in accordance with that Instrument, amounts in the consolidated financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report is made with a resolution of the Directors.



Dominic Marinelli

Director

24 September 2024

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Auditor's Independence Declaration



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Australia

DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF AUSTRALIAN MINES LIMITED

As lead auditor of Australian Mines Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Australian Mines Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Neil Smith', is written over a light grey grid background.

Neil Smith

Director

BDO Audit Pty Ltd

Perth

24 September 2024

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

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Consolidated Statement of Profit or Loss And Other Comprehensive Income For the Year Ended 30 June 2024

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	Notes	2024 \$'000	2023 \$'000
Other income		139	54
Expenses			
Corporate overheads and indirect expenses	6	(1,037)	(1,344)
Personnel expense	4	(785)	(1,177)
Depreciation and amortisation	6	(6)	(136)
Exploration expenditure	6	(1,357)	(122)
Share-based payment expense	13	(65)	(102)
Loss on fair value of derivatives	14	(399)	(480)
Results from operating activities		(3,510)	(3,307)
Finance income		17	5
Finance expense	5	(306)	(803)
Net finance income		(289)	(798)
Loss before income tax expense		(3,799)	(4,105)
Income tax expense	8	-	-
Loss after income tax expense for the year		(3,799)	(4,105)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		(3,799)	(4,105)
Loss per share attributable to the ordinary equity holders of the Company		Cents	Cents
Basic earnings per share	9	(0.39)	(0.79)
Diluted earnings per share	9	(0.39)	(0.79)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying Notes

Consolidated Statement of Financial Position

As at 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Assets			
Current assets			
Cash and cash equivalents	10	4,492	4,633
Trade and other receivables		7	27
Other assets		1	21
Total current assets		4,500	4,681
Non-current assets			
Exploration and evaluation assets	12	42,331	40,508
Intangibles		52	27
Property, plant and equipment		95	99
Total non-current assets		42,478	40,634
Total assets		46,978	45,315
Liabilities			
Current liabilities			
Trade and other payables		71	218
Employee benefits		187	185
Financial liabilities	14	-	3,443
Total current liabilities		258	3,846
Non-current liabilities			
Total non-current liabilities		-	-
Total liabilities		258	3,846
Net assets		46,720	41,469
Equity			
Issued capital	16	114,494	105,599
Reserves	17	5,524	5,369
Accumulated losses		(73,298)	(69,499)
Total equity		46,720	41,469

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

Consolidated Statement of Changes in Equity For the Year Ended 30 June 2024

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	Issued Capital	Share Option Reserve	Share-based Payment Reserve	Accumulated Losses	Total Equity
	\$000	\$000	\$000	\$000	\$000
Balance at 1 July 2022	102,115	494	3,756	(65,394)	40,971
Loss after income tax expense for the year	-	-	-	(4,105)	(4,105)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(4,105)	(4,105)
Transactions with owners in their capacity as owners:					
Share-based payment transactions (note 13)	-	-	102	-	102
Options issued under the share subscription agreement (note 15)	-	1,017	-	-	1,017
Shares issued during the year (note 16)	4,498	-	-	-	4,498
Transaction costs from issue of shares (note 16)	(1,014)	-	-	-	(1,014)
Balance at 30 June 2023	105,599	1,511	3,858	(69,499)	41,469

	Issued Capital	Share Option Reserve	Share-based Payment Reserve	Accumulated Losses	Total Equity
	\$000	\$000	\$000	\$000	\$000
Balance at 1 July 2023	105,599	1,511	3,858	(69,499)	41,469
Loss after income tax expense for the year	-	-	-	(3,799)	(3,799)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(3,799)	(3,799)
Transactions with owners in their capacity as owners:					
Share-based payment transactions (note 13)	-	-	65	-	65
Shares issued during the year (note 16)	9,180	-	-	-	9,180
Transaction costs from issue of shares (note 16)	(285)	-	-	-	(285)
Revaluation of shares issued for acquisition of tenements (note 17)	-	-	90	-	90
Balance at 30 June 2024	114,494	1,511	4,013	(73,298)	46,720

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

Consolidated Statement of Cash Flows For the Year Ended 30 June 2024

	Notes	2024 \$'000	2023 \$'000
Operating activities			
Cash payments to suppliers and employees		(1,624)	(2,406)
Interest received		9	4
Sundry income		139	-
Net cash used in operating activities	11	(1,476)	(2,402)
Investing activities			
Payments for exploration and evaluation	12	(2,396)	(3,518)
Payments for intangibles		(25)	(10)
(Payments)/Proceeds for property, plant and equipment		(1)	46
Net cash used in investing activities		(2,422)	(3,482)
Financing activities			
Proceeds from share issue (net of costs)	16	5,686	2,794
Capital raising costs		(441)	(669)
(Payments)/Proceeds from share subscription agreement	14	(1,488)	4,550
Lease payments		-	(152)
Net cash from financing activities		3,757	6,523
Net (decrease)/increase in cash and cash equivalents		(141)	639
Cash and cash equivalents at the beginning of the financial year		4,633	3,994
Cash and cash equivalents at the end of the financial year	10	4,492	4,633

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

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

1. REPORTING ENTITY

Australian Mines Limited (the 'Company') is a listed public company incorporated and domiciled in Australia. The address of the Company's registered office is Level 34, 1 Eagle Street, Brisbane, Queensland. The address of the Company's principal place of business is Level 23, 108 St Georges Terrace, Perth, WA 6000, Australia. The consolidated financial statements of the Company for the financial year ended 30 June 2024 comprise the Company and its subsidiaries (together referred to as the 'Group') and the Group's interest in jointly controlled entities.

The Group is a for-profit entity and is primarily involved in the exploration for cobalt, nickel and scandium in Australia, and Rare Earth Elements and Lithium including Niobium in Brazil.

The consolidated financial statements were authorised for issue by the directors on 24 September 2024.

2. BASIS OF PREPARATION

a) Basis of preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention except that the following assets and liabilities are stated at their fair value: non-derivative financial instruments measured at fair value through profit or loss.

b) Functional and presentation currency

The financial statements are presented in Australian dollars, which is the Company's functional currency and the functional currency of the majority of the Group.

Foreign currency transactions

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

Foreign operations

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

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2. BASIS OF PREPARATION (cont.)

c) Going concern

The financial statements have been prepared on the basis that the Group is a going concern and therefore, contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business.

During the year the Group recorded a net loss after tax of \$3,799,223 (2023: \$4,104,356) and had net cash outflows from operating activities of \$1,476,324 (2023: \$2,402,156). At balance date the Group has working capital of \$4,242,197 (2023: \$834,968).

The Group's ability to continue as a going concern is principally dependent upon its ability to secure funds by raising capital from equity markets or by other means, and by managing cash flows in line with available funds, and/or the successful development of its exploration assets.

These conditions indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors are confident of the ability of the Group to raise capital as and when needed. The directors are satisfied there are sufficient funds to meet the Group's working capital requirements as at the date of this report. The directors have reviewed the business outlook and the assets and liabilities of the Group and are of the opinion that the going concern basis of accounting is appropriate as they believe the Group will continue to be successful in securing the additional funds as and when the need to raise funds arises.

Should the Group not be able to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

d) Use of judgements and estimates

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the Group.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Accounting estimates and judgements made by Management that have a material effect on the consolidated financial statements are discussed in note 3(e).

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION

a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the reporting entity is exposed, or has the rights, to variable returns from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights that give it the current ability to direct the activities that materially affect the investee's returns. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Transactions eliminated on consolidation

Intragroup balances, and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

All other accounting policies applied by the Group in this consolidated financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 30 June 2024, except for those discussed in notes below.

(iii) Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group. Supplementary information about the parent entity is disclosed in note 25.

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3. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

b) Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

c) Financial instruments

(i) Recognition, initial measurement and derecognition

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Trade receivables are initially measured at the transaction price if the receivables do not contain a material financing component in accordance with AASB 15.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

(ii) Classification and subsequent measurement

Financial assets

Except for those trade receivables that do not contain a material financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:

- The contractual cash flow characteristics of the financial assets; and
- The entity's business model for managing the financial asset.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

c) Financial instruments (cont.)

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through other comprehensive income (Equity instruments)

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Financial assets at fair value through profit or loss (FVPL)

Financial assets, not measured at amortised cost or at fair value through other comprehensive income, are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

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3. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

d) Impairment

(i) Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security. In addition, for an investment in an equity security, a material or prolonged decline in its fair value below its cost is objective evidence of impairment.

Financial assets measured at amortised cost

The Group considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level. All individually material assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually material are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Non-financial assets

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

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

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

e) Accounting estimates and judgements

Management discussed with the board the development, selection and disclosure of the Group's material accounting policies and estimates and the application of these policies and estimates.

Note 18 contains detailed analysis of the interest rate and liquidity risk of the Group.

The estimates and judgements that have a material risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The material estimates and judgements are as follows:

(i) Fair value of share-based payment transactions

The fair value of the employee option plan and loan share plan are measured using the Black-Scholes formula. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility, weighted average expected life of the instrument, risk-free interest rate.

(ii) Impairment of exploration and evaluation assets

The ultimate recoupment of the value of exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively sale, of the underlying mineral exploration properties. The Group undertakes at least on an annual basis, a comprehensive review for indicators of impairment of those assets. Should an indicator of impairment exist, there is material estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

The key issues that are considered in this review include:

- Recent drilling results and reserves and resources estimates;
- Environmental issues that may impact the underlying tenements;
- The estimated market value of assets at the review date;
- Independent valuations of the underlying assets that may be available;
- Fundamental economic factors such as the cobalt, scandium and nickel price, exchange rates and current and anticipated operating costs in the industry

Information used in the review process is rigorously tested to externally available information as appropriate. In addition, an allocation of the costs of acquired mineral rights to individual projects was performed during the year. This allocation process required estimates and judgement as to the value of these projects acquired.

The fair value of exploration assets is based on fair value less costs to sell, using a multiples of exploration method. The impairment of mining tenements is assessed in accordance with accounting policy note 3(d).

(iii) Share subscription agreements

Included in note 14 is financial liability in relation to share subscription agreements. There is material judgement included in determining whether the share subscription agreement is a hybrid instrument, compound instrument, equity or purely debt. The directors have exercised their judgement in determining that the share subscription agreement be classified as hybrid instruments on the basis that the instruments do not meet the "fixed for fixed" test in that there is a potential variation that serves to underwrite and protect the value of the conversion option in the event of a decrease in value of the shares. The fair value of the embedded derivative liability and the hosting debt requires material judgement in determining the interest rate that would apply to an otherwise identical debt instrument with no conversion feature. See note 14 for further information on the key inputs used in the valuation of the conversion feature.

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

f) Segment reporting

An operating segment is a component of the Group that engages in business activities of which it may earn revenue and incur expenses. Segment results that are reported to the managing director include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

g) New or amended Accounting Standards and Interpretations adopted

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current financial year:

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates
- AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

h) New Accounting Standards and Interpretations not yet mandatory or early adopted

AASB 101 Presentation of Financial Statements - classification of liabilities as current or non-current. The Group did not have to reclassify any liabilities to current as a consequence of the amendments.

i) Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Share-based payment transactions

The fair value of the employee share options and loan share plan are measured using the Black-Scholes formula. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont.)

j) Current and non-current classification

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

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

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

Deferred tax assets and liabilities are always classified as non-current.

k) Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

4. PERSONNEL EXPENSE

	2024 \$000	2023 \$000
Wages and salaries	808	1,186
Salary recharge	(512)	(643)
Non-executive directors fees	274	333
Bonus	12	30
Other associated personnel expenses	15	50
Contributions to superannuation funds	111	141
Increase in leave liability	77	80
	785	1,177
Employee Share-based Payment		
Employee share-based payment expenses (note 13)	65	102

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

5. FINANCE EXPENSE

	2024 \$000	2023 \$000
Interest expense on financial liabilities	306	789
Interest expense on lease liabilities	-	14
	306	803

Accounting policy for finance expense

Finance expense attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed the period in which they are incurred.

