

## ASX Release

30 September 2024

### Annual Report 2024

Attached is the Annual Report for the year ended 30 June 2024 of Resources & Energy Group Limited.

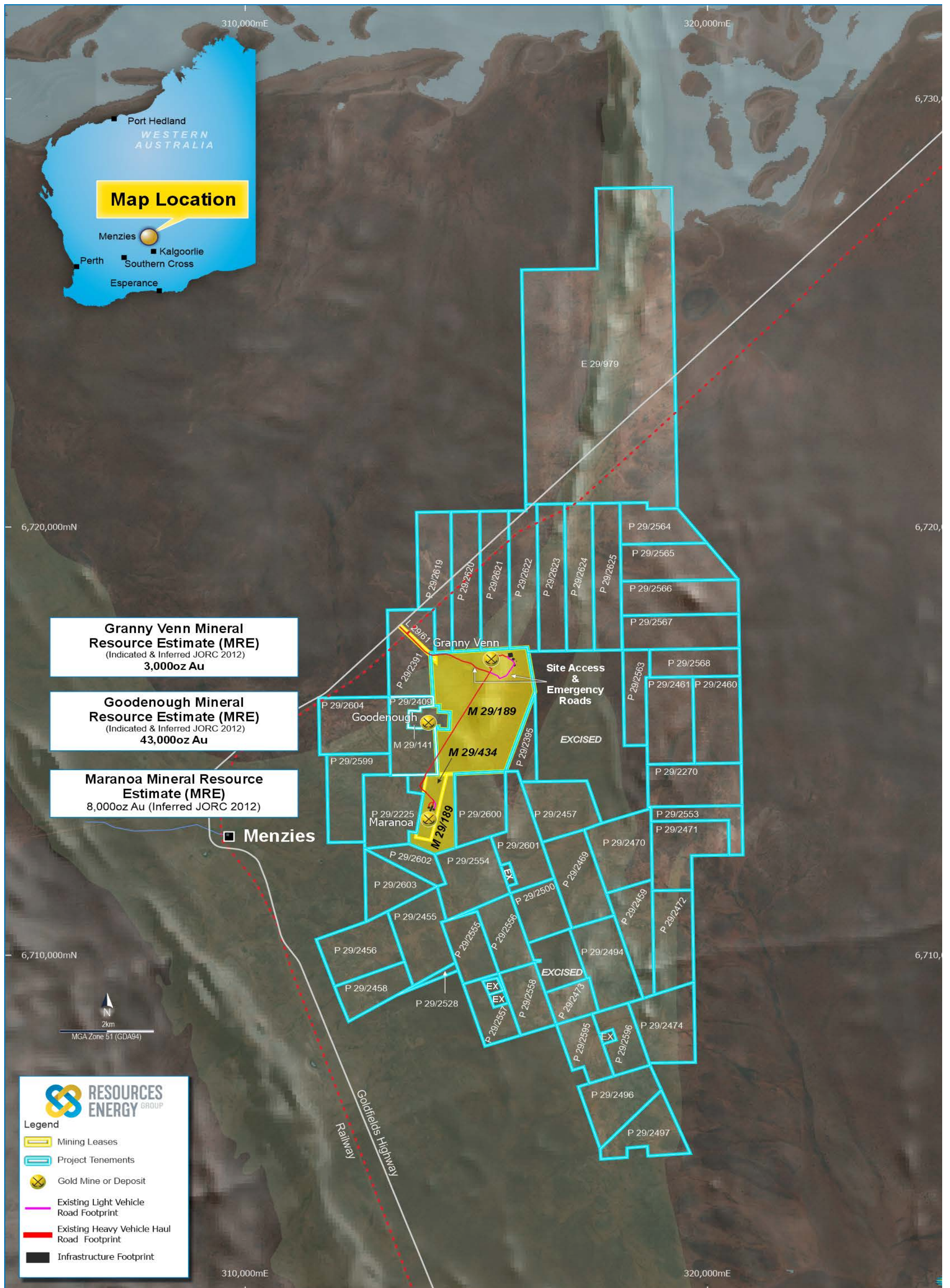
Authorised for release by the Board.



Warren Kember  
Company Secretary

### Investor enquiries:

J. Daniel Moore  
Chief Executive Officer  
E: [jdmoore@rezgroup.com.au](mailto:jdmoore@rezgroup.com.au)  
P: +61 475 916 919



## Business Objective

Resources and Energy Group Limited (ASX:REZ) is an independent, ASX-listed mineral resources explorer, developer and producer, holding mining leases in Western Australia and Queensland. REZ aims to develop a portfolio of mining tenements through to production. REZ is currently focused on the development of the flagship East Menzies Gold Project (EMGP) 130km north of Kalgoorlie in Western Australia. EMGP represents a +100km<sup>2</sup> package of contiguous mining, exploration, and prospecting licenses, which are located within a significant orogenic lode gold province.

### Cover photo

Mining operations at Granny Venn in the East Menzies Gold Project

## Contents

|                                                                         |       |
|-------------------------------------------------------------------------|-------|
| Corporate Directory                                                     | 2     |
| Directors' Report                                                       | 3-15  |
| Mineral Resources & Ore Reserves                                        | 16    |
| Financial Report                                                        |       |
| Consolidated Statement of Profit or Loss and Other Comprehensive Income | 17    |
| Consolidated Statement of Financial Position                            | 18    |
| Consolidated Statement of Changes in Equity                             | 19    |
| Consolidated Statement of Cash Flows                                    | 20    |
| Notes to the Financial Statements                                       | 21-49 |
| Consolidated entity disclosure statement                                | 50    |
| Directors' Declaration                                                  | 51    |
| Auditor's Independence Declaration                                      | 52    |
| Independent Auditor's Report                                            | 53-56 |
| Security Holders' Information                                           | 57-58 |

## Corporate Directory

---

### Directors

Gavin Rezos  
Richard Poole  
J Daniel Moore

### Company Secretary

Warren Kember

### Share Registry

Automic Group  
Level 5, 126 Phillip St,  
Sydney, NSW 2000  
Telephone 1300 288 664/(02) 9698 5414  
Email: [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)

### Auditor

RSM Australia Partners  
Level 13, 60 Castlereagh Street  
Sydney, NSW 2000

### Stock Exchange Listing

Resources & Energy Group Limited's fully paid ordinary shares are listed on the Australian Securities Exchange (ASX:REZ)

### Registered Office

Level 3, Suite 301  
66 Hunter Street  
Sydney, NSW 2000

Telephone +(612) 9227 8900

Facsimile +(612) 9227 8901

ABN: 12 110 005 822

Web site: [www.rezgroup.com.au](http://www.rezgroup.com.au)

### Solicitor

Steinepreis Paganin  
Level 4, 16 Milligan Street  
Perth, WA 6000

### Bankers

National Australia Bank  
255 George Street  
Sydney, NSW 2000

## Directors' Report

---

The directors present their report together with the annual Financial Report of Resources & Energy Group Limited (Company) and its controlled entities (the Group or consolidated entity) for the year ended 30 June 2024 and the Independent Audit Report thereon.

### Directors

The details of directors of the Company at any time during or since the end of the financial year to the date of this report are set out below.

#### Names, qualifications, experience and special responsibilities

##### Mr Gavin Rezos

Bachelor of Jurisprudence , LLB, BA  
Chairman, non-executive director, independent  
Appointed: 22 April 2016  
Completed years of service: 8 years

Mr Rezos has extensive Australian and international investment banking experience and is a former investment banking Director of HSBC Group with regional roles during his career in London, Sydney and Dubai. Mr Rezos has held CEO or directorship roles of companies in the technology and resources sectors in Australia, the UK and the US and was formerly a non-executive director Iluka Resources Limited and of Rowing Australia. He is currently non-executive deputy Chairman of Vulcan Energy Resources Limited, non-executive Chairman of Kuniko Limited and principal of Viaticus Capital. Non-executive director positions held during the past 3 years: Vulcan Energy Resources Limited and Kuniko Limited.

##### Mr Richard Poole

Bachelor of Jurisprudence , Bachelor of Commerce, LLB, ASIA  
Non-Executive Director, non-independent  
Appointed: 12 July 2004  
Completed years of service: 20 years

Mr Poole commenced his career as a lawyer specialising in mergers and acquisitions. He left the law in 1990 to build a research and development operation with operations in Japan, USA and Australia and added a manufacturing company in China in 1994. He successfully built the R&D company from its early stages to a public listed vehicle raising the necessary capital up to his departure in 1999. Since 1999 he has continued his involvement in fund raising and the development of companies. He is a principal of Arthur Phillip Pty Limited a corporate advisory firm providing investment services and he is an experienced corporate advisor and entrepreneur.

##### Mr J Daniel Moore

Bachelor of Law and Economics  
Chief Executive Officer and Director, non-independent  
Appointed: 14 July 2021  
Completed years of service: 3 years

Mr Moore has extensive experience working with emerging companies in natural resources. He has been involved with Resource & Energy Group's East Menzies Goldfields since 2013 when it was first listed on the ASX. Daniel is currently a Director of Marquee Resources (ASX: MQR) and a founder of Koch Metals and Centenario Lithium. Previously he held Non-Executive Director roles at iCollege (ASX: ICT), Coronado Resources now Race Oncology (ASX: RAC) and Stratum Metals now Locality Planning Energy (ASX: LPE).

# Directors' Report

## Company Secretary

### Mr Warren Kember

Bachelor of Commerce, MBA, Dip Applied Finance

Chief Financial Officer and Company Secretary

Completed years of service: 8 years

Mr Kember is the Chief Financial Officer and Company Secretary of the Group and is responsible for directing all financial, legal and risk management. Mr Kember has significant experience in executive finance having served as Chief Financial Officer for a number of ASX listed companies in the construction, mining and technology sectors.

### Interests in the shares and options of the company and related bodies corporate

As at the date of this report, the interests of the directors in the shares and options of the Company were:

|                   | Number of<br>Ordinary<br>Shares | Number of<br>Options over<br>Ordinary<br>Shares |
|-------------------|---------------------------------|-------------------------------------------------|
| Mr Gavin Rezos    | 19,425,367                      | 10,500,000                                      |
| Mr Richard Poole  | 76,320,635                      | 18,000,000                                      |
| Mr J Daniel Moore | 20,333,333                      | 25,000,000                                      |

### Directors' meetings

The number of meetings of directors (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director were as follows:

|                   | Directors' meetings   |          |
|-------------------|-----------------------|----------|
|                   | Eligible to<br>attend | Attended |
| Mr Gavin Rezos    | 8                     | 8        |
| Mr Richard Poole  | 8                     | 8        |
| Mr J Daniel Moore | 8                     | 8        |

### Dividends

No dividends have been paid or declared since the end of the previous financial year, nor do the directors recommend the declaration of a dividend (2023: Nil).

### Principal Activities

The principal activities of the Group are to explore and develop suitable mineral deposits, including gold and silver.

The Group had 2 employees at 30 June 2024 (2023: 2 employees).

# Directors' Report

## Operating Results for the Year

### Financial results

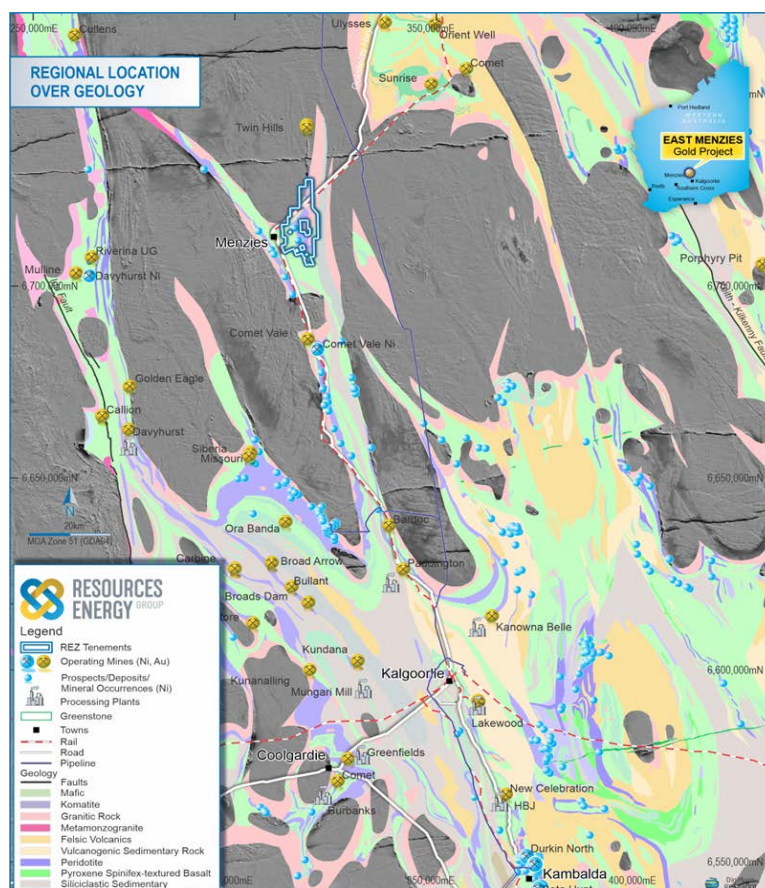
The loss after tax of the Group of continuing operations for the year ended 30 June 2024 was \$1,246,084 (2023: Profit \$3,120,020).

### East Menzies Prospect (EMP)

The East Menzies Gold Project is located 130km north of Kalgoorlie, with a collective surface area of 103km<sup>2</sup> and consists of over 50 tenements, a mixture of mining leases, mining lease applications, prospecting leases and prospecting lease applications. These mining and exploration instruments are host to a 20km continuous strike of a mineralised Greenstone Belt, including the Springfield Venn Gold Corridor, and the Goodenough Syncline. The package of contiguous mining, exploration, and prospecting licenses which are prospective for precious metals, nickel, and other technology metals. The tenements are located within a significant orogenic lode gold province.

The EMP currently encompasses seven operational areas, including the Gigante Grande Gold prospect on the east side project area, which has been subdivided into three geographical domains (North, Central and South. In the southwest, drilling investigations at Springfield have intersected magmatic Nisulphides. This is a significant and material exploration result that has opened a large tract of prospective ground for nickel, cobalt, copper, and platinum group elements. In the central west, the Company is investigating opportunities for mining operations in M29/189 Granny Venn, M29/141 Goodenough, and M29/427 Maranoa. In the north exploration planning is underway to investigate the Venn Springfield corridor, from the northern end of the Granny Venn Open Pit to the Cock Robin prospect located in E29/929.

East Menzies Project Location Plan



## Directors' Report

---

During the reporting period the company has been advancing its plans for a trial vat leach option for shallow oxide gold resources at its Maranoa project. Maranoa has been identified as ideal shallow, higher-grade ore to support a vat leach gold production campaign at the East Menzies Project.

The Company plans to run a trial campaign that will initially treat 5,000 tonnes of ore with a diluted head grade of ~4.6gt/ Au to verify the recovery levels from metallurgical studies. The trial campaign is expected to produce 821 ounces of gold which would generate revenue of \$2.7m at a gold price of AUD\$3,300.

On confirmation of the economics of the process, REZ will develop a larger-scale vat leach campaign to treat additional shallow resources that have been identified at the Maranoa (8,000 Oz) and Goodenough (43,000 Oz) gold deposits. These deposits have been thoroughly drilled out and represent low-risk production opportunities.

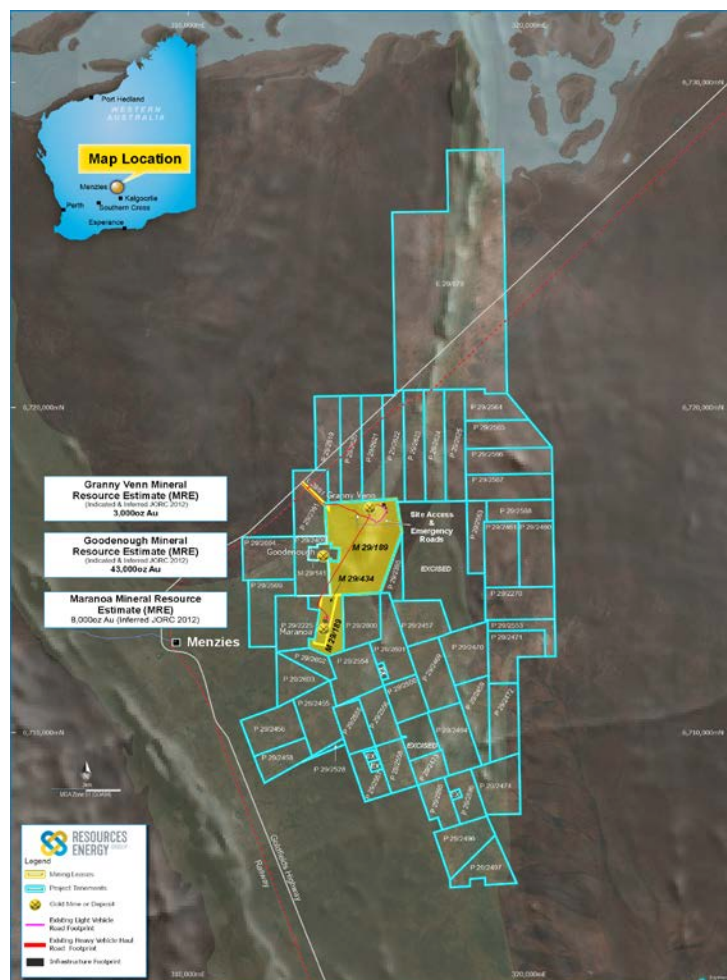
Lamington Minerals Pty Ltd have been chosen as the preferred contractor for the proposed vat leach gold processing campaign. The company has over 20 years' experience in delivering high-quality and cost-effective mining and processing solutions to the gold mining industry. Having Lamington as a partner will allow REZ to fast track the company into gold production at the East Menzies Gold Project whilst ensuring low capital and operating costs.

In parallel with the trials at Maranoa, the Goodenough gold resource is also being investigated for opportunity to resume mining operations. The Goodenough deposit has previously been worked as an underground resource, with historical production of approximately 21,532 t @ 15.91 g/t.

Since Lamington was engaged on the 1st of June, has exceeded expectations by completing a series of keystone tasks in preparation for the upcoming mining program at Maranoa, including

- Registration of Lamington Resources with DMIRS as Project Managers.
- Engagement of a qualified Registered Manager to oversee the REZ tenement package in Menzies.
- Implemented a robust site-wide OH&S policy.
- Engaged Digimaps to prepare exploration, tenement, geological & tenement mapping.
- Shortlisted & engaged Fremantle Metallurgy to complete metallurgical test work on the orebody.
- Identified and demarcated the proposed mining, processing, camp and transport routes.
- Lodged a detailed Mining Proposal and Mine Closure Plan with DMIRS.
- Sourced and purchased long lead items required for the program.
- Established preliminary contacts with local service providers & stakeholders
- Obtained quotes and shortlisted equipment suppliers.
- <sup>Engaging</sup> locally sourced staff and establishing a local presence in the town of Menzies.
- Engagement of a Kalgoorlie-based geologist to prepare a detailed resource evaluation.

## East Menzies Project Major Tenement Plan



### Mount Mackenzie

The Mount Mackenzie Gold Project is located 150km north west of Rockhampton, Queensland. The project includes a 28.4km<sup>2</sup> tenement package held by the Group, with an indicated and inferred resource of 129,000 ounces of gold at an average grade of 1.1g/tonne (refer Mineral Resources and Ore Reserves) .