6. OTHER EXPENSES

	2024 \$000	2023 \$000
Corporate overheads and indirect expenses		
Insurance	236	243
Travel and accommodation	50	133
Legal fees	63	100
Accounting, tax and audit services	246	213
Share registry services	117	167
Conferences	3	8
Investor relations fees	45	134
Advisors and consultants	79	110
Recruitment	-	73
Other fees and services	82	(6)
General administration	116	169
	1,037	1,344
Depreciation and amortisation of:		
Plant and equipment	6	136
Exploration expenditure not capitalised:		
Exploration	1,357	122

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Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

7. REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the Company, and its network firm:

	2024 \$	2023 \$
<i>Audit services - BDO Audit Pty Ltd</i>		
Audit of the financial statements	75,866	57,026

8. INCOME TAX EXPENSE

	2024 \$000	2023 \$000
<i>Income tax expense</i>		
Deferred tax - origination and reversal of temporary differences	721	1,056
Adjustment for prior periods	161	(293)
Current year losses for which no deferred tax asset was recognised	(882)	(763)
Aggregate income tax expense	-	-
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(3,799)	(4,105)
Tax at the statutory tax rate of 25% (2023: 30%)	(950)	(1,232)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	213	176
Adjustment recognised for prior periods	(161)	293
Tax losses not brought to account	882	763
Effect of differences in tax rates globally	16	-
Income tax expense	-	-

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Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

9. EARNINGS PER SHARE

	2024 \$000	2023 \$000
Loss after income tax	(3,799)	(4,105)
	Cents	Cents
Basic earnings per share	(0.39)	(0.79)
Diluted earnings per share	(0.39)	(0.79)

The calculation of basic loss per share at 30 June 2024 was based on the operating loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2024 of 980,500,374 (2023: 518,678,607), calculated as follows:

	2024 Number	2023 Number
Number of ordinary shares		
Issued ordinary shares at 1 July (i)	620,489,043	468,713,841
Share placement (i)	778,023,081	151,775,202
Issued ordinary shares at 30 June	1,398,512,124	620,489,043
Weighted average number of ordinary shares for year ending 30 June	980,500,374	518,678,607

(i) Adjusted for ten for one share consolidation. See note 16 for further details.

Diluted earnings per share

The calculation of diluted earnings per share at 30 June 2024 was based on the loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2024 of 980,500,374 (2023: 518,678,607). There were no options that were considered dilutive.

Accounting policy for earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

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

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

10. CASH AND CASH EQUIVALENTS

	2024 \$000	2023 \$000
Current Assets		
Cash at bank	4,492	4,633

Refer to note 18 for Financial Risk Management

11. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

	2024 \$000	2023 \$000
Loss after income tax expense for the year	(3,799)	(4,105)
Adjustments for:		
Depreciation and amortisation	6	135
Write off of relinquished tenements	1,085	-
Gain on revaluation of derivative financial liabilities	399	-
Convertible note finance charge	306	789
Salary recharge	512	643
Share-based payment expense	65	102
Lease interest	-	14
Profit on sale of assets	-	(42)
Loss on fair value of the derivatives	-	480
Gain on lease modification	-	(9)
Change in operating assets and liabilities:		
Decrease in trade and other receivables	14	120
(Decrease)/Increase in trade and other payables	(66)	7
Increase/(Decrease) in provisions and employee benefit	2	(536)
Net cash used in operating activities	(1,476)	(2,402)

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Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

12. EXPLORATION AND EVALUATION ASSETS

	2024 \$000	2023 \$000
Non-current assets		
Exploration and evaluation	42,331	40,508

Reconciliations

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

	Exploration and Evaluation \$000
Balance at 1 July 2022	37,791
Expenditure incurred for the year	3,261
Expenditure expensed	(122)
R&D refund	(422)
Balance at 30 June 2023	40,508
Acquisition of tenements	1,277
Expenditure incurred for the year	2,000
Expenditure expensed	(272)
Tenements relinquished expense	(1,085)
R&D refund	(97)
Balance at 30 June 2024	42,331

The company entered into an agreement on 30 November 2023 to purchase mineral rights from RTB Geologia E Mineracao Ltda granting them the right to acquire 100% ownership of the specific mineral rights associated with exploration licences and related lithium and rare earth prospects located in Brazil. The consideration for these tenements consisted of the following:

- Cash payments totalling to \$150,000.
- Capital costs relating to the acquisition of the mining licences totalling to \$47,076.
- 90,000,000 ordinary shares valued at fair value of \$1,080,000.

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Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

12. EXPLORATION AND EVALUATION ASSETS (cont.)

The company established two wholly owned subsidiaries in Brazil, Ecometals Brazil Ltda and EM1 Brazil Ltda, to hold the tenements and conduct exploration activities within them.

Although some licences are still in the process of being transferred and are currently with the National Mining Agency in Brazil, the Company determined that the tenements were to be recognised as a non-current exploration and evaluation assets at 30 June 2024. This determination is based on the completion of the transfer being administrative in nature and the Company already holding the rights and obligations related to the tenements, including having already carried out early exploration work over the area.

Sconi relinquished two tenements in June 2024 as follows:

- Tenement EPM26853 – fully relinquished with a write off value of \$802,857.
- Tenement EPM26857 – partially relinquished with a write off value of \$282,313.

The 2023 research and development tax offset has been lodged and the total \$119,334 refundable offset was received in 22 April 2024, of which \$97,387 was offset against the exploration and evaluation expenditure.

The ultimate recoupment of costs carried forward for mineral properties in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

Accounting policy for exploration and evaluation assets

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in the statement of profit or loss and other comprehensive income.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- (i) the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or
- (ii) activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and material operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, and facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment note, accounting policy note 3(d)). For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation assets to mining property and development assets within property, plant and equipment.

12. EXPLORATION AND EVALUATION ASSETS (cont.)

The Company has considered the exploration and evaluation assets for impairment, under the above requirements of AASB 6 and based on the following factors, has determined that there are no indicators of impairment:

- The Company has ownership, or title to the areas of interest it has capitalised expenditure on. The Directors regularly review the tenements and relinquish any that are unlikely to provide a return. In December 2023, the company wrote-off \$1,085,170 of Sconi Project capitalised expenditure relating to tenements relinquished during the year.
- Australian Mines' Flemington exploration, an emerging cobalt nickel scandium project in New South Wales, has the potential to expand the current Mineral Resource.
- The period has seen a consolidation in the nickel price at about USD16,000/tonne, which is higher than the USD15,000/t consolidation price which analysts have predicted for the next 2-3 years. On a longer-term view, despite Indonesian supply, nickel prices are expected to improve in line with the Sconi Project development timetable. The company continues to monitor the nickel demand/supply and is targeting first production from Sconi in 2028/2029.
- The Sconi Project is a strategic long-life asset. Although securing financing for a FID decision would be difficult under the current nickel and cobalt commodity prices, the Company has been extensively working on targeted collaborative partnership agreement and sponsorship to fund the company through Sconi Final Investment Decision.
- Australian Mines Limited wholly owned subsidiary Sconi Mining Operations Pty Ltd was granted Greenvale mining lease 10368. The Greenvale mining lease combined with the Lucknow and Kokomo mining leases contains the critical battery minerals resource of the Sconi project in North Queensland.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

13. SHARE-BASED PAYMENTS

On 23 September 2023, 4,060,000 Performance Shares were transferred from previous CEO Michael Holmes, and an additional 15,940,000 Performance Shares were issued by the Group to Andrew Nesbitt in accordance with his employment contract and the Loan Share Plan. The total shares issued to the Andrew were 20,000,000 and the Group provided an interest free limited recourse loan to enable him to purchase the Shares.

Upon forfeiture of Michael Holmes' 4,060,000 Performance Shares, a Share-based Payment expense reversal totalling \$85,852 was recorded in the financial statements.

Grant Date: 23 September 2023

Number of shares: 20,000,000

Vesting Conditions

- i. Continuous employment from the commencement date; and
- ii. From the commencement date to 30 June 2026 (Performance Period):
 - 10,000,000 performance shares (Tranche 1) will vest on Total Shareholder Return (TSR) hurdle measured against the Peer Group as follows:
 - (1) If TSR is at 50th percentile of the Peer Group, 65% of the Tranche 1 performance shares will vest;
 - (2) If the TSR is at 90th percentile of the Peer Group, 100% of the Tranche 1 performance shares will vest; and
 - (3) If the TSR is between the 50th and 90th percentile, a pro-rata number of the Tranche 1 performance shares will vest (as determined by the board).
 - 10,000,000 performance shares (Tranche 2) will vest on upon a decision by the board, project sponsor, capital provider, and/or joint owner to fully proceed with the investment for the construction and commissioning of the Sconi Project, including the decision that sufficient financial resources are available to meet the total project spend.

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

Tranche	Grant Date	Number Issued	Value Per Right	Total Value (\$)	Vesting Period	Value Vested (\$)	Value Vested Current Period (\$)	Value Not Vested (\$)
1	23/09/2023	10,000,000	\$ 0.0071	70,721	2.77	19,656	19,656	51,065
2	23/09/2023	10,000,000	\$ 0.0075	74,526	2.77	20,714	20,714	53,812
		20,000,000		145,247		40,370	40,370	104,877

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

13. SHARE-BASED PAYMENTS (cont.)

The total value of the shares is expensed in proportion to the percentage of the vesting period that has elapsed. On 30 June 2024, 28% of the vesting period had elapsed and as such a share-based payment expense of \$40,370 was recorded for the period.

The above fair value was calculated using the Hoadley Hybrid Relative TSR vs Peer Group Model and the Hoadley ESO2 Model, and was based on the following inputs:

	Tranche 1	Tranche 2
Share price at date granted	\$0.015	\$0.015
Risk free rate	4.03%	4.03%
Volatility factor	75%	75%
Exercise price	\$0.015	\$0.015
Term	2.77 years	2.77 years
Expected dividend yield	0%	0%

On 21 November 2023 10,000,000 performance shares each were issued by the Group to Directors Dominic Marinelli, Michael Ramsden and Michael Elias in accordance with their employment contract and the Loan Share Plan. The Group provided an interest free limited recourse loan to the Directors to enable them to purchase the shares.

Grant Date: 21 November 2023

Number of shares: 30,000,000

Vesting Conditions

- 1/3 of shares (3,333,333) for service to the Group as an eligible person until 1 June 2024
- 1/3 of shares (3,333,333) for service to the Group as an eligible person until 1 June 2025
- 1/3 of shares (3,333,334) for service to the Group as an eligible person until 1 June 2026

Note: Each vesting condition is independent and not conditional on another being achieved.

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

Tranche	Grant Date	Number Issued	Value Per Right	Total Value (\$)	Vesting Period	Value Vested (\$)	Value Vested Current Period (\$)	Value Not Vested (\$)
1	21/11/2023	10,000,000	\$ 0.0060	59,761	2.53	59,761	59,761	-
2	21/11/2023	10,000,000	\$ 0.0063	62,594	2.53	23,632	23,632	38,962
3	21/11/2023	10,000,000	\$ 0.0064	64,133	2.53	15,425	15,425	48,708
		30,000,000		186,488		98,818	98,818	87,670

The total value of the shares is expensed in proportion to the percentage of the vesting period that has elapsed. On 30 June 2024 a share-based payment expense of \$98,818 was recorded for the period.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

13. SHARE-BASED PAYMENTS (cont.)

The fair value was calculated using the Hoadley ESO2 Model, and was based on the following inputs:

	Tranche 1	Tranche 2	Tranche 3
Share price at date granted	\$0.015	\$0.015	\$0.015
Risk free rate	4.10%	4.10%	4.10%
Volatility factor	75%	75%	75%
Exercise price	\$0.018	\$0.018	\$0.018
Term	2.53 years	2.53 years	2.53 years
Expected dividend yield	0%	0%	0%

In December 2020, company secretary, Oliver Carton was invited to apply for 10,000,000 pre-consolidation shares under a Loan Share Plan. A limited recourse loan was provided to allow the Company secretary to purchase the shares for \$0.025 per pre-consolidation share. The limited recourse loan plan shares are divided into 4 tranches vesting on 1 July each year from 2021 to 2024. As at 30 June 2024 all four tranches of shares have fully vested. The shares are subject to service period vesting conditions.

The fair value of the Loan Share Plan was calculated using the Black Scholes pricing model on the next page. The value of the shares has been expensed on a proportionate basis for each period from grant date under AASB 2 to vesting date.

Tranche	Grant Date	Number Issued	Value Per Right	Total Value (\$)	Vesting Period	Value Vested (\$)	Value Vested Current Period (\$)	Value Not Vested (\$)
1	14/12/2020	2,500,000	\$0.00559	13,984	1	13,984	-	-
2	14/12/2020	2,500,000	\$0.00768	19,198	2	19,198	-	-
3	14/12/2020	2,500,000	\$0.00921	23,021	3	23,021	-	-
4	14/12/2020	2,500,000	\$0.01038	25,956	4	25,956	7,356	-
		10,000,000		82,159		82,159	7,356	-

Details of the vesting conditions of the plan shares

Tranche 1: Service to the Company as an eligible person until 01 July 2021

Tranche 2: Service to the Company as an eligible person until 01 July 2022

Tranche 3: Service to the Company as an eligible person until 01 July 2023

Tranche 4: Service to the Company as an eligible person until 01 July 2024

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

13. SHARE-BASED PAYMENTS (cont.)

On 28 March 2024, company secretary, Oliver Carton was invited to apply for 2,000,000 shares under a Loan Share Plan. A limited recourse loan was provided to allow the Company secretary to purchase the shares for \$0.018 per share. The limited recourse loan plan shares are divided into 3 tranches vesting on 1 June each year from 2024 to 2026. The shares are subject to service period vesting conditions.