In 2023, the REZ Board undertook an evaluation of the benefits of continuing to hold and fund the development of the Mount Mackenzie prospect. The results of this review determined that for the current level of financial resources, the Company could be expected to obtain greater value from its interests in its East Menzies tenement package. The Board then began a process of discussion with possible parties for either a joint venture or outright sale. This cumulated in an offer being made which the Board accepted for the outright sale of the Mount Mackenzie tenement package.

After providing the potential purchaser several extensions, discussions were then terminated in May 2024. The Board continues to evaluate potential options for the project.

## Directors' Report

### Tenements

Tenements held by the Group as of 30 June 2024 were as follows.

| State             | Project      | Number   | Status  | REZ<br>beneficial<br>ownership | Expiry      |
|-------------------|--------------|----------|---------|--------------------------------|-------------|
| Queensland        | Mt Mackenzie | E29/0979 | Live    | 100%                           | 23 Feb 2027 |
| Queensland        | Mt Mackenzie | L29/0061 | Live    | 100%                           | 31 Mar 2041 |
| Western Australia | Menzies      | M29/0141 | Live    | 100%                           | 31/07/2033  |
| Western Australia | Menzies      | M29/0189 | Live    | 100%                           | 15/10/2040  |
| Western Australia | Menzies      | M29/0427 | Live    | 100%                           | 11/02/2040  |
| Western Australia | Menzies      | M29/0434 | Pending | 100%                           | Pending     |
| Western Australia | Menzies      | M29/0437 | Pending | 100%                           | Pending     |
| Western Australia | Menzies      | P29/2225 | Live    | 100%                           | 4/09/2020   |
| Western Australia | Menzies      | P29/2270 | Live    | 100%                           | 22/04/2021  |
| Western Australia | Menzies      | P29/2391 | Live    | 100%                           | 2/04/2025   |
| Western Australia | Menzies      | P29/2395 | Live    | 100%                           | 19/04/2025  |
| Western Australia | Menzies      | P29/2408 | Live    | 100%                           | 2/07/2025   |
| Western Australia | Menzies      | P29/2409 | Live    | 100%                           | 28/09/2025  |
| Western Australia | Menzies      | P29/2455 | Live    | 100%                           | 31/01/2027  |
| Western Australia | Menzies      | P29/2456 | Live    | 100%                           | 31/01/2027  |
| Western Australia | Menzies      | P29/2457 | Live    | 100%                           | 31/01/2027  |
| Western Australia | Menzies      | P29/2458 | Live    | 100%                           | 31/01/2027  |
| Western Australia | Menzies      | P29/2459 | Live    | 100%                           | 31/01/2027  |
| Western Australia | Menzies      | P29/2460 | Live    | 100%                           | 31/01/2027  |
| Western Australia | Menzies      | P29/2461 | Live    | 100%                           | 31/01/2027  |
| Western Australia | Menzies      | P29/2469 | Live    | 100%                           | 24/03/2028  |
| Western Australia | Menzies      | P29/2470 | Live    | 100%                           | 16/07/2027  |
| Western Australia | Menzies      | P29/2471 | Live    | 100%                           | 14/06/2024  |
| Western Australia | Menzies      | P29/2472 | Live    | 100%                           | 25/03/2024  |
| Western Australia | Menzies      | P29/2473 | Live    | 100%                           | 25/03/2024  |
| Western Australia | Menzies      | P29/2474 | Live    | 100%                           | 12/03/2028  |
| Western Australia | Menzies      | P29/2492 | Live    | 100%                           | 14/06/2024  |
| Western Australia | Menzies      | P29/2494 | Live    | 100%                           | 14/06/2024  |
| Western Australia | Menzies      | P29/2496 | Live    | 100%                           | 25/03/2024  |
| Western Australia | Menzies      | P29/2497 | Live    | 100%                           | 25/03/2024  |
| Western Australia | Menzies      | P29/2500 | Live    | 100%                           | 25/03/2024  |
| Western Australia | Menzies      | P29/2528 | Live    | 100%                           | 24/10/2027  |
| Western Australia | Menzies      | P29/2553 | Live    | 100%                           | 15/11/2024  |
| Western Australia | Menzies      | P29/2554 | Live    | 100%                           | 15/11/2024  |
| Western Australia | Menzies      | P29/2555 | Live    | 100%                           | 15/11/2024  |
| Western Australia | Menzies      | P29/2556 | Live    | 100%                           | 15/11/2024  |
| Western Australia | Menzies      | P29/2557 | Live    | 100%                           | 15/11/2024  |
| Western Australia | Menzies      | P29/2558 | Live    | 100%                           | 15/11/2024  |
| Western Australia | Menzies      | P29/2563 | Live    | 100%                           | 17/11/2024  |

## Directors' Report

| State             | Project | Number   | Status  | REZ<br>beneficial<br>ownership | Expiry     |
|-------------------|---------|----------|---------|--------------------------------|------------|
| Western Australia | Menzies | P29/2564 | Live    | 100%                           | 16/11/2024 |
| Western Australia | Menzies | P29/2565 | Live    | 100%                           | 16/11/2024 |
| Western Australia | Menzies | P29/2566 | Live    | 100%                           | 16/11/2024 |
| Western Australia | Menzies | P29/2567 | Live    | 100%                           | 16/11/2024 |
| Western Australia | Menzies | P29/2568 | Live    | 100%                           | 16/11/2024 |
| Western Australia | Menzies | P29/2595 | Live    | 100%                           | 3/11/2025  |
| Western Australia | Menzies | P29/2596 | Live    | 100%                           | 3/11/2025  |
| Western Australia | Menzies | P29/2597 | Live    | 100%                           | 10/05/2025 |
| Western Australia | Menzies | P29/2598 | Live    | 100%                           | 10/05/2025 |
| Western Australia | Menzies | P29/2599 | Live    | 100%                           | 15/11/2025 |
| Western Australia | Menzies | P29/2600 | Live    | 100%                           | 18/05/2025 |
| Western Australia | Menzies | P29/2601 | Live    | 100%                           | 18/05/2025 |
| Western Australia | Menzies | P29/2602 | Live    | 100%                           | 18/05/2025 |
| Western Australia | Menzies | P29/2603 | Pending | 100%                           | Pending    |
| Western Australia | Menzies | P29/2604 | Live    | 100%                           | 18/05/2025 |
| Western Australia | Menzies | P29/2619 | Live    | 100%                           | 4/11/2025  |
| Western Australia | Menzies | P29/2620 | Live    | 100%                           | 4/11/2025  |
| Western Australia | Menzies | P29/2621 | Live    | 100%                           | 4/11/2025  |
| Western Australia | Menzies | P29/2622 | Live    | 100%                           | 4/11/2025  |
| Western Australia | Menzies | P29/2623 | Live    | 100%                           | 4/11/2025  |
| Western Australia | Menzies | P29/2624 | Live    | 100%                           | 4/11/2025  |
| Western Australia | Menzies | P29/2625 | Live    | 100%                           | 4/11/2025  |
| Western Australia | Menzies | P29/2673 | Live    | 100%                           | 9/11/2026  |

### Significant Changes in State of Affairs

During the financial year there were no significant changes to the Group's activities.

### Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a loss of \$1,246,084 from continuing operations and had net cash outflows from operating activities of \$534,436 for the year ended 30 June 2024.

The ability to continue as a going concern and realise its exploration assets is dependent on a number of factors, the most significant of which is to source additional funding via share placement to continue its operations. These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

## Directors' Report

---

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- The Group has a net deficiency of current assets and liabilities of \$64,492 and net assets of \$10,334,350 at balance date;
- The Group has a cash balance of \$1,059,716 as at the end of current financial year;
- The Group raised \$1,434,977 net of costs in during the year (per Note 14);
- The Group raised \$470,000 net of costs in post the end of the financial year;
- The ability for the directors to scale back activities in order to preserve cash when required; and
- If required, the Group has the ability to reduce discretionary spending in its consultancy expenditures.

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

### Significant Events After Balance Date

Other than as set out below there have been no significant events occurring after the balance date which may affect either the Group's operations, results of those operations or the Group's state of affairs.

In August 2024 the Company completed a placement of 25,000,000 ordinary shares at an issue price of 2 cents each to raise \$500,000. Subscribers were also issued attaching options on a 1 for 1 basis for a total of 25,000,000 with an exercise price of 4 cents and an expiry date of 15 June 2027.

### Likely Development and Expected Results

Apart from the matters referred to above in the Operating Results for the year, other likely developments in the operations of the Group and the expected results of those operations in subsequent financials years have not been included in this report because the directors believe this could result in unreasonable prejudice to the Group.

### Environmental Regulation and Performance

Exploration and development activities are subject to State and Federal laws and regulations. The Group has a policy of complying with its environmental performance obligations as a minimum, and during the reporting period, there has been no known breach of the environment regulations. The Group is committed to ensuring the activities of its business are conducted in a way so as to minimise adverse impacts on the environment and local communities.

## Directors' Report

### Unissued Shares Under Securities

There were 133,000,000 share options on issue as at 30 June 2024 that can convert to ordinary shares in the ratio of one fully paid ordinary share for each share option. No share options have been issued subsequent to the end of the financial year to the date of this report.

| Option class                           | Vesting condition     | Grant date | Expiry date | Exercise price | Number of share options |
|----------------------------------------|-----------------------|------------|-------------|----------------|-------------------------|
| Class P                                | Vested                | 14/10/2020 | 30/09/2025  | \$0.050        | 15,000,000              |
| Class R                                | Vested                | 15/07/2021 | 31/08/2026  | \$0.080        | 8,000,000               |
| Class S                                | Vested                | 14/09/2021 | 31/08/2026  | \$0.080        | 21,000,000              |
| Class T                                | Vested                | 15/09/2021 | 31/08/2026  | \$0.080        | 11,000,000              |
| Class U                                | Vested                | 27/10/2021 | 31/08/2026  | \$0.080        | 8,000,000               |
| Class V                                | Subject to conditions | 24/11/2022 | 24/11/2027  | \$0.080        | 20,000,000              |
| Class W                                | Vested                | 19/03/2024 | 1/11/2027   | \$0.012        | 12,500,000              |
| Class X                                | Vested                | 25/06/2024 | 25/06/2027  | \$0.040        | 31,500,000              |
| Class Y                                | Vested                | 25/06/2024 | 25/06/2027  | \$0.025        | 6,000,000               |
| Share options on issue at 30 June 2024 |                       |            |             |                | 133,000,000             |

No shares were issued during the financial year as a result of the exercise of options

### Indemnification and Insurance of Officers and Directors

REZ's constitution indemnifies, to the extent permitted by law, officers of the Group when acting in their capacity in respect of:

- liability to third parties (other than related entities) when acting in good faith; and
- costs and expenses of successfully defending legal proceedings and ancillary matters.