Tranche	Grant Date	Number Issued	Value Per Right	Total Value (\$)	Vesting Period	Value Vested (\$)	Value Vested Current Period (\$)	Value Not Vested (\$)
1	27/3/2024	666,667	\$0.00453	3,021	1	3,021	3,021	-
2	27/3/2024	666,667	\$0.00475	3,169	2	698	698	2,470
3	27/3/2024	666,667	\$0.00493	3,285	3	392	392	2,893
		2,000,000		9,475		4,111	4,111	5,363

Details of the vesting conditions of the plan shares

Tranche 1: Service to the Company as an eligible person until 01 June 2024

Tranche 2: Service to the Company as an eligible person until 01 June 2025

Tranche 3: Service to the Company as an eligible person until 01 June 2026

The fair value of the Loan Share Plan was calculated using the Hoadley ESO2 Model. The value of the shares has been expensed on a proportionate basis for each period from grant date under AASB 2 to vesting date.

	Tranche 1	Tranche 2	Tranche 3
Share price at date granted	\$0.011	\$0.011	\$0.011
Risk free rate	3.62%	3.62%	3.62%
Volatility factor	90%	90%	90%
Exercise price	\$0.018	\$0.018	\$0.018
Term	2.18 years	2.18 years	2.18 years
Expected dividend yield	0%	0%	0%

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Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

13. SHARE-BASED PAYMENTS (cont.)

Summary

Performance Shares	Total Value (\$)	Value Vested (\$)	Value Vested Current Period (\$)	Value not vested at the year ended 30 June 2024 (\$)
10,000,000 Performance Shares	82,159	82,159	7,356	-
20,000,000 Performance Shares	145,247	40,370	40,370	104,877
30,000,000 Performance Shares	186,488	98,818	98,818	87,670
2,000,000 Performance Shares	9,475	4,111	4,111	5,363
Resigning CEO Share-based Payment Reversal	-	-	(85,852)	-
	423,369	225,458	64,803	197,910

Share issued pursuant to Loan Share Plan

Name	Issue Date	Shares Issued	Issue Price	Loan Balance \$
Michael Ramsden	28-Nov-14	700,000	\$0.07	49,000
Dominic Marinelli	28-Nov-14	700,000	\$0.07	49,000
Michael Ramsden	24-Nov-17	860,000	\$1.16	997,600
Michael Elias	24-Nov-17	520,000	\$1.16	603,200
Dominic Marinelli	24-Nov-17	520,000	\$1.16	603,200
Tim MacLean	24-Nov-17	995,000	\$1.16	1,154,200
Oliver Carton	14-Dec-20	1,000,000	\$1.16	1,160,000
Michael Holmes	2-Sep-22	4,060,000	\$0.08	324,800
Michael Holmes	23-Sep-23	(4,060,000)	\$0.08	(324,800)
Andrew Nesbitt	23-Sep-23	4,060,000	\$0.015	60,900
Andrew Nesbitt	23-Sep-23	15,940,000	\$0.015	239,100
Michael Ramsden	21-Nov-23	10,000,000	\$0.018	180,000
Michael Elias	21-Nov-23	10,000,000	\$0.018	180,000
Dominic Marinelli	21-Nov-23	10,000,000	\$0.018	180,000
Oliver Carton	28-Mar-24	2,000,000	\$0.018	36,000
		57,295,000		5,492,200

The value of the shares has been expensed on a proportionate basis for each period from grant date to vesting date. The proportion of the value of the shares that has been expensed during the year to 30 June 2024 and accounted for in the share-based payment reserve is \$64,804.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

13. SHARE-BASED PAYMENTS (cont.)

Accounting policy for share-based payment transactions

The Loan Share Plan allows Group directors and key management personnel to acquire shares of the Company. The fair value of shares granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and recorded over the period during which the employees become unconditionally entitled to the shares. The fair value of the shares granted is measured using the Black-Scholes model and Hoadley ESO2 valuation model, taking into account the terms and conditions upon which the shares were granted.

14. FINANCIAL LIABILITIES

	2024 \$'000	2023 \$'000
Current liabilities		
Share subscription agreements - debt component	-	2,834
Share subscription agreements - embedded derivative component	-	609
	-	3,443

On 30 November 2022 the company entered into a share subscription agreement with Lind Global Fund II, LP ("Lind") and SBC Global Investment Fund ("SBC"). \$1,016,950 of the \$4,550,000 initial investment was recognised immediately in equity in the Share Option Reserve. The remainder was recognised as a financial liability with effective interest recorded up to year end and revaluations recognised at the conversion of shares under the agreement. A breakdown of the movements in the debt and embedded derivative components are detailed below:

	Financial Liabilities \$'000
Share Subscription Agreements - Debt Component	
Balance at 30 June 2023	2,834
Add effective interest	306
Less conversion to equity	(1,960)
Less cash paid	(1,180)
Balance at 30 June 2024	-

	Financial Liabilities \$'000
Share Subscription Agreements - Embedded Derivative Component	
Balance at 30 June 2023	609
Add loss on revaluation to fair value	399
Less conversion to equity	(700)
Less cash paid	(308)
Balance at 30 June 2024	-

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Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

14. FINANCIAL LIABILITIES (cont.)

The Company entered into share subscription agreements with a total face value of \$5,000,000 on 30 November 2022. The share subscription agreements are unsecured, and no interest is payable.

On 21 December 2023, SBC raised a reduction notice pursuant to section 3.5 of the subscription agreement to reduce the advance placement credit through a cash payment of \$150,000 by Australian Mines Limited.

On 26 February 2024, the Company separately agreed with SBC and Lind to pay a total of \$1,337,813 in return for:

- reducing the unused advanced payment credit in the share subscription agreements to zero; and
- satisfying all outstanding subscription requests by way of payment in cash, instead of issuing shares.

Following this payment by the Company, Lind and SBC no longer have any remaining rights to subscribe for shares under the Share Subscription Agreements. The payment of \$1,337,813 was funded by an equity placement for \$3,000,000 (gross).

Refer to note 19 for further information on fair value measurement.

Funding arrangement through share subscription

Under the agreement, Lind and SBC pre-paid a total of \$4,550,000 (Advance Payment), in return for options and a credit amount worth \$5,000,000 (Advance Payment Credit).

From 1 July 2023 until 30 June 2024, Lind and SBC exercised their right to subscribe to shares against the advanced placement credit on 10 occasions with:

- 16,666,667 conversion shares issued at \$0.012 per share on 3 July 2023;
- 16,666,667 conversion shares issued at \$0.012 per share on 12 July 2023;
- 21,428,573 conversion shares issued at \$0.014 per share on 29 August 2023;
- 16,666,667 conversion shares issued at \$0.012 per share on 3 October 2023;
- 12,727,273 conversion shares issued at \$0.011 per share on 23 October 2023;
- 20,000,000 conversion shares issued at \$0.010 per share on 1 November 2023;
- 14,000,000 conversion shares issued at \$0.010 per share on 13 November 2023;
- 18,181,819 conversion shares issued at \$0.011 per share on 29 November 2023.
- 35,714,286 conversion shares issued at \$0.007 per share on 29 January 2024; and
- 64,285,715 conversion shares issued at \$0.007 per share on 15 February 2024.

Valuation Summary	Grant Date	Conversion Date
Valuation date	30 November 2022	15 February 2024
Spot price	\$0.058	\$0.014
Conversion price	\$0.048	Lower of applicable fixed or variable subscription price
Maturity date	30 May 2024	30 May 2024
Expected future volatility	85%	90%
Discounted rate	3.11%	3.78%

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

14. FINANCIAL LIABILITIES (cont.)

Accounting policy for share subscription agreements

Share subscription agreements are treated as hybrid financial instruments and separated into the host liability and embedded derivative components based on the terms of the agreement. On issuance of the share subscription agreements, the host liability component is initially recognised at the residual value from deducting the fair value of the derivative liability from the amount of financial liabilities. The embedded derivative component is initially recognised at fair value. The host debt is carried at amortised cost using the effective interest method until it is extinguished on conversion or redemption. An interest expense of \$305,868 was recognised under this method for the year ended 30 June 2024.

Embedded Derivative

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative.

The embedded derivative is separated from the host contract and accounted for as a derivative if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract. The embedded derivative is measured at fair value with changes in value being recorded in profit or loss.

15. ISSUE OF OPTIONS

Under the Share Subscription Agreement, the Company issued of 21,186,441 free-attaching options each to Lind Global Fund II, LP and SBC Global Investment Fund with exercise price of \$0.08 and expiry date of 36 months after issue, being 30 November 2025, valued at fair value using a binomial option valuation model with the inputs as shown in the table below at grant date.

Assumptions	Grant Date
Valuation date	30 November 2022
Spot price	\$0.058
Conversion price	\$0.044
Maturity date	30 May 2024
Expected future volatility	85%
Discount rate	3.11%

The opening share option reserve was \$1,511,311. For the year ended 30 June 2024, there was no movement in the share option reserve.

16. ISSUED CAPITAL

	2024 Shares	2023 Shares	2024 \$000	2023 \$000
Ordinary shares, fully paid	1,398,512,124	620,489,043	114,494	105,599

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

16. ISSUED CAPITAL (CONT.)

	2024 \$	2024 No.	2023 \$	2023 No.
Reconciliation of contributed equity				
Balance at beginning of 1 July	105,599,249	620,489,043	102,115,529	468,713,841
Share placement (i)	-	-	-	40,000
Share placement (ii)	-	-	-	25,000,000
Share placement (iii)	-	-	1,034,814	17,539,212
Share placement (iv)	-	-	251,000	4,254,235
Share placement (v)	-	-	1,611,906	27,320,144
Share rights issue (vi)	-	-	400,000	10,810,812
Share rights issue (vii)	-	-	200,000	8,000,000
Share rights issue (viii)	-	-	200,000	9,090,910
Share rights issue (ix)	-	-	200,000	9,523,810
Share rights issue (x)	-	-	400,000	23,529,412
Share rights issue (xi)	-	-	200,000	16,666,667
Costs of capital raising	-	-	(1,014,000)	-
Share rights issue (xii)	229,984	16,666,667	-	-
Share rights issue (xiii)	229,714	16,666,667	-	-
Share payment (xiv)	36,000	-	-	-
Share payment (xv)	150,000	-	-	-
Share rights issue (xvi)	231,585	21,428,573	-	-
Share placement (xvii)	-	(4,060,000)	-	-
Share placement (xviii)	-	4,060,000	-	-
Share rights issue (xix)	231,152	16,666,667	-	-
Share placement (xx)	-	15,040,000	-	-
Share rights issue (xxi)	161,746	12,727,273	-	-
Share rights issue (xxii)	231,868	20,000,000	-	-
Share rights issue (xxiii)	162,051	14,000,000	-	-
Share placement (xxiv)	-	900,000	-	-
Share placement (xxv)	-	30,000,000	-	-
Share rights issue (xxvi)	232,175	18,181,819	-	-
Share placement (xxvii)	1,565,108	142,282,585	-	-
Share placement (xxviii)	934,892	84,990,143	-	-
Share rights issue (xxix)	291,318	35,714,286	-	-
Share rights issue (xxx)	502,401	64,285,715	-	-
Options exercised (xxxi)	117	1,000	-	-
Share placement (xxxii)	3,000,000	176,470,599	-	-
Options exercised (xxxiii)	99	850	-	-
Share placement (xxxiv)	-	2,000,000	-	-
Share placement (xxxv)	990,000	90,000,000	-	-
Options exercised (xxxvi)	5	37	-	-
Options exercised (xxxvii)	28	200	-	-
Costs of capital raising	(284,812)	-	-	-
Balance at end of year	114,494,680	1,398,512,124	105,599,249	620,489,043

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16. ISSUED CAPITAL (CONT.)

- (i) On 1 September 2022 Australian Mines Limited issued 40,000 shares to Michael Holmes under a share loan plan. Additionally, 4,020,000 shares were transferred to him under a share loan plan on 24 October 2022, resulting in a total of 4,060,000 loan plan shares granted to Michael Holmes in accordance with his employment contract.
- (ii) On 25 November 2022 Australian Mines Limited issued 12,500,000 shares to Lind Global Fund II, LP and 12,500,000 shares to SBC Global Investment Fund, under the terms of the share subscription agreements.
- (iii) On 22 December 2022 Australian Mines Limited raised \$1,034,814 via an entitlement offer of 17,539,212 shares and 8,769,606 unlisted options, settled through Underwriter Bell Potter at an issue price of \$0.059 per share.
- (iv) On 22 December 2022 Australian Mines Limited issued 4,254,235 shares at a price of \$0.059 per share under clause 5.6 of the KMP Underwriting Agreement (Entitlement Offer). For every two securities issued one unlisted option was provided, for a total of 2,127,118 options.
- (v) On 30 December 2022 Australian Mines Limited raised \$1,611,906 via an entitlement offer of 27,320,144 shares and 13,660,480 unlisted options at an issue price of \$0.059 per share.
- (vi) On 8 March 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 10,810,812 shares to the parties of the agreement.
- (vii) On 13 April 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 8,000,000 shares to the parties of the agreement.
- (viii) On 28 April 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 9,090,910 shares to the parties of the agreement.
- (ix) On 5 May 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 9,523,810 shares to the parties of the agreement.
- (x) On 1 June 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 23,529,412 shares to the parties of the agreement.
- (xi) On 29 June 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 16,666,667 shares to the parties of the agreement.
- (xii) On 3 July 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 16,666,667 shares to the parties of the agreement.
- (xiii) On 12 July 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 16,666,667 shares to the parties of the agreement.
- (xiv) On 26 July 2023 Australian Mines Limited paid for upfront shares SBC received under the subscription agreements at a price of \$0.012.
- (xv) On 27 July 2023 Australian Mines Limited paid for upfront shares Lind received under the subscription agreements at a price of \$0.012.
- (xvi) On 29 August 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 21,428,573 shares to the parties of the agreement.
- (xvii) On 22 September 2023 Australian Mines Limited transferred the shares forfeited by Michael Holmes under the terms of the Share Loan Plan to Andrew Nesbitt.
- (xviii) On 22 September 2023 Australian Mines Limited transferred the shares forfeited by Michael Holmes under the terms of the Share Loan Plan to Andrew Nesbitt.
- (xix) On 3 October 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 16,666,667 shares to the parties of the agreement.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

16. ISSUED CAPITAL (cont.)

- (xx) On 13 October 2023 Australian Mines Limited issued 15,040,000 shares to CEO Andrew Nesbitt in addition to the transferred 4,060,000, to partially complete the 20 million shares under the terms of the Loan Share Plan.
- (xxi) On 23 October 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 12,727,273 shares to the parties of the agreement.
- (xxii) On 1 November 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 20,000,000 shares to the parties of the agreement.
- (xxiii) On 13 November 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 14,000,000 shares to the parties of the agreement.
- (xxiv) On 13 November 2023 Australian Mines Limited issued 900,000 shares to CEO Andrew Nesbitt in addition to the transferred 4,060,000 and issued 15,040,000, to complete the 20 million shares under the terms of the Loan Share Plan.
- (xxv) On 27 November 2023 Australian Mines Limited issued 30,000,000 shares to Directors (M Ramsden, M Elias and D Marinelli - who received 10 million each) under the Loan Share Plan following shareholder approval on 21 November 2023.
- (xxvi) On 29 November 2023 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 18,181,819 shares to the parties of the agreement.
- (xxvii) On 13 December 2023 Australian Mines issued 142,282,585 shares at a price of \$0.011 per share.
- (xxviii) On 29 January 2024 Australian Mines issued 84,990,143 shares at a price of \$0.011 per share.
- (xxix) On 29 January 2024 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 35,714,286 shares to the parties of the agreement.
- (xxx) On 15 February 2024 there was a conversion under the share subscription agreement resulting in Australian Mines Limited issuing 64,285,715 shares to the parties of the agreement.
- (xxxi) On 20 February 2024 Australian Mines Limited issued 1,000 shares as the result of options which were exercised.
- (xxxii) On 5 March 2024 Australian Mines issued 176,470,599 shares at a price of \$0.017 per share.
- (xxxiii) On 19 March 2024 Australian Mines Limited issued 850 shares as the result of options which were exercised.
- (xxxiv) On 28 March 2024 Australian Mines Limited issued 2,000,000 shares to Secretary Oliver under the Loan Share Plan following shareholder approval on 24 March 2024.
- (xxxv) On 19 April 2024 Australian Mines Limited issued 90,000,000 shares as part of the consideration for the acquisition of Brazil mining licences following shareholder approval.
- (xxxvi) On 3 May 2024 Australian Mines Limited issued 37 shares as the result of options which were exercised.
- (xxxvii) On 23 May 2024 Australian Mines Limited issued 200 shares as the result of options which were exercised.

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Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

16. ISSUED CAPITAL (cont.)

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Accounting policy for issued capital

Ordinary shares are classified as equity.

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

17. RESERVES

	2024 \$000	2023 \$000
Share-based payments reserve	4,013	3,858
Share option reserve	1,511	1,511
	5,524	5,369

Movements in reserve

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

	Share option reserve \$000	Share-based payments reserve \$000	Total \$000
Balance at 1 July 2022	494	3,756	4,250
Options issued under the share subscription agreement (note 15)	1,017	-	1,017
Share-based payment employees/director's transactions (note 13)	-	102	102
Balance at 30 June 2023	1,511	3,858	5,369
Share-based payment employees/director's transactions (note 13)	-	65	65
Revaluation of shares issued for acquisition of tenements	-	90	90
Balance at 30 June 2024	1,511	4,013	5,524

The share option reserve represents the cost of options issued to shareholders.

The share-based payment reserve represents the fair value of share options granted. The estimate of fair value of the services received is based on the Black-Scholes model. The calculated fair value is based on parameters as set out in note 13.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

18. FINANCIAL RISK MANAGEMENT

Overview

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

- a) Interest rate risk
- b) Liquidity risk
- c) Credit risk

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

The board of directors has overall responsibility for the establishment and oversight of the risk of the management framework. The board is responsible for developing and monitoring risk management policies.

Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group does not enter into financial instruments for trade or speculative purposes. However, in the normal course of its business, it is exposed to interest rate and liquidity risks, credit risk and foreign currency risk.

a) Interest rate risk

	Weighted Average Interest Rate	6 Months or Less \$000	6 to 12 Months \$000	1 to 5 Years \$000	Non- interest Bearing \$000	Total \$000
2024						
<i>Financial assets</i>						
Trade and other receivables		-	-	-	7	7
Cash and cash equivalents	3.9% (variable)	4,492	-	-	-	4,492
		4,492	-	-	7	4,499
<i>Financial liabilities</i>						
Trade and other payables		-	-	-	71	71

Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2024

18. FINANCIAL RISK MANAGEMENT (cont.)

	Weighted Average Interest Rate	6 Months or Less \$000	6 to 12 Months \$000	1 to 5 Years \$000	Non- interest Bearing \$000	Total \$000
2023						
Financial assets						
Trade and other receivables		-	-	-	27	27
Cash and cash equivalents	6.26% (variable)	4,633	-	-	-	4,633
		4,633	-	-	27	4,660
Financial liabilities						
Trade and other payables		-	-	-	218	218
Share subscription agreements - debt component	45.75% (variable)	-	2,834	-	-	2,834
		-	2,834	-	218	3,052

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Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

18. FINANCIAL RISK MANAGEMENT (cont.)

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities. The Group manages its liquidity risk by monitoring cashflows using monthly cashflow forecasts and by paying creditors on 30-day terms.

The following are the Group's contractual maturities of financial liabilities, including estimated interest payments:

	Carrying Amount \$000	Contractual Cash Flows \$000	6 Months or Less \$000	6 to 12 Months \$000	1 to 5 Years \$000
2024					
Trade and other payables	71	71	71	-	-
2023					
Trade and other payables	218	218	218	-	-
Share subscription agreements	3,443	3,443	-	3,443	-
	3,661	3,661	218	3,443	-

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or a counterparty to a financial instrument fails to meet its contractual obligations, and it arises principally from the Group's cash held at banks and trade receivables. The Group lodges its cash deposits with international banks of good standing.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at reporting date was as follows:

	Carrying Amount 2024 \$000	Carrying Amount 2023 \$000
Cash at bank	4,492	4,633
Other Debtors	7	27
	4,499	4,660

	2024 \$000	2023 \$000
<i>Credit Rating</i>		
Cash at Bank	4,492	4,633
S&P Global Ratings' rating AA-		

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18. FINANCIAL RISK MANAGEMENT (cont.)

(d) Capital management

The Group monitors its capital performance and reviews its adequacy at regular intervals to ensure it is achieving a reasonable return on capital. There are no externally imposed capital requirements. The directors monitor the market capitalisation and net assets of the Group to ensure performance is maintained for shareholders.

(e) Fair values

The fair values of material financial assets and liabilities approximates the carrying amounts shown in the Statement of Financial Position.

19. FAIR VALUE MEASUREMENT

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is material to the entire fair value measurement, being:

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

At 30 June 2023	Level 1 \$000	Level 2 \$000	Level 3 \$000	Total \$000
Liabilities				
Share subscription agreements	-	609	-	609
Total liabilities	-	609	-	609

Derivative financial instruments have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

There were no derivative financial instruments at 30 June 2024.

20. CONTINGENT LIABILITIES AND COMMITMENTS

On the 8th of February 2022 the Company executed a compensation agreement with the landowners of a portion of the land covered by the Sconi Mining Lease. Under the agreement the Company is required to pay a compensation amount of \$6,750,000 to the landowners within 90 days of financial close of the Sconi Project. For the purpose of the agreement, financial close means the date the company has access to the financial assistance required to begin the Sconi Project and all approvals and authorisations required for the Sconi Project to proceed have been granted.

The Company does not currently have access to financial assistance to begin the Sconi Project. As such the compensation amount of \$6,750,000 is only a possible obligation and has not been recognised as a liability.

In accordance with the agreement with Jervois Mining Ltd for the Flemington project, a royalty of 1.5% of gross sales is payable on all proceeds from the sale of products. At this time, it is not possible to quantify the value of this royalty.

Upon commercial production from the Sconi Project, it is agreed that a final issue of \$2.5 million Australian Mines Limited shares (or cash at the option of Metallica Minerals Ltd) is payable to Metallica Minerals Ltd. Also, under the agreement royalty and payment obligations agreed are:

- (a) a royalty of \$1.00 per tonne for the first 5 million tonnes of ore produced and \$2.00 per tonne for production in excess of 5 million tonnes on the Bell Creek tenements, payable to International Royalty Corporation ("IRC"); and
- (b) a royalty of \$1.00 per tonne for the first 500,000 tonnes of ore produced and \$1.50 for production in excess of 500,000 tonnes of ore on the Minnamoolka tenement, that was payable to Auriongold Exploration Pty Limited (now deregistered).

These have not been recognised as a liability as both the \$2.5 million and royalty obligations are contingent upon commencement of commercial production which at this point in time, is only a possible obligation.

The Company's Australian mining tenements are subject to native title applications. At this stage it is not possible to quantify the impact (if any) that native title may have on the operations of the Company.

There are no other contingent liabilities during the financial year.

There were no commitments during the financial year.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

21. INTERESTS IN SUBSIDIARIES

Name	Principal activities	Country of incorporation	Functional currency	Ownership interest	
				2024 %	2023 %
Flemington Mining Operations Pty Ltd (ACN 614 910 324)	Flemington and Broken Hill Cobalt-Nickel-Scandium Battery Minerals Project	Australia	AUD	100%	100%
Sconi Mining Operations Pty Ltd (ACN 614 910 191)	Sconi Nickel-Cobalt-Scandium Battery Minerals Project	Australia	AUD	100%	100%
Auzrnd Pty Ltd (ACN 620 731 544)	Research and Development Project	Australia	AUD	100%	100%
AML Advanced Materials Limited (i)	Dormant	UK	GBP	100%	100%
EOS Resources Pty Ltd	Dormant	Australia	AUD	100%	100%
Ecometals Brazil Ltda (ii)	Jequie Rare Earth Elements and Niobium Project	Brazil	BRL	100%	-
EM1 Brazil Ltda (ii)	Resende Lithium Project	Brazil	BRL	100%	-

(i) AML Advanced Materials Limited has been officially dissolved as of 27 August 2024.

(ii) On 4 March 2024, these subsidiaries were newly incorporated by AUZ and registered in Brazil, please refer to note 12 for further information about Brazil tenements acquisition.

Accounting policy

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Australian Mines Limited as at 30 June 2024, and the results of all subsidiaries for the year then ended. Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Company are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of an asset transferred. Accounting policies of subsidiaries are consistent with the policies adopted by the Company.

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Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

22. EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

23. SEGMENT INFORMATION

Identification of reportable operating segments

The Group is organised into two operating segments based on geographical location: Australia and Brazil. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Operating segment information

2024	Australia \$'000	Brazil \$'000	Total \$'000
Revenue			
Other revenue	139	-	139
Total revenue	139	-	139
EBITDA	139	-	139
Depreciation and amortisation	(6)	-	(6)
Corporate overheads and indirect expenses	(1,029)	(9)	(1,038)
Personnel expense	(785)	-	(785)
Finance costs	(306)	-	(306)
Exploration expenditure	(1,206)	(150)	(1,356)
Share-based payment expense	(65)	-	(65)
Loss on fair value of the derivatives	(399)	-	(399)
Interest income	8	-	8
Foreign currency exchange	9	-	9
Loss before income tax expense	(3,640)	(159)	(3,799)
Income tax expense			-
Loss after income tax expense			(3,799)

Accounting policy for operating segments

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

24. RELATED PARTIES

Parent entity

Australian Mines Limited is the parent entity of the Group.