The Directors and the Company Secretary named earlier in this report have the benefit of the indemnity together with any other person in or who takes part in the management of the Group.

During the year REZ did not pay any premiums of insurance in respect of contracts insuring Directors, Company Secretary or other members of management against liabilities incurred in their capacity as Director or officers of the Group.

### Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest \$1 (where rounding is applicable) under the option available to the company under ASIC Class Order 98/0100. The company is an entity to which the Class Order applies.

### Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is party for the purpose of taking responsibility for the company for all or any part of those proceedings. The Company and Group were not party to any such proceedings during the financial year.

# Directors' Report

## Auditor Independence

A copy of the external auditor's declaration under Section 370C of the Corporations Act in relation to the audit for the financial year is attached to the Financial Statements.

## Non-audit services

No non-audit services were provided during the current year by the auditor.

## Remuneration Report (Audited)

The remuneration report, which has been audited, outlines the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations. For the purposes of this report Key Management Personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, including executive and non-executive directors.

During the financial year ended 30 June 2024, KMP consisted of:

|                   |                                               |
|-------------------|-----------------------------------------------|
| Mr Gavin Rezos    | Non-executive director and Chairman           |
| Mr Richard Poole  | Non-executive director                        |
| Mr J Daniel Moore | Executive director and CEO                    |
| Mr Warren Kember  | Chief Financial Officer and Company Secretary |

### *Principles used to determine the nature and amount of remuneration*

In order for the Company and Group to prosper and enhance shareholder value, the Group must be able to attract and retain the highest calibre of executives. At this stage of the Group's development, a framework has not been developed that links performance and KMP remuneration. The responsibilities of the Remuneration Committee, which have been assumed by the full Board, include reviewing the remuneration of KMP and determining the nature and amount of emoluments of KMP on an annual basis. In conducting this review reference is made to market and industry conditions. Remuneration packages, can consist of base salary, fringe benefits, incentive schemes (including performance related bonuses), superannuation, and entitlements upon retirement or termination, are reviewed with due regard to performance and other relevant factors.

Where appropriate, share-based remuneration is provided to encourage KMP to focus on improving shareholder value and also to reduce cash costs during the Group's development phase.

The aggregate amount of non-executive director fees is limited to \$200,000 per annum as per a resolution of shareholders. For further information, please refer to our corporate governance plan and annual governance statement on our web site at [www.rezgroup.com.au](http://www.rezgroup.com.au).

### *Short-term incentives and long-term incentives*

Due to the current size of the Group and the extent of its operations limited short-term incentives, such as performance based bonuses or longer term incentives, were provided to KMP other than as shown below.

## Directors' Report

### Details of remuneration

Amounts paid or owing to KMP during the financial year ended 30 June 2024 are set out below.

| Year ended 30 June 2024 | Short-term benefits | Post employment | Share-based payments | Total          | Percentage of remuneration in form of share based payments |
|-------------------------|---------------------|-----------------|----------------------|----------------|------------------------------------------------------------|
|                         | Salary & fees       | Superannuation  | Equity settled       |                |                                                            |
|                         | \$                  | \$              | \$                   | \$             | %                                                          |
| <b>Directors</b>        |                     |                 |                      |                |                                                            |
| Mr Gavin Rezos          | 40,533              | 7,380           | -                    | 47,913         | 0%                                                         |
| Mr Richard Poole        | 33,000              | -               | -                    | 33,000         | 0%                                                         |
| Mr J Daniel Moore       | 254,100             |                 | 89,486               | 343,586        | 26%                                                        |
| <b>Management</b>       |                     |                 |                      |                |                                                            |
| Mr Warren Kember (i)    | -                   | -               | -                    | -              | 0%                                                         |
|                         | <b>327,633</b>      | <b>7,380</b>    | <b>89,486</b>        | <b>424,499</b> | <b>21%</b>                                                 |

(i) Remuneration forms part of the fees charged by a director related entity. Details of the nature of the engagement and the amount of fees charged are provided in Note 21 of the financial statements.

Amounts paid or owing to KMP during the financial year ended 30 June 2023 are set out below.

| Year ended 30 June 2023 | Short-term benefits | Post employment | Share-based payments | Total          | Percentage of remuneration in form of share based payments |
|-------------------------|---------------------|-----------------|----------------------|----------------|------------------------------------------------------------|
|                         | Salary & fees       | Superannuation  | Equity settled       |                |                                                            |
|                         | \$                  | \$              | \$                   | \$             | %                                                          |
| <b>Directors</b>        |                     |                 |                      |                |                                                            |
| Mr Gavin Rezos          | 42,375              | 2,100           | -                    | 44,475         | 0%                                                         |
| Mr Richard Poole        | 33,000              | -               | -                    | 33,000         | 0%                                                         |
| Mr J Daniel Moore       | 234,850             |                 | 53,300               | 288,150        | 18%                                                        |
| <b>Management</b>       |                     |                 |                      |                |                                                            |
| Mr Warren Kember (i)    | -                   | -               | -                    | -              | 0%                                                         |
|                         | <b>310,225</b>      | <b>2,100</b>    | <b>53,300</b>        | <b>365,625</b> | <b>15%</b>                                                 |

(i) Remuneration forms part of the fees charged by a director related entity. Details of the nature of the engagement and the amount of fees charged are provided in Note of the financial statements.

### Service agreements

The non-executive directors did not enter into any service agreements with the Group. The responsibilities of the Nomination Committee, which have been assumed by the full board, includes reviewing the appointment and retirement of Non-Executive Directors on a case by case basis. Currently all directors are required to be re-elected at least every three years and at least one-third of directors must retire at each Annual General Meeting.

The Company has entered into a Corporate Advisory and Business Development Mandate (Agreement) with entities ultimately controlled by interests associated with Mr Richard Poole (Arthur Phillip). The Agreement provides for the payment of fees for the raising of debt or equity capital and the charging of costs associated with the administration of the Group.

## Directors' Report

Arthur Phillip invoiced fees and expenses for the provision of management, accounting, office administration, consulting and company secretarial services to the Company, amounting to \$333,611 (2023: \$292,920), consisting of:

|                                                               | 2024<br>\$     | 2023<br>\$     |
|---------------------------------------------------------------|----------------|----------------|
| Directors fees (as shown above under Details of Remuneration) | 33,000         | 33,000         |
| Share-based payment                                           | 67,961         | -              |
| Office rent                                                   | 1,650          | 5,500          |
| Accounting and company secretarial services                   | 99,000         | 122,420        |
| Management services                                           | 132,000        | 132,000        |
|                                                               | <b>333,611</b> | <b>292,920</b> |

At the end of the financial year an amount of \$493,364 for fees owing in prior years, which is subject to performance conditions, is included as a contingent liability in the financial statements.

### Share options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of KMP in the prior, current or future financial years are as follows:

| Option class/Holder       | Number of share options | Grant date | Expiry date | Exercise price | Fair value per option at grant date |
|---------------------------|-------------------------|------------|-------------|----------------|-------------------------------------|
| Class S Mr Gavin Rezos    | 8,000,000               | 14/09/2021 | 31/08/2026  | \$0.08         | \$0.02                              |
| Class S Mr Richard Poole  | 8,000,000               | 14/09/2021 | 31/08/2026  | \$0.08         | \$0.02                              |
| Class S Mr J Daniel Moore | 5,000,000               | 14/09/2021 | 31/08/2026  | \$0.08         | \$0.02                              |
| Class T Mr Warren Kember  | 4,000,000               | 15/09/2021 | 31/08/2026  | \$0.08         | \$0.02                              |
| Class V Mr J Daniel Moore | 20,000,000              | 24/11/2022 | 24/11/2027  | \$0.08         | \$0.01                              |
|                           | <b>45,000,000</b>       |            |             |                |                                     |

Share options carry no entitlement to dividends or right to vote. No share options were exercised, cancelled or lapsed during the current or prior financial year. No person entitled to exercise share options had or has any right by virtue of the options to participate in any share issue of any other body corporate.

### Movements in Shares held by Key Management Personnel

| 2024              | Balance at the start of the year | Granted as compensation | Net other change | Balance at the end of the year |
|-------------------|----------------------------------|-------------------------|------------------|--------------------------------|
| Mr Gavin Rezos    | 15,258,700                       | -                       | 4,166,667        | 19,425,367                     |
| Mr Richard Poole  | 67,987,302                       | -                       | 8,333,333        | 76,320,635                     |
| Mr J Daniel Moore | 12,000,000                       | -                       | 8,333,333        | 20,333,333                     |
| Mr Warren Kember  | 625,000                          | -                       | -                | 625,000                        |

# Directors' Report

## Movements in Share Options held by Key Management Personnel

| 2024              | Balance at the<br>start of the year | Granted as<br>compensation | Net other<br>change | Balance at<br>the end of the<br>year |
|-------------------|-------------------------------------|----------------------------|---------------------|--------------------------------------|
| Mr Gavin Rezos    | 8,000,000                           | -                          | 2,500,000           | 10,500,000                           |
| Mr Richard Poole  | 8,000,000                           | -                          | 10,000,000          | 18,000,000                           |
| Mr J Daniel Moore | 25,000,000                          | -                          | -                   | 25,000,000                           |
| Mr Warren Kember  | 4,000,000                           | -                          | -                   | 4,000,000                            |

## End of remuneration report

Signed in accordance with a resolution of the directors.