Key management personnel

The following were key management personnel of the group at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period.

Non-Executive Directors

Mr M Ramsden - Chairman

Mr M Elias

Mr D Marinelli

Executive Director

Mr L Guthrie (resigned on 18 July 2023)

Key Management Personnel

Michael Holmes - CEO (appointed on 5 September 2022 and resigned effective on 2 October 2023)

Andrew Nesbitt - CEO (appointed effective on 2 October 2023)

Tim Maclean (Chief Operating Officer)

The key management personnel compensation included in 'personnel expenses' (refer note 4) is as follows:

	2024 \$	2023 \$
Short-term employee benefits	808,929	1,012,087
Post-employment benefits	80,655	233,625
Long term benefits	32,974	32,008
Share-based payments	53,336	85,852
	975,894	1,363,572

Individual directors and executives' compensation disclosures

Information regarding individual directors and executives' compensation and some equity instruments disclosures permitted by Corporations Regulations 2M.3.03 and 2M.6.04 are provided in the Remuneration Report section of the Directors' Report.

Other key management personnel transactions

The terms and conditions of the transactions with key management personnel were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

Refer note 13 and the Remuneration Report for details of the Loan Share Plan provided to key management personnel.

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

24. RELATED PARTIES (cont.)

The aggregate amounts recognised during the year relating to key management personnel were as follows:

	2024 \$	2023 \$
Related Party Transactions		
<i>Reimbursements (i)</i>		
Mr M Ramsden	4,505	4,114
<i>Underwriting fees (ii)</i>		
Mr M Ramsden	6,840	-
Mr D Marinelli	2,100	-
Mr M Ellias	1,020	-
	9,960	-

(i) The Company reimbursed Terrain Capital Unit Trust for Mr M Ramsden's travel costs associated with his role as a director of Australian Mines. No amounts were owing to Terrain Capital Unit Trust at 30 June 2024.

(ii) Terrain Capital issued an invoice to Australian Mines Limited (addressed to Andrew Nesbitt being the CEO of AUZ in 2024) to pay Michael Ramsden and all the KMPs for the Underwriting Agreement executed in Nov 2022.

Apart from the details disclosed in the Remuneration Report, no director has entered into a contract with the Group since the end of the previous financial year and there were no contracts involving directors' interests existing at year end.

25. PARENT ENTITY INFORMATION

Parent	2024 \$000	2023 \$000
Statement of financial position		
Current Assets	4,500	4,681
Non-Current Assets	42,208	40,635
Total Assets	46,708	45,316
Current Liabilities	258	3,846
Non-Current Liabilities	-	-
Total Liabilities	258	3,846
Net Assets	46,450	41,469
Equity		
Contributed equity	114,494	105,599
Reserves	5,254	5,369
Accumulated losses	(73,298)	(69,499)
Total Equity	46,450	41,469
Loss attributable to equity holders of the Company	(3,799)	(4,104)

Notes to the Consolidated Financial Statements For the Year Ended 30 June 2024

25. PARENT ENTITY INFORMATION (CONT.)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2024 and 30 June 2023.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 3, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

26. NON-CASH INVESTING AND FINANCING ACTIVITIES

	2024 \$'000	2023 \$'000
Shares issued under employee share plan	65	102

27. CHANGES IN LIABILITIES ARISING FROM FINANCIAL ACTIVITIES

	Convertible notes \$'000	Lease liability \$'000	Total \$'000
Balance at 1 July 2022	-	181	181
Net cash from/(used in) financing activities (note 14)	4,550	(152)	4,398
Other changes	-	(29)	(29)
Balance at 30 June 2023	4,550	-	4,550
Net cash used in financing activities (note 14)	(1,488)	-	(1,488)
Non-cash movements from share subscription agreement	(3,062)	-	(3,062)
Balance at 30 June 2024	-	-	-

Consolidated Entity Disclosure Statement

As at 30 June 2024

This Consolidated Entity Disclosure Statement has been prepared in accordance with the Section 295 (3A) of the *Corporations Act 2001* and includes the required information for Australian Mines Limited and the entity it controls in accordance with AASB 10 Consolidated Financial Statements.

Tax residency

S295 (3A) (vi) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency may involve judgement as there are different interpretations that could be adopted, and which could give rise to different conclusions regarding residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner’s public guidance in Tax Ruling TR2018/5.

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Flemington Mining Operations Pty Ltd	Body corporate	Australia	100%	Australia
Sconi Mining Operations Pty Ltd	Body corporate	Australia	100%	Australia
Auzrnd Pty Ltd	Body corporate	Australia	100%	Australia
AML Advanced Materials Limited	Body corporate	UK	100%	UK
EOS Resources Pty Ltd	Body corporate	Australia	100%	Australia
Ecometals Brazil Ltda	Body corporate	Brazil	100%	Brazil
EM1 Brazil Ltda	Body corporate	Brazil	100%	Brazil

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

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

On behalf of the Directors



Dominic Marinelli

Director

24 September 2024

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INDEPENDENT AUDITOR'S REPORT

To the members of Australian Mines Limited

Report on the Audit of the Financial Report

Opinion

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

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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



Material uncertainty related to going concern

We draw attention to Note 2(c) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying Value of Capitalised Exploration and Evaluation Assets

Key audit matter	How the matter was addressed in our audit
<p>The carrying value of the capitalised exploration and evaluation asset as at 30 June 2024 is disclosed in Note 12 of the financial report.</p> <p>As the carrying value of the capitalised exploration and evaluation asset represents a material asset of the Group, we considered this to be a key audit matter.</p> <p>Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular:</p> <ul style="list-style-type: none"> Whether the conditions for capitalisation are satisfied; Which elements of exploration and evaluation expenditures qualify for recognition; Recognition and valuation of purchase consideration for tenement acquisitions; and <p>Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; Considering whether any area of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; Evaluating management's basis for the impairment recognised and considering whether any facts or circumstances existed to suggest impairment testing was required for any other area of interest; and Assessing the adequacy of the related disclosures in Note 3(b) and Note 12 of the financial report.



Acquisition of Brazilian Tenements

Key audit matter	How the matter was addressed in our audit
<p>During the financial year ended 30 June 2024, Australian Mines Limited entered into an agreement to purchase mineral rights from RTB Geologia E Mineracao Ltda granting them the right to acquire 100% ownership of the specific mineral rights associated with exploration licences and related lithium and rare earth prospects located in Brazil.</p> <p>The Group treated this transaction as an asset acquisition. Refer to Note 12 discloses details of the transaction, including, the consideration paid and the establishment of the two wholly owned subsidiaries in Brazil.</p> <p>The audit of the accounting for this acquisition is a key audit matter due to the size of the acquisition and material assumptions and judgements required by management for the treatment of the transaction.</p>	<p>Our work included, but was not limited, to the following procedures:</p> <ul style="list-style-type: none"> • Reviewing key executed transaction documents to understand the key terms and conditions of the transaction; • Obtaining an understanding of the transaction including an assessment of the accounting treatment and whether the transaction constituted an asset acquisition as at 30 June 2024; • Evaluating the assumptions and methodology in management’s determination of the amounts to capitalise as an Exploration and Evaluation asset; and • Assessing the adequacy of related disclosure in Note 12 to the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group’s annual report for the year ended 30 June 2024, but does not include the financial report and the auditor’s report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

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

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) 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 that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

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- 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 ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 23 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Australian Mines 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.

BDO Audit Pty Ltd

Neil Smith

Director

Perth, 24 September 2024

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Corporate Governance Statement

Australian Mines Limited ("The Company") and its Board are committed to achieving and demonstrating high standards of corporate governance. This statement sets out the main corporate governance practices of the Company during the financial year, providing disclosure in accordance with the Corporate Governance Principles and Recommendations as published by the ASX Corporate Governance Council from time to time. All these practices, unless otherwise stated, were in place for the entire year. Disclosure is made at the end of this statement of areas of non-compliance with the recommendations.

Further details of the various charters, policies, codes and procedures that document the Company's corporate governance practices are set out in The Company's website at www.australianmines.com.au.

The Board of Directors and Management

The Board has adopted a formal statement of its roles, functions and responsibilities.

The Board's primary role is the optimisation of Company performance and protection and enhancement of shareholder value. Its functions and responsibilities include:

- provides leadership for the Company;
- sets and approves policy, strategic direction and objectives of the Company and establishes goals to promote the achievement of those strategic objectives and ensures appropriate resources are available to the Company to meet those strategic objectives;
- oversees and monitors management's implementation of the Company's strategic operations and its performance;
- approves and monitors annual budgets and financial plans;
- approves all significant business transactions;
- oversees the integrity of the Company's accounting and corporate reporting systems, including its external audit;
- delegates authority to management where appropriate;
- oversees the Company's processes for making timely and balanced disclosures of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's shares;
- ensures that the Company has in place an appropriate risk management framework and sets the ambit of risk within which the Board expects management to operate, by implementing appropriate reporting controls by management in relation to risk, finance, and operational matters;
- monitors the effectiveness of the Company's governance practices, with the Board retaining the ultimate oversight and decision-making power in respect of any matters delegated to any Board committees;
- ensures the Company complies with its responsibilities under the *Corporations Act 2001* (Cth), the Company's Constitution, the ASX Listing Rules and other relevant laws to ensure the Company remains an ASX listed company and complies with the applicable legal requirements;
- considers the social, ethical and environmental impact of the Company's activities, sets standards and monitors compliance with the Company's sustainability policies and practices;
- adopts procedures to ensure the business of the Company is conducted in an honest, open and ethical manner consistent with Company values;
- appoints senior management, monitors senior management's conduct and performance and oversees remuneration, development and succession;
- ensures that the Board remains appropriately skilled to meet Company needs; and
- reports to and communicates with shareholders.

The Board of Directors and Management (cont.)

This statement is included on the Company's website and is to be reviewed every year to ensure it remains appropriate to the needs of the Company given its size, complexity and ownership structure and the skills of directors and managers.

The Board is also governed by the Company's Constitution and its various policies, as described elsewhere in this Statement.

A strategic balance is maintained between the responsibilities of the Board and the Chief Executive Officer.

Board Members

During the period the Company had four directors, Michael Ramsden, Michael Elias, Dominic Marinelli and Lee Guthrie. Details of these directors, including their skills, experience and terms of office are set out in the Company's annual report. During the period following Mr Guthrie's resignation, the Company had three directors. None of the directors are currently substantial shareholders and in accordance with the guidelines adopted by the Board, they are considered independent non-executive directors.

Mr Guthrie was appointed Interim Chief Executive Officer on 11 May 2022, before resuming as a non-executive director on the appointment of Michael Holmes as Chief Executive Officer on 5 September 2022. Therefore, in accordance with guidelines adopted by the Board he was not considered independent as he held an executive role during the last three years.

The Board has adopted a materiality threshold relating to a director's current or former association with a supplier, professional adviser or consultant to the Company. From the Company's viewpoint, material is more than 5% of the Company's total consolidated expenses for the relevant financial year. From the director's viewpoint when assessing an association, material is more than 5% of the total revenue of the supplier, adviser or consultant as the case may be.

The Board considers the make-up of the Board is appropriate given the Company's size and operations. The effectiveness of the Board is achieved through knowledge and experience specific to the business and the industry in which it operates.

Details of the members of the Board, their skills, experience, qualifications, term of office and independence status are set out in the Company's Annual Report under the heading "Directors' Report".

Directors' Independence

The Board has also adopted procedures intended to ensure that independent decision making occurs. All directors are entitled to seek independent professional advice, at the Company's cost, in carrying out their duties, subject to the Chair's prior approval of the expenditure, which will not be unreasonably withheld. Further, in accordance with the *Corporations Act 2001* (Cth) and policies adopted by the Company, each member of the Board is required to keep the Board advised on an ongoing basis of any potential conflict of interest which may exist with the Company. If a conflict does exist, the director concerned must absent themselves from any Board discussion in relation to the relevant item and not vote upon such an item. Non-executive directors are also encouraged to confer on a needs basis without management in attendance.

Term of Office

The Company's Constitution specifies that all non-executive directors must retire from office no later than the third annual general meeting following the last election. Where eligible, directors may stand for re-election.

Corporate Governance Statement

Responsibilities of Management

The Chief Executive Officer is accountable to the Board for management of the Company and its subsidiaries within authority levels reviewed and approved by the Board each year, has authority to approve capital expenditure within predetermined limits set out by the Board, and is subject to the supervision of the Board. Material strategic and policy decisions are made by the Board.