Mr Gavin Rezos, Chairman  
Sydney, 30 September 2024

## Mineral Resources and Ore Reserves

Group mineral resources as at 30 June 2024 were estimated at 4.4 million tonnes at 1.37g/t Au for 183,000 ounces AU and 862,000 ounces AG. Mineral resource figures have been prepared in accordance with the requirements of 2012 Edition of the 'Australasian Code for Reporting of Exploration Results'.

### Mineral Resources

| Project                             | Type     | Cut off<br><br>(g/t) | Indicated      |                        |                        |                          |                          | Inferred       |                        |                        |                          |                          | Total          |                        |                        |                          |                          |
|-------------------------------------|----------|----------------------|----------------|------------------------|------------------------|--------------------------|--------------------------|----------------|------------------------|------------------------|--------------------------|--------------------------|----------------|------------------------|------------------------|--------------------------|--------------------------|
|                                     |          |                      | Tonnes<br>(kt) | Gold<br>grade<br>(g/t) | Gold<br>metal<br>(koz) | Silver<br>grade<br>(g/t) | Silver<br>metal<br>(koz) | Tonnes<br>(kt) | Gold<br>grade<br>(g/t) | Gold<br>metal<br>(koz) | Silver<br>grade<br>(g/t) | Silver<br>metal<br>(koz) | Tonnes<br>(kt) | Gold<br>grade<br>(g/t) | Gold<br>metal<br>(koz) | Silver<br>grade<br>(g/t) | Silver<br>metal<br>(koz) |
| <u>30 June 2024</u>                 |          |                      |                |                        |                        |                          |                          |                |                        |                        |                          |                          |                |                        |                        |                          |                          |
| Mount Mackenzie<br>Oxide<br>Primary | Open Cut | 0.35                 | 500            | 1.09                   | 18.0                   | 8.0                      | 136                      | 700            | 0.96                   | 21.0                   | 4.0                      | 87                       | 1,200          | 1.01                   | 39.0                   | 6.0                      | 223                      |
|                                     |          | 0.55                 | 1,200          | 1.25                   | 48.0                   | 13.0                     | 482                      | 1,030          | 1.28                   | 42.0                   | 5.0                      | 157                      | 2,230          | 1.26                   | 90.0                   | 9.0                      | 639                      |
| Menzies                             |          |                      |                |                        |                        |                          |                          |                |                        |                        |                          |                          |                |                        |                        |                          |                          |
| Goodenough                          | Open Cut | 1.00                 | 634            | 1.84                   | 38.0                   |                          |                          | 82             | 1.99                   | 5.2                    |                          |                          | 716            | 1.86                   | 43.0                   |                          |                          |
| Granny Venn                         | Open Cut | 1.00                 |                |                        |                        |                          |                          | 41             | 2.14                   | 2.9                    |                          |                          | 41             | 2.14                   | 2.9                    |                          |                          |
| Maranoa                             | Open Cut | 1.00                 |                |                        |                        |                          |                          | 46             | 5.70                   | 8.0                    |                          |                          | 46             | 5.70                   | 8.0                    |                          |                          |
|                                     |          |                      | 2,334          | 1.38                   | 104.0                  | 7.4                      | 618                      | 1,899          | 1.32                   | 79.1                   | 3.7                      | 244                      | 4,233          | 1.35                   | 182.9                  | 5.7                      | 862                      |
| <u>30 June 2023</u>                 |          |                      |                |                        |                        |                          |                          |                |                        |                        |                          |                          |                |                        |                        |                          |                          |
| Mount Mackenzie<br>Oxide<br>Primary | Open Cut | 0.35                 | 500            | 1.09                   | 18.0                   | 8.0                      | 136                      | 700            | 0.96                   | 21.0                   | 4.0                      | 87                       | 1,200          | 1.01                   | 39.0                   | 6.0                      | 223                      |
|                                     |          | 0.55                 | 1,200          | 1.25                   | 48.0                   | 13.0                     | 482                      | 1,030          | 1.28                   | 42.0                   | 5.0                      | 157                      | 2,230          | 1.26                   | 90.0                   | 9.0                      | 639                      |
| Menzies                             |          |                      |                |                        |                        |                          |                          |                |                        |                        |                          |                          |                |                        |                        |                          |                          |
| Goodenough                          | Open Cut | 1.00                 | 634            | 1.84                   | 38.0                   |                          |                          | 82.0           | 1.99                   | 5.2                    |                          |                          | 716            | 1.86                   | 43.0                   |                          |                          |
| Granny Venn                         | Open Cut | 1.00                 |                |                        |                        |                          |                          | 41.0           | 2.14                   | 2.9                    |                          |                          | 41             | 2.14                   | 2.9                    |                          |                          |
| Maranoa                             | Open Cut | 1.00                 |                |                        |                        |                          |                          | 46.0           | 5.7                    | 8.0                    |                          |                          | 46             | 5.70                   | 8.0                    |                          |                          |
|                                     |          |                      | 2,334          | 1.38                   | 104.0                  | 7.4                      | 618                      | 1,899          | 1.32                   | 79.1                   | 3.7                      | 244                      | 4,233          | 1.35                   | 182.9                  | 5.7                      | 862                      |

### Competent Persons Statement and Consent

The information in this release that relates to mineral resources is based on and fairly represents information compiled by Mr. Michael Johnstone and Mr Todd Axford and who are members of the Australasian Institute of Mining and Metallurgy, and Principal Consultants for Minerva Geological Services (MGS) and Geko Co (GKC) respectively. MGS and GKC have been contracted by Resources & Energy Group Limited (the Company) to provide exploration management, advice and guidance to the company. Both Mr. Axford and Mr Johnstone have sufficient technical experience that is relevant to the reporting of exploration results 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. Axford and Mr Johnstone consent to the inclusion in this release of the matters based on their information in the form and context in which it appears.

This presentation contains information provided in releases made by the Company to the ASX on 26 February 2016, 21 June 2016 and 19 May 2020 concerning the Mt Mackenzie Resource and 11 June 2020, 3 November 2020, 14 January 2021, 22 March 2021 and 4 May 2021 concerning Menzies. The Company is not aware of any new information or data that materially affects the information included in previous ASX announcements and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

|                                                  | Notes | 2024<br>\$         | 2023<br>\$         |
|--------------------------------------------------|-------|--------------------|--------------------|
| <b>Continuing operations</b>                     |       |                    |                    |
| Other income                                     | 4(a)  | 275,000            | -                  |
| Corporate and other administration costs         |       | (396,171)          | (371,476)          |
| Director fees                                    |       | (334,992)          | (315,456)          |
| Exploration and evaluation costs expensed        |       | (218,917)          | (442,689)          |
| Employee benefits expense                        | 4(b)  | (89,407)           | (89,149)           |
| Finance income                                   | 4(c)  | 1,993              | 74                 |
| Depreciation                                     |       | (1,767)            | (1,334)            |
| Impairment of exploration and evaluation costs   | 9     | (62,733)           | (1,571,317)        |
| Share-based payments expense                     | 18    | (212,284)          | (68,329)           |
| Insurance                                        |       | (50,047)           | (49,451)           |
| Other expenses                                   |       | (156,760)          | (210,893)          |
| <b>Loss before income tax</b>                    |       | <b>(1,246,084)</b> | <b>(3,120,020)</b> |
| Income tax benefit                               | 5     | -                  | -                  |
| <b>Loss after tax from continuing operations</b> |       | <b>(1,246,084)</b> | <b>(3,120,020)</b> |
| Other comprehensive income                       |       | -                  | -                  |
| <b>Total comprehensive loss for the year</b>     |       | <b>(1,246,084)</b> | <b>(3,120,020)</b> |
| Total comprehensive loss is attributable to:     |       |                    |                    |
| Shareholders of Resource & Energy Group Limited  |       |                    |                    |
| Continuing operations                            |       | (1,244,782)        | (3,119,233)        |
| Non- controlling interests                       |       |                    |                    |
| Continuing operations                            |       | (1,301)            | (787)              |
|                                                  |       | <b>(1,246,084)</b> | <b>(3,120,020)</b> |
| Earnings per share for continuing operations     |       |                    |                    |
| Loss per share (cents per share) – basic         | 16    | (0.24)             | (0.62)             |
| Loss per share (cents per share) – diluted       | 16    | (0.23)             | (0.62)             |

This consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the notes to the financial statements.

# Consolidated Statement of Financial Position

As at 30 June 2024

|                                                                                              | Notes | 2024<br>\$        | 2023<br>\$        |
|----------------------------------------------------------------------------------------------|-------|-------------------|-------------------|
| <b>Assets</b>                                                                                |       |                   |                   |
| <b>Current assets</b>                                                                        |       |                   |                   |
| Cash and cash equivalents                                                                    | 6     | 1,059,716         | 704,982           |
| Other assets                                                                                 | 7     | 20,000            | 20,000            |
| Assets held for sale                                                                         | 10    | -                 | 1,500,000         |
| <b>Total current assets</b>                                                                  |       | <b>1,079,716</b>  | <b>2,224,982</b>  |
| <b>Non-current Assets</b>                                                                    |       |                   |                   |
| Property, plant and equipment                                                                | 8     | 92,587            | 61,991            |
| Exploration and evaluation assets                                                            | 9     | 10,637,330        | 8,485,787         |
| <b>Total non-current assets</b>                                                              |       | <b>10,729,917</b> | <b>8,547,778</b>  |
| <b>Total assets</b>                                                                          |       | <b>11,809,633</b> | <b>10,772,761</b> |
| <b>Liabilities</b>                                                                           |       |                   |                   |
| <b>Current liabilities</b>                                                                   |       |                   |                   |
| Trade and other payables                                                                     | 11    | 1,112,590         | 695,138           |
| Provisions                                                                                   | 12    | 31,618            | 14,338            |
| <b>Total current liabilities</b>                                                             |       | <b>1,144,208</b>  | <b>709,476</b>    |
| <b>Non-current liabilities</b>                                                               |       |                   |                   |
| Provisions                                                                                   | 12    | 331,075           | 380,110           |
| <b>Total non-current liabilities</b>                                                         |       | <b>331,075</b>    | <b>380,110</b>    |
| <b>Total liabilities</b>                                                                     |       | <b>1,475,283</b>  | <b>1,089,586</b>  |
| <b>Net assets</b>                                                                            |       | <b>10,334,350</b> | <b>9,683,174</b>  |
| <b>Equity</b>                                                                                |       |                   |                   |
| Issued capital                                                                               | 14    | 38,496,219        | 36,811,242        |
| Reserves                                                                                     | 15    | 1,990,308         | 1,778,024         |
| Accumulated losses                                                                           |       | (32,513,586)      | (31,268,804)      |
| <b>Total equity attributable to the shareholders of Resources &amp; Energy Group Limited</b> |       | <b>7,972,941</b>  | <b>7,320,462</b>  |
| Non-controlling interests                                                                    |       | 2,361,410         | 2,362,711         |
| <b>Total equity</b>                                                                          |       | <b>10,334,350</b> | <b>9,683,174</b>  |

This consolidated statement of financial position should be read in conjunction with the notes to the financial statements

## Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

|                                                     | Issued<br>capital<br>\$ | Share option<br>reserve<br>\$ | Accumulated<br>losses<br>\$ | Non-<br>controlling<br>interests<br>\$ | Total<br>\$       |
|-----------------------------------------------------|-------------------------|-------------------------------|-----------------------------|----------------------------------------|-------------------|
| <b>Balance at 1 July 2022</b>                       | <b>36,811,242</b>       | <b>1,709,695</b>              | <b>(28,149,571)</b>         | <b>2,363,498</b>                       | <b>12,734,865</b> |
| Total comprehensive loss for the year               | -                       | -                             | (3,119,233)                 | (787)                                  | (3,120,020)       |
| Share-based payment                                 | -                       | 68,329                        | -                           | -                                      | 68,329            |
| <b>Balance at 30 June 2023</b>                      | <b>36,811,242</b>       | <b>1,778,024</b>              | <b>(31,268,804)</b>         | <b>2,362,711</b>                       | <b>9,683,174</b>  |
| <b>Balance at 1 July 2023</b>                       | <b>36,811,242</b>       | <b>1,778,024</b>              | <b>(31,268,804)</b>         | <b>2,362,711</b>                       | <b>9,683,174</b>  |
| Total comprehensive loss for the year               | -                       | -                             | (1,244,782)                 | (1,301)                                | (1,246,084)       |
| Share-based payment                                 | -                       | 212,284                       | -                           | -                                      | 212,284           |
| Issue of share capital                              | 1,762,010               | -                             | -                           | -                                      | 1,762,010         |
| Transaction costs related to issue of share capital | (77,033)                | -                             | -                           | -                                      | (77,033)          |
| <b>Balance at 30 June 2024</b>                      | <b>38,496,219</b>       | <b>1,990,308</b>              | <b>(32,513,586)</b>         | <b>2,361,410</b>                       | <b>10,334,350</b> |

This consolidated statement of changes in equity should be read in conjunction with the notes to the financial statements

# Consolidated Statement of Cash Flows

For the year ended 30 June 2024

|                                                        | Notes       | 2024<br>\$       | 2023<br>\$         |
|--------------------------------------------------------|-------------|------------------|--------------------|
| <b>Cash flows from operating activities</b>            |             |                  |                    |
| Receipts from customers                                |             | -                | 335,331            |
| Payments to suppliers and employees                    |             | (534,436)        | (1,445,590)        |
| <b>Net cash flows used in operating activities</b>     | <b>6(b)</b> | <b>(534,436)</b> | <b>(1,110,259)</b> |
| <b>Cash flows from investing activities</b>            |             |                  |                    |
| Purchase of property, plant and equipment              |             | (2,363)          | (30,770)           |
| Exploration and evaluation costs capitalised           |             | (543,444)        | (1,993,230)        |
| <b>Net cash flows used in investing activities</b>     |             | <b>(545,807)</b> | <b>(2,024,000)</b> |
| <b>Cash flows from financing activities</b>            |             |                  |                    |
| Share placement                                        | <b>6(c)</b> | <b>1,512,010</b> | -                  |
| Transaction costs on issue of shares                   |             | (77,033)         | -                  |
| <b>Net cash flows provided by financing activities</b> |             | <b>1,434,977</b> | <b>-</b>           |
| Net increase/(decrease) in cash and cash equivalents   |             | <b>354,734</b>   | (3,134,259)        |
| Cash and cash equivalents at beginning of period       |             | <b>704,982</b>   | 3,839,241          |
| <b>Cash and cash equivalents at end of period</b>      | <b>6(a)</b> | <b>1,059,716</b> | 704,982            |

This consolidated statement of cash flow should be read in conjunction with the notes to the financial statements

# Notes to the Financial Statements

For the year ended 30 June 2024

## 1 Corporate information

Resources & Energy Group Limited (the "Company") is a listed public company incorporated and domiciled in Australia. The consolidated financial statements for the year ended 30 June 2024 comprise the Company and its controlled entities (together referred to as the "Group").

The consolidated financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

The consolidated financial statements were approved by the Board of Directors on 30 September 2024.

The principal accounting policies are set out below. These policies have been consistently applied unless otherwise noted.

## 2 Summary of material accounting policy information

### a Basis of preparation

These financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with other requirements of the law.

For the purposes of preparing the consolidated financial statements, the Company is a for-profit listed public entity.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the company and the Group comply with International Financial Reporting Standards ('IFRS').

The consolidated financial statements have been prepared on the basis of historical cost, except where assets or liabilities are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars.

### b New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

### c Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a loss of \$1,246,084 from continuing operations and had net cash outflows from operating activities of \$534,436 for the year ended 30 June 2024.

The ability to continue as a going concern and realise its exploration assets is dependent on a number of factors, the most significant of which is to source additional funding via share placement to continue its operations. These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

# Notes to the Financial Statements

For the year ended 30 June 2024

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- The Group has a net deficiency of current assets and liabilities of \$64,492 and net assets of \$10,334,350 at balance date;
- The Group has a cash balance of \$1,059,716 as at the end of current financial year;
- The Group raised \$1,434,977 net of costs in during the year (per Note 14);
- The Group raised \$470,000 net of costs in post the end of the financial year;
- The ability for the directors to scale back activities in order to preserve cash when required; and
- If required, the Group has the ability to reduce discretionary spending in its consultancy expenditures.

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

## d Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

## e Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

# Notes to the Financial Statements

For the year ended 30 June 2024

---

The key assumptions concerning the future and other key sources of estimate uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

## *Carrying value of exploration, evaluation and development assets*

The Group capitalises expenditure relating to exploration, evaluation and mine development where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

The Group reclassifies exploration and evaluation expenditure to mine development assets when the Board assess that the mine has reached a point where it is certain that extraction of ore will commence in the immediate future.

Capitalised expenditure for exploration and evaluation is carried at the end of the reporting period at \$10,637,330 (2023: \$8,485,787).

## *Assets held for sale*

During the reporting period the Board decided to explore the sale of its interests in the tenements located in the Mount Mackenzie (MM Asset) region of Queensland. On 31 July 2023 the Company publicly announced the decision of its Board of Directors to sell the MM Asset. On 19 September 2023 the Group entered into a binding, conditional heads of agreement. The conditional agreement did not proceed and as at 30 June 2024 the MM Asset was reclassified as an Exploration and Evaluation Asset while alternatives are considered.

# Notes to the Financial Statements

For the year ended 30 June 2024

## *Determination of mineral resources and ore reserves*

The Group estimates its Mineral Resources and Ore Reserves in accordance with the Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves ("the JORC Code"). The information on mineral resources and ore reserves is prepared by or under the supervision of Competent Persons as defined in the JORC Code. The amounts presented in the statement of Mineral Resources and Ore Reserves are determined under the JORC Code where information is available. When a resource or reserve amount prepared in accordance with the JORC Code for a particular mine is not available, then no amounts are disclosed. For the purposes of impairment testing of assets the Board applies JORC Code verified information when it is available, or otherwise management estimates of potential resources.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation which may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may, ultimately, result in the reserves being restated. Such changes in reserves could impact depreciation and amortisation rates, asset carrying values and impairment assessments.

## *Determination of rehabilitation provision*

Significant estimates and assumptions are required in determining the provision for mine rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate the mine sites. Factors that will affect this liability include changes in technology, changes in regulations, price increases, changes in timing of cash flows which are based on life of mine plan and changes in discount rates. When these factors change or become known in the future, such differences will impact the mine rehabilitation provision in the period in which they change or become known.

## *Share based payments*

The costs of the share-based payments are calculated on the basis of the fair value of the equity instrument at grant date. Determining the fair value assumes choosing the most suitable valuation model for these equity instruments, by which the characteristics of the grant have a decisive influence. This assumes also the input into the valuation model of some relevant judgments, like the estimated expected life of the share option and the market volatility of the Company's ordinary shares. No share-based payments were issued during the year.

The judgments made and the model used are further detailed in Note 18.

## **f Revenue recognition**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. identifying the contract with a customer;
2. identifying the performance obligations;
3. determining the transaction price;
4. allocating the transaction price to the performance obligations; and
5. recognising revenue when/as performance obligation(s) are satisfied.

# Notes to the Financial Statements

For the year ended 30 June 2024

## *Sale of goods*

Revenue from sales of gold is recognised when control of the goods has transferred, being the point in time when the goods have been shipped to the customer. Revenue is only recognised where it is highly probable that a significant reversal of revenue will not occur and control gets completely passed on to the customers.