The Chief Executive Officer is responsible for maintaining financial control across the Company and its subsidiaries. This includes management reporting to the Board, statutory accounting, auditing, taxation and insurance. Financial performance is monitored against financial control guidelines.

The Board adopted its formal statement and its various policies in June 2005.

Independent Professional Advice

Directors and Board Committees have the right, in connection with their duties and responsibilities, to seek independent professional advice at the Company's expense. Prior written approval of the Chair is required, but this will not be unreasonably withheld.

Indemnification and insurance of Directors and Officers

The Company, to the extent permitted by law, indemnifies each Director, alternate Director, or executive officer (and any person who has previously served in any such capacity) against any liability or cost incurred by the person as an officer of the Company, or a related body corporate of the Company, including but not limited to liability for costs incurred in defending proceedings in which judgement is given in favour of the person or in which the person is acquitted. The indemnity may be extended to other employees at the discretion of the Directors.

Performance assessment

The Board Charter sets out the process to undertake an annual assessment of the Board's collective performance, the performance of the Chair and its committees. The Board also assesses the performance of the Chief Executive Officer.

The performance of senior executives is assessed by the Chief Executive Officer. The assessment involves an annual review of performance and development, and the results of the review are formally documented.

No assessment of the Board's performance was conducted during the year given the size of the Board.

The annual performance assessment of the Chief Executive Officer was not carried out by the Board given he was appointed during the year.

Remuneration Committee

A Remuneration Committee was established by the Board in 2004. A majority of the members of the Committee are required to be non-executive directors and the Committee is required to be chaired by the non-executive Chair. The Committee did not meet during the year given that the CEO was appointed during the period. Following the end of the period it was decided to suspend the operations of the Committee given the size of the Board and number of employees. The functions of the Committee set out below will now be carried out by the Board as a whole.

Each member of the senior executive team signs an employment contract at the time of their appointment covering a range of matters, including their duties, rights, responsibilities and any entitlements on termination. The standard contract refers to a specific formal job description. This job description is reviewed by the Remuneration Committee on an annual basis and, where necessary, is revised in consultation with the relevant employee.

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Remuneration Committee (cont.)

Further information on directors' and executives' remuneration is set out in the Remuneration Report.

Executive remuneration and other terms of employment are reviewed annually by the Committee having regard to personal and corporate performance, contribution to long term growth, relevant comparative information and independent expert advice. As well as a base salary and compulsory superannuation, remuneration packages may include retirement and termination entitlements, performance-related bonuses and fringe benefits. Non-executive directors and executives are eligible to participate in the Employee Share Loan Plan which provides for the issue of shares in the Company under a limited recourse loan. Any allotment of securities to directors must be approved by shareholders at a general meeting.

Details of the qualifications of directors of the Remuneration Committee and their attendance at Committee meetings are set out in the Directors' Report.

Audit and Risk Committee

The Company recognises the importance of an audit committee and established a Committee in September 2012.

Until the Audit and Risk Committee was formed, the Board considered and dealt with matters which would ordinarily be attended to by an audit committee, including:

- to recommend engagement and monitor performance of the external auditor;
- to review the effectiveness of management information and internal control;
- to review all areas of significant financial risk and risk management;
- to review significant transactions not a normal part of the Company's business;
- to review financial information and ASX reporting statements; and
- to monitor internal controls and accounting compliance.

The Audit Committee is required to meet at least twice per year, review annual and half-year accounts, and report to the Board of Directors. The Audit and Risk Committee also oversees the Company's risk management systems and procedures.

Details of the qualifications of directors of the Audit and Risk Committee and their attendance at Committee meetings are set out in the Directors' Report.

External Auditors Policy

The Company's policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of the external auditors is reviewed annually and applications for tender of external services are requested as deemed appropriate, taking into consideration assessment of performance, existing value and tender costs. The *Corporations Act 2001* requires the rotation of the audit engagement partner every five years.

Analysis of fees paid to external auditors, including a break-down of fees for non-audit services, is provided in the Annual Report at Note 7 to the financial statements. The external auditors are required to provide an annual declaration of their independence to the Board and to the Audit Committee. The external auditor is required to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the audit report.

Nomination Committee

The Company recognises the importance of a nomination committee however currently there is no nomination committee in place. See comments made in the non-compliance statement.

Corporate Governance Statement

Risk Assessment and Management

The Company has in place a risk assessment and management policy, which sets out the Company's systems for risk assessment and management. The key aspects of the policy are that:

- the Board oversees the establishment and implementation of risk management systems and control frameworks, and in the absence of a separate audit committee has the responsibility to establish, implement and maintain these systems and frameworks; and
- the Company's senior management is delegated the tasks of management of operational risk and the implementation of risk management strategies with the Chief Executive Officer having ultimate responsibility to the Board for the risk management and control framework.

The Board reviews the Company's risk management systems and control frameworks, and the effectiveness of their implementation every 2 years. The Board also considers the management of risk at its regular meetings. The Company's risk profile, which is assessed and determined on the basis of the Company's business in commercial mining and mineral exploration, is reviewed annually upon advice from management including, where appropriate, as a result of regular interaction with management and relevant staff from across the Company's business.

The Board or the Company's senior management may consult with the Company's external accountants on external risk matters as required.

The Company's risk management systems and control frameworks for identifying, assessing, monitoring and managing its material risks, as established by the Board in conjunction with management, include:

- the Board's ongoing monitoring of management and operational performance;
- a comprehensive system of budgeting, forecasting and reporting to the Board;
- approval procedures for significant capital expenditure above threshold levels;
- regular Board review of all areas of significant financial risk and all significant transactions not part of the Company's normal business activities;
- regular presentations to the Board by management on the management of risk;
- comprehensive written policies in relation to specific business activities;
- comprehensive written policies in relation to corporate governance issues;
- regular communication between directors on compliance and risk matters; and
- consultation and review processes between the Board and external accountants.

The Board requires each major proposal submitted to the Board for decision be accompanied by a comprehensive risk assessment and, where required, management's proposed mitigation strategies. The Company has in place an insurance program which is reviewed periodically by the Board. The Board receives regular reports on budgeting and financial performance. A system of delegated authority levels has been approved by the Board to ensure business transactions are properly authorised and executed.

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Environment, Health and Safety

The Company recognises the importance of environmental and occupational health and safety (OH&S) issues and is committed to the highest levels of performance. To help meet this objective the board facilitates the systematic identification of environment and OH&S issues and ensures they are managed in a structured manner. This system allows the Company to:

- monitor its compliance with all relevant legislation;
- continually assess and improve the impact of its operations on the environment;
- encourage employees to actively participate in the management of environment and OH&S issues;
- work with trade associations representing the entity's business to raise standards;
- use energy and resources efficiently; and
- encourage the adoption of similar standards by the entity's principal suppliers, contractors and distributors.

To manage OH&S issues, the Board has approved a number of procedure documents including a Safety Management Plan and an Emergency Response Plan. It is a condition of employment for all employees to follow these procedures. Reporting on OH&S issues is a standard agenda item at Board Meeting.

Code of Conduct

The Company adopted, in 2002, the Australian Institute of Company Directors Code of Conduct ("AICD Code") to set appropriate standards of ethical and professional behaviour for its directors. In June 2005, the Company adopted a "Code of Conduct for Directors and Key Executives", which affirmed the Company's adoption of the AICD Code as appropriately setting the standards of ethical behaviour for directors. The Board will review compliance with this Code of Conduct every 12 months.

The Company's Code of Conduct for Directors and Key Executives prescribes standards including acting honestly and in good faith, exercising powers for a proper purpose, using due care and diligence, exercising independent judgement and avoiding a conflict of interest.

The Company has also adopted a "General Corporate Code of Conduct" ("General Code") which details the Company's commitment to appropriate corporate practices to its legitimate stakeholders and sets the standards expected of officers and employees in carrying out their duties.

The Company has in place a trading policy concerning trading in Company securities, a copy of which is provided to all officers and employees of the Company.

The trading policy imposes certain restrictions on the Company's officers and employees trading in the Company's securities to prevent breaches of the insider trading provisions of the *Corporations Act 2001* (Cth). The key aspects of the policy are that:

- trading in Company securities and other tradeable financial products is only permitted upon notification, in the case of employees, to the Chief Executive Officer or, in the case of officers, to the Company's Chair. If the Chair wishes to trade he must notify the Company's Chief Executive Officer. Trading is only permitted for 2 weeks following notification and confirmation of trading must be provided to the Chief Executive Officer or Chair (as the case may be);
- no trading is permitted at any time where an officer or employee is in possession of information which, if it was generally available, a reasonable person would expect to have a material effect on the price or value of the security or product, or for a period of 2 days following a public announcement by the Company in relation to the matter the subject of that information; and
- active dealing, being trading in a manner which involves frequent and regular trading, in the Company's securities is not permitted.

Corporate Governance Statement

The trading policy is provided to all the Company officers and employees and compliance with it is reviewed at least annually. The Company's current trading policy was adopted in June 2005 but reflects the position adopted under its previous trading policies.

The implementation of and compliance with the Company's trading policy is dealt with in the procedures and mechanisms set out in the Company's risk assessment and management policy.

Continuous Disclosure and Shareholder Communication

The Company has in place a continuous disclosure policy, a copy of which is provided to all Company officers and employees who may from time to time be in the possession of undisclosed information that may be material to the price or value of the Company's securities.

In addition, at each of its meetings, the Board discusses continuous disclosure issues as a standing item and a list of all recent Company announcements is presented.

The continuous disclosure policy aims to ensure compliance with the Company's continuous disclosure obligations under the *Corporations Act 2001* (Cth) and the ASX Listing Rules. The aim of the policy is to:

- assess information and co-ordinate the timely disclosure to the ASX or the seeking of advice on the information;
- provide an audit trail of decisions regarding disclosure; and
- ensure officers and employees of the Company understand the obligation to bring relevant information to the attention of the Chair.

The procedure adopted by the Company is essentially that any information which may need to be disclosed must be brought to the attention of the Chair who in consultation with the Board (where practicable) and any other appropriate personnel will consider the information and whether disclosure is required and prepare an appropriate announcement.

In every 24 month period, the Board will review the Company's compliance with this continuous disclosure policy and update it from time to time, if necessary.

The Chief Executive Officer has been nominated as the person responsible for communication with Australian Securities Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and overseeing, in conjunction with the Directors, information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

All information disclosed to the ASX is posted on the Company's website on the same day it is released to the ASX. Procedures have also been established for reviewing whether any price sensitive information has been inadvertently disclosed, and if so, this information is also immediately released to the market.

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Diversity Policy

The Company believes that the promotion of diversity on boards, in senior management and within the organisation generally broadens the pool for recruitment of high quality directors and employees; is likely to support employee retention; through the inclusion of different perspectives, is likely to encourage greater innovation; and is socially and economically responsible governance practice.

The Company is in compliance with the ASX Corporate Governance Council's Principles & Recommendations on Diversity. The Board of Directors is responsible for adopting and monitoring the Company's diversity policy. The policy sets out the beliefs and goals and strategies of the Company with respect to diversity within the Company. Diversity within the Company means all the things that make individuals different to one another including gender, ethnicity, religion, culture, language, sexual orientation, disability and age. It involves a commitment to equality and to treating of one another with respect.

The Company is dedicated to promoting a corporate culture that embraces diversity. The Company believes that diversity begins with the recruitment and selection practices of its board and its staff. Hiring of new employees and promotion of current employees are made on the bases of performance, ability and attitude.

Currently there are two women in the organisation, and none on the board. Given the present size of the Company, there are no plans to establish measurable objectives for achieving gender diversity at this time. The need for establishing and assessing measurable objectives for achieving gender diversity will be re- assessed as the size of the Company increases.

Non-Compliance Statement

The Company has not followed all of the recommendations set out in Australian Securities Exchange Limited Listing Rule 4.10.3. The Recommendations that have not been followed and the explanation of any departure are as follows:

Nomination Committee

The Board has not established a nomination committee as, due to the Company's size and its operations, the Board considers a separately established committee is not warranted and its functions and responsibilities can be adequately and efficiently discharged by the Board as a whole. The Board assesses the experience, knowledge and expertise of potential directors before any appointment is made and adheres to the principle of establishing a board comprising directors with a blend of skills, experience and attributes appropriate to the Company and its business. The main criterion for the appointment of directors is an ability to add value to the Company and its business. All directors appointed by the Board are subject to election by shareholders at the following annual general meeting of the Company. Given the small size of the Board no skills matrix has been developed.

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Additional ASX Information

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below. Information regarding share and option holdings is current as at 25 September 2024.

a) Substantial Shareholders

There are no shareholders holding more than 5% of the total number of shares.

b) Quoted Securities Holder Information

Twenty Largest Holders of Ordinary Shares	Number of Shares	% Held
BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	50,324,944	3.60%
CITICORP NOMINEES PTY LIMITED	37,481,727	2.68%
YONGLU YU	30,000,000	2.15%
RAFAEL VIOLA MOTTIN	30,000,000	2.15%
MR YONGLU YU	26,115,855	1.87%
MRS ANTONINA ROSARIA GALATI-RANDO & MR ANTONINO GALATI-RANDO	21,968,333	1.57%
WHALE WATCH HOLDINGS LIMITED	20,000,099	1.43%
ANDREW LUKE NESBITT	20,000,000	1.43%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	17,439,861	1.25%
MR RAFAEL VIOLA MOTTIN	15,000,000	1.07%
MR MALCOLM CLARK ANDERSON	12,279,745	0.88%
MR GREGORY GIANNOPOULOS	12,200,000	0.87%
K & D TRADING PTY LTD	12,000,000	0.86%
MR ANTANAS GUOGA	11,333,333	0.81%
MR POH SENG TAN	11,000,000	0.79%
MR YONGLU YU	10,578,730	0.76%
MICHAEL ELIAS	10,000,000	0.72%
DOMINIC MARINELLI	10,000,000	0.72%
MICHAEL RAMSDEN	10,000,000	0.72%
MR DWAYNE KERRY DANIELS	9,800,000	0.70%
Totals	377,522,627	26.99%
Total Issued Capital	1,398,512,124	100.00%

b) Quoted Securities Holder Information (cont.)

Twenty Largest Holders of Listed Options AUZOA	Number of Listed Options	% Held
MS CHUNYAN NIU	19,500,000	14.59%
MR ANDRE ANTHONY LAHOOD	15,818,705	11.84%
MR PETER ANDREW THOMPSON	11,054,878	8.27%
BLTS CAPITAL PTY LTD <ERKES A/C>	7,650,000	5.72%
BOWDEN MINERALS PTY LTD <BOWDEN A/C>	6,481,598	4.85%
JORDASH INVESTMENTS PTY LTD <KAPLAN SUPER FUND A/C>	5,126,879	3.84%
FIDELIS CORPORATION PTY LTD	5,000,000	3.74%
RIYA INVESTMENTS PTY LTD	4,700,000	3.52%
NOBLE INVESTMENTS SUPERANNUATION FUND PTY LTD <NOBLE INVESTMENTS S/F A/C>	4,545,455	3.40%
HARSHELL INVESTMENTS PTY LTD <KAPLAN FAMILY A/C>	3,327,666	2.49%
TEAL SUPERANNUATION PTY LTD <TEAL SUPERANNUATION FUND A/C>	2,500,000	1.87%
MR GLENN WILLIAM HAROLD SHARP	2,500,000	1.87%
VIVO TRADING PTY LTD	2,272,727	1.70%
MR MARK DAMION KAWECKI	2,272,727	1.70%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	2,272,727	1.70%
MS CAMILLIA VIOLETTA ZULINSKA	2,272,727	1.70%
THOR HOLDINGS PTY LTD	1,900,000	1.42%
KALCON INVESTMENTS PTY LTD	1,818,182	1.36%
THOR HOLDINGS PTY LTD	1,818,182	1.36%
HEITON PARK PTY LTD	1,818,182	1.36%
Totals	104,650,635	78.31%
Total Issued Capital	133,636,332	100.00%

Additional ASX Information

b) Quoted Securities Holder Information (cont.)

Twenty Largest Holders of Listed Options AUZOB	Number of Listed Options	% Held
BOWDEN MINERALS PTY LTD <BOWDEN A/C>	19,000,000	17.55%
GOFFACAN PTY LTD	12,000,000	11.09%
MS CHUNYAN NIU	8,823,530	8.15%
MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED <NO 1 ACCOUNT>	7,352,942	6.79%
MR ANDRE ANTHONY LAHOOD	4,389,667	4.06%
MR DANIEL GIOVINAZZO	4,000,000	3.70%
BLJ TECHNOLOGIES PTY LTD	3,676,471	3.40%
DRM TECHNOLOGIES PTY LTD	3,676,471	3.40%
MR FLYNN FEFE HUANG	3,000,000	2.77%
MR YONGLU YU	2,941,177	2.72%
MS LAURA ANN MANDER	1,500,000	1.39%
ORCA CAPITAL GMBH	1,500,000	1.39%
TRIFON CAPITAL PTY LTD	1,470,589	1.36%
NOBLE INVESTMENTS SUPERANNUATION FUND PTY LTD <NOBLE INVESTMENTS S/F A/C>	1,470,588	1.36%
FOXTAIL PTY LTD	1,250,000	1.15%
VIVO TRADING PTY LTD	1,176,471	1.09%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	1,176,470	1.09%
RATDOG PTY LTD	1,000,000	0.92%
HARSHELL INVESTMENTS PTY LTD <KAPLAN FAMILY A/C>	1,000,000	0.92%
SAMPO HOLDINGS PTY LTD <KENNEDY GRANT FAMILY A/C>	1,000,000	0.92%
MR DAVID ANDREW GRANT	1,000,000	0.92%
Totals	82,404,376	76.13%
Total Issued Capital	108,235,314	100.00%

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b) **Quoted Securities Holder Information (cont.)**

Each fully paid ordinary share entitles the holder to one vote at general meetings of shareholders, and is entitled to dividends when declared. The quoted options do not have voting rights.

The total number of shares on issue is 1,398,512,124 and there is no current on-market buy back.

Distribution of ordinary shareholders at 25 September 2024:

Category of Shareholding	Number of Shareholders	Number of Securities	% of Securities
1 – 1,000	1,271	701,724	0.05%
1,001 – 5,000	2,645	7,812,499	0.56%
5,001 – 10,000	1,522	11,961,870	0.86%
10,001 – 100,000	3,274	122,069,726	8.73%
100,001 and over	1,398	1,255,966,305	89.81%
Total	10,110	1,398,512,124	100.00%

AUZO A are quoted options exercisable at \$0.022 per option expiring 2 February 2027.

AUZOB are quoted options exercisable at \$0.032 per option expiring 6 May 2027.

Distribution of options at 25 September 2024:

Category of Shareholding	Number of Shareholders	Number of Securities	% of Securities
1 – 1,000	472	172,915	0.06%
1,001 – 5,000	343	820,419	0.26%
5,001 – 10,000	129	934,003	0.30%
10,001 – 100,000	209	7,480,996	2.41%
100,001 and over	151	301,475,287	96.97%
Total	1,304	310,883,620	100.00%

c) **Quoted Securities**

The Company has the following quoted securities on issue:

1,398,512,124 fully paid ordinary shares

133,636,332 AUZO A options

108,235,314 AUZO B options

Additional ASX Information

d) **Unquoted Securities**

As at 2024 there are 42,372,882 unlisted \$0.089 options expiring 23 February 2026 and 26,639,092 unlisted \$0.089 options expiring 20 December 2025.

e) **Unmarketable Parcels Holding**

There are 7,807 holders of unmarketable parcels, with total of 76,250,642 shares, amounting to 5.45% of issued shares.

f) **Restricted Securities**

There are 115,300,000 ordinary shares held in escrow.

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AUSTRALIA

Location	Project	Tenement	Status	Interest
Queensland	Sconi	ML 10366	Granted	100%
Queensland	Sconi	ML 10342	Granted	100%
Queensland	Sconi	ML 10324	Granted	100%
Queensland	Sconi	ML 10332	Granted	100%
Queensland	Sconi	ML 20549	Granted	100%
Queensland	Sconi	ML 10368	Granted	100%
Queensland	Sconi	MDL 515	Granted	100%
Queensland	Sconi	MDL 387	Granted	100%
Queensland	Sconi	EPM 25834	Granted	100%
Queensland	Sconi	EPM 25865	Granted	100%
Queensland	Sconi	EPM 25833	Granted	100%
Queensland	Sconi	EPM 26575	Granted	100%
Queensland	Sconi	EPM 26577	Granted	100%
Queensland	Sconi	EPM 26578	Granted	100%
Queensland	Sconi	EPM 26579	Granted	100%
Queensland	Sconi	EPM 26559	Granted	100%
Queensland	Sconi	EPM 26857	Granted	100%
Queensland	Sconi	EPM 26918	Granted	100%
Queensland	Sconi	EPM 27529	Granted	100%
New South Wales	Flemington	EL 7805	Granted	100%
New South Wales	Flemington	EL 8546	Granted	100%
New South Wales	Flemington	EL 8478	Granted	100%
New South Wales	Flemington	EL 8855	Granted	100%
New South Wales	Flemington	EL 9321	Granted	100%
New South Wales	Flemington	EL 9562	Granted	100%
New South Wales	Broken Hill	EL 8477	Granted	100%
New South Wales	Broken Hill	EL 9300	Granted	100%
New South Wales	Broken Hill	EL 9326	Granted	100%

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Tenements Schedule

BRAZIL

Jequie Rare Earth/ Niobium Projects and Resende Lithium Project ("Projects")

A. Jequie Rare Earth/ Niobium Project ¹

#	Exploration Licence ID	Area (ha)	Project	Substance	State
1	872.461/2023	1964.49	Jequie	REE	BAHIA
2	872.460/2023	1927.98	Jequie	REE	BAHIA
3	872.459/2023	1975.67	Jequie	REE	BAHIA
4	872.458/2023	1982.5	Jequie	REE	BAHIA
5	872.456/2023	1985.69	Jequie	REE	BAHIA
6	872.455/2023	1928.55	Jequie	REE	BAHIA
7	872.454/2023	1987.4	Jequie	REE	BAHIA
8	872.453/2023	809.54	Jequie	REE	BAHIA
9	872.451/2023	1938.18	Jequie	REE	BAHIA
10	872.450/2023	1973.2	Jequie	REE	BAHIA
11	872.449/2023	1841.09	Jequie	REE	BAHIA
12	872.448/2023	1986.3	Jequie	REE	BAHIA
13	872.447/2023	1981.77	Jequie	REE	BAHIA
14	872.446/2023	1982.06	Jequie	REE	BAHIA
15	872.445/2023	1788.28	Jequie	REE	BAHIA
16	872.444/2023	1928.76	Jequie	REE	BAHIA
17	872.443/2023	1948.65	Jequie	REE	BAHIA
18	872.442/2023	1953.23	Jequie	REE	BAHIA
19	872.441/2023	1861.72	Jequie	REE	BAHIA
20	872.440/2023	1970.88	Jequie	REE	BAHIA
21	872.437/2023	1975.9	Jequie	REE	BAHIA
22	872.436/2023	1984.87	Jequie	REE	BAHIA
23	872.435/2023	1963.99	Jequie	REE	BAHIA
24	872.434/2023	1982.33	Jequie	REE	BAHIA
25	872.433/2023	1948.09	Jequie	REE	BAHIA
26	872.409/2023	693.04	Jequie	REE	BAHIA
27	872.408/2023	1978.04	Jequie	REE	BAHIA
28	872.407/2023	1260.72	Jequie	REE	BAHIA
29	872.406/2023	1277.81	Jequie	REE	BAHIA
30	872.405/2023	1983.41	Jequie	REE	BAHIA

¹ The Jequie REE/ Niobium project is subject to acquisition terms as per ASX Release, 6 December 2023, subsequently the exploration licenses have been granted to RTB Geologia E Mineracao LTDA and are now subject the completion of transfer to AUZ. In addition, please refer to ASX announcement, 19 February 2024.