## *Costs to obtain a contract*

Costs incurred that would have been incurred regardless of whether the contract was won are expensed, unless those costs are explicitly chargeable to the customer in any case (whether or not the contract is won).

## *Other income*

Other income is recognised on an accruals basis when the Company is entitled to it.

## **g Borrowing costs**

Borrowing costs are recognised as an expense when incurred.

## **h Cash and short-term deposits**

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand, short-term deposits and highly liquid investments with a maturity of three months or less.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

## **i Financial Instruments**

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

### *Financial assets*

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### *Classification*

On initial recognition, the Group classifies its financial assets at amortised cost. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets. Assets measured at amortised cost are financial assets where the business model is to hold assets to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding. The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

# Notes to the Financial Statements

For the year ended 30 June 2024

## *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost. When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Impairment of trade and other receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

## *Financial liabilities*

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the Group comprise trade and other payables, borrowings and finance lease liabilities.

### *(i) Financial assets*

Financial assets are classified as financial assets as fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition based on the nature and purpose of a financial asset.

### *(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in the income statement in finance costs for loans or other operating expenses for receivables.

### *(iii) Impairment of financial assets*

The Group assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

# Notes to the Financial Statements

For the year ended 30 June 2024

## *(iv) Financial liabilities*

Financial liabilities are classified as trade and other payables, loans and borrowings. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 139 are satisfied. The Group has not designated any financial liability as, at fair value through profit or loss.

## *(v) Loans and borrowings*

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the income statement.

## **j Income tax**

### *Current income tax*

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

### *Deferred tax*

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

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

when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

# Notes to the Financial Statements

For the year ended 30 June 2024

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

when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

## k Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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

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

# Notes to the Financial Statements

For the year ended 30 June 2024

## **l Property, plant and equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated using a combination of straight-line and diminishing-value basis over the estimated useful life of all assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Property, plant and equipment are depreciated over periods of three to five years.

## **m Exploration and evaluation expenditure**

Exploration and evaluation activity involves the search for mineral resources, including gold and copper, and includes assessing all available geophysical data including gravity, magnetic and seismic and collation of additional data; exploratory drilling; determining and examining the volume and grade of the resource; and cost of acquisition of exploration tenements.

Administration costs that are not directly attributable to a specific exploration area are charged to the profit or loss. Licence costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised over the term of the permit. Exploration and evaluation expenditure is capitalised in respect of each identifiable area of interest as the exploration and evaluation activity has not reached a stage which permits a reasonable assessment of the existence of commercially recoverable gold deposits that are of sufficient scale to support the project concept.

As the asset is not available for use, it is not depreciated. All capitalised exploration and evaluation expenditure is monitored for indication of impairment. Where a potential impairment is indicated, assessment is performed for each area of interest in conjunction with the group of operating assets (representing a cash generating unit) to which the exploration is attributed. When production commences, the assets for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

Accumulated exploration and evaluation expenditure in relation to an abandoned area are written-off in full in profit and loss in the period in which the decision of abandon the area is made.

# Notes to the Financial Statements

For the year ended 30 June 2024

## n Site restoration

Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal and rehabilitation of the site in accordance with the requirements of the mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology.

Costs of site restoration are recognised in full at present value as a non-current liability. An equivalent amount is capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to a certain condition after abandonment as a result of bringing the assets to its present location. In determining the costs of site restoration there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation.

## o Impairment of non-financial assets

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

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGU's to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the income statement in expenses.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

# Notes to the Financial Statements

For the year ended 30 June 2024

## p Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss. The Group ceased to classify the asset as held for sale and the results of operations of the component previously presented in discontinued operations has been reclassified and included in income from continuing operations for all periods presented. Additional disclosures are provided in Note 10. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

## q Share-based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. Fair value is measured by use of either a binomial or Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

Further details on how the fair value of equity-settled share-based transactions has been determined can be found in Note 18.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods and services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at each reporting date, with any changes in fair value recognised in profit or loss for the year.

# Notes to the Financial Statements

For the year ended 30 June 2024

## **r Employee benefits provision**

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

Liabilities arising in respect of wages and salaries, annual leave and any other short-term employee benefits are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

## **s Contributed equity**

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.

## **t Comparatives**

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

## **u New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

# Notes to the Financial Statements (continued)

For the year ended 30 June 2024

## 3 Segment information

As at the date of this report, the Group has two operating segments: gold mine exploration and development and other activities (primarily corporate costs). The Group has identified its operating segments based on internal reports that are reviewed and used by the chief operating decision maker in assessing performance. The accounting policies and amounts reported for internal reporting are consistent with the financial information in this financial report.

|                                           | Gold<br>\$  | Corporate<br>\$ | Total<br>\$ |
|-------------------------------------------|-------------|-----------------|-------------|
| <b>2024</b>                               |             |                 |             |
| <b>Segment revenue</b>                    |             |                 |             |
| Finance income                            | 275,000     | 1,993           | 276,993     |
| <b>Segment expenses</b>                   |             |                 |             |
| Administration and employment costs       | 1,183,577   | -               | 1,183,577   |
| Depreciation and amortisation             | 1,767       | -               | 1,767       |
| Impairment                                | 62,733      | -               | 62,733      |
|                                           | 1,248,077   | -               | 1,248,077   |
| Income tax benefit                        | -           | -               | -           |
| Loss after tax from continuing operations | (973,077)   | 1,993           | (971,084)   |
| Segment assets                            | 10,729,917  | 1,079,716       | 11,809,633  |
| Segment liabilities                       | 1,144,208   | 331,075         | 1,475,283   |
| <b>2023</b>                               |             |                 |             |
| <b>Segment revenue</b>                    |             |                 |             |
| Finance income                            | -           | 74              | 74          |
| <b>Segment expenses</b>                   |             |                 |             |
| Administration and employment costs       | 1,547,444   | -               | 1,547,444   |
| Depreciation and amortisation             | 1,334       | -               | 1,334       |
| Impairment                                | 1,571,317   | -               | 1,571,317   |
|                                           | 3,120,095   | -               | 3,120,095   |
| Income tax benefit                        | -           | -               | -           |
| Loss after tax from continuing operations | (3,120,095) | 74              | (3,120,021) |
| Segment assets                            | 8,547,778   | 2,224,982       | 10,772,760  |
| Segment liabilities                       | 709,477     | 380,110         | 1,089,587   |

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

|                                              | Note | 2024<br>\$     | 2023<br>\$    |
|----------------------------------------------|------|----------------|---------------|
| <b>4 Other income and expenses</b>           |      |                |               |
| <b>(a) Other Income</b>                      |      |                |               |
| Other                                        |      | 275,000        | -             |
| <b>(b) Employee benefits expense</b>         |      |                |               |
| Wages and salaries                           |      | 76,251         | 71,135        |
| Superannuation benefits                      |      | 13,156         | -             |
| <b>Total employee benefits expense</b>       |      | <b>89,407</b>  | <b>71,135</b> |
| <b>(c) Finance income</b>                    |      |                |               |
| Interest expense - borrowings                |      | -              | -             |
| Less: interest income                        |      | (1,993)        | (74)          |
| <b>Finance income (net)</b>                  |      | <b>(1,993)</b> | <b>(74)</b>   |
| <b>5 Income tax</b>                          |      |                |               |
| Income tax expense - tax benefit written off |      | -              | -             |

The Group has estimated tax losses as at the 30 June 2024 of \$26,462,508 (2023: \$24,704,991). The benefit relating to these and the current year losses has not been recognised in the financial report at 30 June 2024 as it is not probable that future taxable profit will be available against which the Group would be able to utilise these losses.

Tax returns for the Group for the year ended 30 June 2024 are in progress at the date of this report.

Current and prior year tax losses will only be available to offset against future profits if:

- (i) the Group and the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- (ii) the Group and the Company continue to comply with the conditions for deductibility imposed by tax legislation; and
- (iii) no changes in tax legislation adversely affect the Group and the Company in realising the benefit from the

The Company and its wholly owned entities have not formed a consolidated income tax group as of 30 June 2024.

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

### 6 Cash and cash equivalents

|                            |                  |         |
|----------------------------|------------------|---------|
| (a) Cash and bank balances | <b>1,059,716</b> | 704,982 |
|----------------------------|------------------|---------|

Cash at bank earns interest at floating rates based on daily bank deposit rates.

#### (b) Reconciliation from the net profit after tax to the net cash flows from operations

|                                                                                                       |                    |             |
|-------------------------------------------------------------------------------------------------------|--------------------|-------------|
| Loss from continuing operations after tax                                                             | <b>(1,246,084)</b> | (3,120,020) |
| <i>Adjustments for:</i>                                                                               |                    |             |
| Depreciation and amortisation                                                                         | <b>1,767</b>       | 1,334       |
| Share-based payments                                                                                  | <b>212,284</b>     | 68,329      |
| Impairment of exploration costs                                                                       | <b>62,733</b>      | 1,571,317   |
| Other                                                                                                 | <b>133</b>         | (2)         |
| <i>Changes in operating assets and liabilities, net of effects from purchase of controlled entity</i> |                    |             |
| Decrease in receivables                                                                               | -                  | 335,331     |
| Increase in payables                                                                                  | <b>417,452</b>     | 34,368      |
| Increase/(decrease) in provision for annual leave                                                     | <b>17,280</b>      | (917)       |
| Net cash used in operating activities                                                                 | <b>(534,435)</b>   | (1,110,259) |

#### (c) Non-cash transactions

During the reporting period the Company issued 20,833,333 ordinary shares at 1.2 cents to directors in lieu of payment of fees owed to directors of \$250,000 (refer Note 14).

### 7 Other assets

|          |               |        |
|----------|---------------|--------|
| Deposits | <b>20,000</b> | 20,000 |
|----------|---------------|--------|

Deposits of \$20,000 (2023: \$20,000) are subject to a charge refer Note 19.