A. Jequie Rare Earth/ Niobium Project (cont.)

#	Exploration Licence ID	Area (ha)	Project	Substance	State
31	872.404/2023	1986.43	Jequie	REE	BAHIA
32	872.403/2023	1844.54	Jequie	REE	BAHIA
33	872.402/2023	1817.42	Jequie	REE	BAHIA
34	872.401/2023	1875.13	Jequie	REE	BAHIA
35	872.400/2023	1864.77	Jequie	REE	BAHIA
36	872.399/2023	1930.85	Jequie	REE	BAHIA
37	872.397/2023	1979.39	Jequie	REE	BAHIA
38	872.396/2023	1983.6	Jequie	REE	BAHIA
39	872.395/2023	1986.22	Jequie	REE	BAHIA
40	872.394/2023	1986.81	Jequie	REE	BAHIA
41	872.393/2023	1986.48	Jequie	REE	BAHIA
42	872.392/2023	1417.55	Jequie	REE	BAHIA
43	872.391/2023	1326.29	Jequie	REE	BAHIA
44	872.390/2023	1852.88	Jequie	REE	BAHIA
45	872.389/2023	1984.03	Jequie	REE	BAHIA
Total:		82,586.53			

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Tenements Schedule

BRAZIL

A. Jequie Rare Earth/ Niobium Project (cont.)

#	Exploration Licence ID	Area (ha)	Project	Substance	State
Second Batch ²					
1	870.090/2024	1963.46	Jequie	REE	BAHIA
2	870.089/2024	1964.05	Jequie	REE	BAHIA
3	870.088/2024	1019.77	Jequie	REE	BAHIA
4	870.087/2024	1675.73	Jequie	REE	BAHIA
5	870.085/2024	1963.07	Jequie	REE	BAHIA
6	870.084/2024	1920.44	Jequie	REE	BAHIA
7	870.083/2024	1954.36	Jequie	REE	BAHIA
8	870.082/2024	1983.63	Jequie	REE	BAHIA
9	870.081/2024	1879.42	Jequie	REE	BAHIA
10	870.080/2024	1887.99	Jequie	REE	BAHIA
11	870.079/2024	1984.66	Jequie	REE	BAHIA
12	870.078/2024	1828.39	Jequie	REE	BAHIA
13	870.077/2024	1986.32	Jequie	REE	BAHIA
14	870.076/2024	1968.98	Jequie	REE	BAHIA
15	870.075/2024	1922.32	Jequie	REE	BAHIA
16	870.074/2024	1963.7	Jequie	REE	BAHIA
17	870.073/2024	1868.66	Jequie	REE	BAHIA
18	870.072/2024	1732.04	Jequie	REE	BAHIA
19	870.071/2024	1904.37	Jequie	REE	BAHIA
20	870.070/2024	1981.91	Jequie	REE	BAHIA
21	870.069/2024	1899.53	Jequie	REE	BAHIA
22	870.068/2024	1970.46	Jequie	REE	BAHIA
23	870.067/2024	1957.87	Jequie	REE	BAHIA
24	870.066/2024	1979.16	Jequie	REE	BAHIA
25	870.065/2024	1876.52	Jequie	REE	BAHIA
26	870.064/2024	1971.18	Jequie	REE	BAHIA
27	870.063/2024	1978.8	Jequie	REE	BAHIA
Total:		50,986.79			

²Subject to ASX announcement 19 February 2024

BRAZIL

B. Resende Lithium Project ³

#	Exploration Licence ID	Area (ha)	Project	Substance	State
1	833027/2023	1923.98	Resende	Lithium	MG
2	833028/2023	1989.79	Resende	Lithium	MG
3	833029/2023	1974.24	Resende	Lithium	MG
4	833030/2023	1423.63	Resende	Lithium	MG
5	833031/2023	1931.35	Resende	Lithium	MG
6	833032/2023	1876.37	Resende	Lithium	MG
7	833053/2023	1986.76	Resende	Lithium	MG
8	833054/2023	208.46	Resende	Lithium	MG
Total:		13,314.58			

³The Resende Lithium project is subject to acquisition terms as per ASX Release, 6 December 2023, subsequently the exploration licenses have been granted to RTB Geologia E Mineracao LTDA and are now subject the completion of transfer to AUZ.

Mineral Resource Estimates

Sconi Project, Queensland, Australia

(Effective 14 February 2019) ⁴

Classification	Tonnes (million tonnes)	Nickel equivalent (%)	Nickel (%)	Cobalt (%)
Measured	5.05	1.06	0.83	0.07
Indicated	17.24	0.90	0.73	0.05
Inferred	10.34	0.63	0.54	0.04
Total	32.63	0.84	0.69	0.05

Table 1: Greenvale Mineral Resource

(Lower cut-off grade: Nickel equivalent 0.40%)

Classification	Tonnes (million tonnes)	Nickel equivalent (%)	Nickel (%)	Cobalt (%)
Measured	1.60	0.91	0.53	0.11
Indicated	12.63	0.83	0.47	0.11
Inferred	0.38	0.66	0.55	0.03
Total	14.62	0.83	0.48	0.11

Table 2: Lucknow Mineral Resource

(Lower cut-off grade: Nickel equivalent 0.55%)

Classification	Tonnes (million tonnes)	Nickel equivalent (%)	Nickel (%)	Cobalt (%)
Measured	1.62	1.17	0.73	0.15
Indicated	19.37	0.83	0.57	0.09
Inferred	7.48	0.70	0.53	0.07
Total	28.47	0.81	0.57	0.09

Table 3: Kokomo Mineral Resource

(Lower cut-off grade: Nickel equivalent 0.45%)

⁴ The Mineral Resource Estimates for the Greenvale, Lucknow and Kokomo deposits are reported under JORC 2012 Guidelines and were reported by Australian Mines on 14 February 2019. There has been no Material Change or Re-estimation of the Mineral Resource since this 14 February 2019 announcement by Australian Mines.

Nickel equivalent (NiEq) calculations are described in detail on page 101 of this report.

Sconi Project, Queensland, Australia (cont.)

Classification	Tonnes (million tonnes)	Nickel equivalent (%)	Nickel (%)	Cobalt (%)
Measured	11.4	1.02	0.84	0.05
Indicated	12.7	0.74	0.64	0.03
Inferred	1.7	0.66	0.55	0.03
Total	25.8	0.86	0.72	0.04

Table 4: Bell Creek Mineral Resource ⁵

(Lower cut-off grade: Nickel equivalent 0.45%).

Classification	Tonnes (million tonnes)	Nickel (%)	Cobalt (%)
Indicated	11.9	0.67	0.03
Inferred	2.4	0.60	0.02
Total	14.3	0.66	0.03

Table 5: Minnamoolka Mineral Resource ⁶

(Lower cut-off grade: Nickel 0.45%)

Flemington Project, New South Wales, Australia

(Effective 31 October 2017) ⁷

Classification	Tonnes (million tonnes)	Cobalt (%)	Scandium (ppm)
Measured	2.5	0.103	403
Indicated	0.2	0.076	408
Total	2.7	0.101	403

Table 6: Flemington Mineral Resource

(Lower cut-off grade: Cobalt 0.03%)

⁵ The Mineral Resource Estimate for the Bell Creek deposit is reported under JORC 2012 Guidelines and was reported by Australian Mines on 29 April 2019. There has been no Material Change or Re-estimation of the Mineral Resource since this 29 April 2019 announcement by Australian Mines.

⁶ The Mineral Resource Estimate for the Minnamoolka deposit is reported under JORC 2012 Guidelines and was reported by Australian Mines on 21 October 2019. There has been no Material Change or Re-estimation of the Mineral Resource since this 21 October 2019 announcement by Australian Mines.

Nickel equivalent (NiEq) calculations are described in detail on page 101 of this report.

⁷ The Mineral Resource Estimates for the Flemington deposit is reported under JORC 2012 Guidelines and were reported by Australian Mines on 31 October 2017. There has been no Material Change or Re-estimation of the Mineral Resource since this 31 October 2017 announcement by Australian Mines.

Ore Reserve Estimates

Sconi Project Ore Reserve Estimates

Classification	Pit	Ore (Million tonnes)	Nickel (%)	Cobalt (%)	Scandium (ppm)
Proved	Greenvale	4.49	0.83	0.07	36
	Kokomo	1.52	0.72	0.15	58
	Lucknow	2.07	0.47	0.09	51
	Sub-total	8.08	0.72	0.09	44
Probable	Greenvale	13.08	0.73	0.05	29
	Kokomo	17.43	0.57	0.09	31
	Lucknow	18.71	0.42	0.08	38
	Sub-total	49.22	0.55	0.08	33
Total	Greenvale	17.57	0.76	0.06	31
	Kokomo	18.96	0.58	0.10	33
	Lucknow	20.77	0.42	0.08	39
	TOTAL	57.30	0.58	0.08	35

Table 7: Sconi Project Ore Reserve summary based on variable nickel equivalent cut-off between 0.40% and 0.45%.

Ore Reserve as per Australian Mines' announcement released via the ASX platform on 13 June 2019. Prepared by specialist mine planning consultants, Orelogy, in accordance with the current 2012 JORC Code.

There has been no Material Change or Re-estimation of the Ore Reserve since this 13 June 2019 announcement by Australian Mines.

The Mineral Resource figures in Tables 1 to 3 are inclusive of the Ore Reserve figures above. Approximately 14% of the Ore Reserves (outlined in the table above) are classified as Proved and 86% are classified as Probable. It should be noted that the Proved and Probable Reserves are inclusive of allowance for mining dilution and ore loss.

Nickel Equivalent Calculations – Sconi Project

NiEq grades reference in this report were calculated according to the following formula:

$$\text{NiEq} = \frac{[(\text{nickel grade} \times \text{nickel price} \times \text{nickel recovery}) + (\text{cobalt grade} \times \text{cobalt price} \times \text{cobalt recovery})]}{(\text{nickel price} \times \text{nickel recovery})}$$

The formula was derived using the following commodity prices and recoveries:

Forex US\$:A\$ = 0.71,

Nickel – A\$27,946/t and 94.8% recovery,

Cobalt – A\$93,153/t and 95.7% recovery.

Prices and recoveries effective as at 10th February 2019.

Metal recovery data was determined by variability test work of nickel and cobalt solvent extraction during the in-house pilot plant test work program. Results typically achieved between 90% and 99% from samples with nickel and cobalt grades aligned with expected mine grades as reported from the Mineral Resource model. Lower recoveries of between 85% and 90% were achieved from some lower-grade samples to determine economic cut off grades.

It is the opinion of Australian Mines that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

The Competent Person and Australian Mines believe there are reasonable prospects for eventual economic extraction of the Mineral Resources. Consideration was given to the relatively shallow depth of the mineralisation, existing infrastructure near to the project including sealed road access, power, labour and water, and positive results from the 2018 Feasibility Study.

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Competent Persons' Statements

Sconi Project, Queensland, Australia

The Mineral Resource for the Sconi Project contained within this document is reported under JORC 2012 Guidelines. This Mineral Resource for the Greenvale, Lucknow and Kokomo deposits within the Sconi Project were first reported by Australian Mines on 14 February 2019. There has been no Material Change or Re-estimation of the Mineral Resource since this 14 February 2019 announcement by Australian Mines.

The information in this report that relates to Sconi Project's Greenvale, Lucknow and Kokomo Mineral Resources is based on, and fairly reflects, information compiled by Mr David Williams, a Competent Person, who is an employee of CSA Global Pty Ltd and a Member of the Australian Institute of Geoscientists (#4176). Mr Williams has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves" (JORC Code). Mr Williams consents to the disclosure of information in this report in the form and context in which it appears.

The Ore Reserve for the Sconi Project contained within this document is reported under JORC 2012 Guidelines. This Ore Reserve was first reported by Australian Mines on 13 June 2019. There has been no Material Change or Re-estimation of the Ore Reserve since this 13 June 2019 announcement by Australian Mines.

The information in this report that relates to Ore Reserves is based on, and fairly reflects, information compiled by Mr Jake Fitzsimons, a Competent Person, who is an employee of Oreology Consulting Pty Ltd and a Member of the Australian Institute of Mining and Metallurgy (MAusIMM #110318). Mr Fitzsimons has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves" (JORC Code). Mr Fitzsimons consents to the disclosure of information in this report in the form and context in which it appears.

The Mineral Resource for the Bell Creek deposit, located within the Sconi Project, contained within this document is reported under JORC 2012 Guidelines. This Mineral Resource was first reported by Australian Mines on 29 April 2019. There has been no Material Change or Re-estimation of the Mineral Resource since this 29 April 2019 announcement by Australian Mines.

The information in this report that relates to the Sconi Project's Bell Creek Mineral Resource is based on, and fairly reflects, information compiled by Mr David Williams, a Competent Person, who is an employee of CSA Global Pty Ltd and a Member of the Australian Institute of Geoscientists (#4176). Mr Williams has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves" (JORC Code). Mr Williams consents to the disclosure of information in this report in the form and context in which it appears.

The Mineral Resource for the Minnamoolka deposit, located within the Sconi Project, contained within this document is reported under JORC 2012 Guidelines. This Mineral Resource was first reported by Australian Mines on 21 October 2019. There has been no Material Change or Re-estimation of the Mineral Resource since this 21 October 2019 announcement by Australian Mines.

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Sconi Project, Queensland, Australia (cont.)

The information in this report that relates to the Sconi Project's Minnamoolka Mineral Resources is based on, and fairly reflects, information compiled by Mr David Williams, a Competent Person, who is an employee of CSA Global Pty Ltd and a Member of the Australian Institute of Geoscientists (#4176). Mr Williams has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves" (JORC Code). Mr Williams consents to the disclosure of information in this report in the form and context in which it appears.

Flemington Project, New South Wales, Australia

The Mineral Resource for the Flemington Project contained within this document is reported under JORC 2012 Guidelines. This Mineral Resource was first reported by Australian Mines on 31 October 2017. There has been no Material Change or Re-estimation of the Mineral Resource since this 31 October 2017 announcement by Australian Mines.

Information in this report that relates to Flemington Project's Exploration Results is based on information compiled by Mr Mick Elias, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Elias is a director of Australian Mines. Mr Elias has sufficient experience relevant to this 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 of Exploration Results, Mineral Resources and Ore Reserves". Mr Elias consents to the inclusion in this report of the matters based on his information in the form and context in which

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