### 8 Property, plant and equipment

|                                                  | Freehold<br>land | Plant and<br>equipment | Total           |
|--------------------------------------------------|------------------|------------------------|-----------------|
| <b>At 30 June 2024</b>                           |                  |                        |                 |
| Cost                                             | <b>91,500</b>    | <b>19,243</b>          | <b>110,743</b>  |
| Accumulated depreciation                         | -                | <b>(18,156)</b>        | <b>(18,156)</b> |
| Net carrying amount                              | <b>91,500</b>    | <b>1,087</b>           | <b>92,587</b>   |
| <b>Movement in property, plant and equipment</b> |                  |                        |                 |
| Carrying amount at the beginning of the year     | 60,770           | 1,221                  | 61,991          |
| Additions                                        | 730              | 1,633                  | 2,363           |
| Depreciation charge for the year                 | -                | (1,767)                | (1,767)         |
| Asset held for sale - reversal                   | 30,000           | -                      | 30,000          |
| Carrying amount at the end of the year           | <b>91,500</b>    | <b>1,087</b>           | <b>92,587</b>   |

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

|                                                  | Freehold<br>land | Plant and<br>equipment | Total    |
|--------------------------------------------------|------------------|------------------------|----------|
| <b>At 30 June 2023</b>                           |                  |                        |          |
| Cost                                             | 60,770           | 17,610                 | 78,380   |
| Accumulated depreciation                         | -                | (16,389)               | (16,389) |
| Net carrying amount                              | 60,770           | 1,221                  | 61,991   |
| <b>Movement in property, plant and equipment</b> |                  |                        |          |
| Carrying amount at the beginning of the year     | 30,000           | 2,555                  | 32,555   |
| Additions                                        | 60,770           | -                      | 60,770   |
| Depreciation charge for the year                 | -                | (1,334)                | (1,334)  |
| Assets held for sale                             | (30,000)         | -                      | (30,000) |
| Carrying amount at the end of the year           | 60,770           | 1,221                  | 61,991   |

### 9 Exploration and evaluation assets

|                                                      | Note | 2024<br>\$  | 2023<br>\$  |
|------------------------------------------------------|------|-------------|-------------|
| Cost                                                 |      | 11,985,990  | 9,722,679   |
| Accumulated amortisation and impairment              |      | (1,348,660) | (1,236,892) |
| Net carrying amount                                  |      | 10,637,330  | 8,485,787   |
| <b>Movement in exploration and evaluation assets</b> |      |             |             |
| Carrying amount at the beginning of the year         |      | 8,485,787   | 9,525,406   |
| Additions - other                                    |      | 793,311     | 1,963,230   |
| Remeasurement of rehabilitation provision            |      | (49,035)    | 38,468      |
| Impairment                                           |      | (62,733)    | (1,571,317) |
| Assets held for sale                                 |      | -           | (1,470,000) |
| Assets held for sale - reversal                      |      | 1,470,000   | -           |
| Carrying amount at the end of the year               |      | 10,637,330  | 8,485,787   |

Exploration licenses are carried at cost of acquisition less impairment losses. The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest. The recoverable amount of development expenditure is determined as the higher of its fair value less costs to sell and its value in use.

### 10 Asset held for sale

During the prior reporting period the Board decided to explore the sale of its interests in the tenements located in the Mount Mackenzie (MM Asset) region of Queensland and classified the capitalised costs as an Asset Held for Sale as at 30 June 2023. Subsequently the Company entered into discussions with a prospective purchaser and on 19 September 2023 entered into a conditional heads of agreement. The non-binding heads of agreement provided time for the purchaser to conduct due diligence and arrange the necessary funding for the acquisition, was extended by the Company on several occasions. The heads of agreement was subsequently allowed to lapse in February 2024. Since that time the Board has been considering the alternatives in respect of the MM Asset and subsequently resolved to retain ownership. Accordingly as at 30 June 2024 the value of the MM Asset in the financial statements has been restated to be included as part of Exploration and Evaluation Assets.

Expenses in the prior year of \$1,786,954 shown as discontinued operations in the Consolidated Statement of Profit or Loss and Other Comprehensive Income have been re-presented as part of costs of continuing operations.

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

### 11 Trade and other payables

|                           | 2024<br>\$       | 2023<br>\$     |
|---------------------------|------------------|----------------|
| Amounts owed to directors | 22,000           | 22,000         |
| Other payables            | 1,090,590        | 673,138        |
|                           | <b>1,112,590</b> | <b>695,138</b> |

### 12 Provisions

|                          | 2024<br>\$     | 2023<br>\$     |
|--------------------------|----------------|----------------|
| Current                  |                |                |
| Employee entitlements    | 31,618         | 14,338         |
| Non-Current              |                |                |
| Rehabilitation provision | 331,075        | 380,110        |
| <b>Total provisions</b>  | <b>362,693</b> | <b>394,448</b> |

#### Movement in provisions

|                                              | Employee Rehabilitation<br>benefits         |          | Total        |
|----------------------------------------------|---------------------------------------------|----------|--------------|
| <b>At 30 June 2024</b>                       |                                             |          |              |
| Carrying amount at the beginning of the year | 14,338                                      | 380,110  | 394,448      |
| Remeasurement of provision                   | 17,280                                      | (49,035) | (31,755)     |
| Carrying amount at the end of the year       | 31,618                                      | 331,075  | 362,693      |
|                                              | <b>Employee Rehabilitation<br/>benefits</b> |          | <b>Total</b> |
| <b>At 30 June 2023</b>                       |                                             |          |              |
| Carrying amount at the beginning of the year | 15,255                                      | 341,642  | 356,897      |
| Remeasurement of provision                   | (917)                                       | 38,468   | 37,551       |
| Carrying amount at the end of the year       | 14,338                                      | 380,110  | 394,448      |

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

### 13 Standby Working Capital Facility

During the reporting period the Company entered into an agreement with director related entities, Arthur Philip Pty Limited and Viaticus Capital Pty Limited for the provision of a standby working capital facility. The facility amount is \$600,000, with a term of 12 months from 13 February 2024. Interest is incurred on amounts drawn at the rate of 10% per annum, for a minimum period of 6 months, with amounts owing being capitalised and compounded monthly. A line fee of 2% was capitalised at the inception of the facility. The facility is secured over the assets of Menzies Goldfields Pty Limited. Any amounts drawn may be converted into ordinary shares of the Company at a share price of \$0.01. In consideration of the provision of the facility, a total of 12,500,000 options were issued (10,000,000 to Arthur Phillip Pty Limited and 2,500,000 to Viaticus Capital Pty Limited), exercisable at \$0.012 each and expiry 1 November 2027 (refer Note 19). For each \$1 drawn over \$50,000 a further 100 options are required to be issued.

No amounts have been drawn under the facility in the reporting period.

### 14 Issued capital

|                                                            | 2024<br>\$        | 2023<br>\$ |
|------------------------------------------------------------|-------------------|------------|
| 646,639,955 fully paid ordinary shares (2023: 499,805,789) | <b>38,496,219</b> | 36,811,242 |

Movements in fully paid ordinary shares

| Date                                           | 2024     |                    |                   | 2023     |             |            |
|------------------------------------------------|----------|--------------------|-------------------|----------|-------------|------------|
|                                                | \$/share | Number             | \$                | \$/share | Number      | \$         |
| Balance at the beginning of the financial year |          | <b>499,805,789</b> | <b>36,811,242</b> |          | 499,805,789 | 36,811,242 |
| Placement 6/05/2024                            | \$0.012  | <b>124,000,833</b> | <b>1,488,010</b>  | -        | -           | -          |
| Placement 25/06/2024                           | \$0.012  | <b>2,000,000</b>   | <b>24,000</b>     | -        | -           | -          |
| Placement 25/06/2024                           | \$0.012  | <b>20,833,333</b>  | <b>250,000</b>    | -        | -           | -          |
| Cost of equity issues                          |          | -                  | <b>(77,033)</b>   |          | -           | -          |
| Balance at the end of the financial year       |          | <b>646,639,955</b> | <b>38,496,219</b> |          | 499,805,789 | 36,811,242 |

### 15 Reserves

|                                                | 2024<br>\$       | 2023<br>\$ |
|------------------------------------------------|------------------|------------|
| <b>Share option reserve</b>                    |                  |            |
| Balance at the beginning of the financial year | <b>1,778,024</b> | 1,709,695  |
| Share based payment                            | <b>212,284</b>   | 68,329     |
| Balance at the end of the financial year       | <b>1,990,308</b> | 1,778,024  |

- (i) Reserve arises on the issue of options in payment for services or fees. Further information on options issued is shown in Note 18 to the financial statements.

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

### 16 Asset backing and earnings per share

|                                                                                                                                           | 2024<br>cents per<br>share | 2023<br>cents per<br>share |
|-------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|
| Basic and diluted Loss per share - continuing operations                                                                                  | (0.24)                     | (0.62)                     |
| Basic and diluted assets per share - continuing operations                                                                                | 1.99                       | 1.94                       |
| The following reflects the income and share data used in the basic and diluted per share calculations:                                    | 2024<br>\$                 | 2023<br>\$                 |
| Loss attributable to shareholders of the Company used in the calculation of basic and diluted earnings per share of continuing operations | (1,246,084)                | (3,120,020)                |

|                                                                                | 2024<br>Number | 2023<br>Number |
|--------------------------------------------------------------------------------|----------------|----------------|
| Weighted average number of ordinary shares for basic earnings per share        | 518,751,725    | 499,805,789    |
| Effect of dilution of share options on issue (i)                               | 12,500,000     | -              |
| Weighted average number of ordinary shares adjusted for the effect of dilution | 531,251,725    | 499,805,789    |

- (i) Share options on issue that have been assessed as being dilutive for the purpose of calculating earnings per share have been excluded from the calculation of earnings per share as the Group has incurred a loss after tax. In that circumstance the inclusion of share options would reduce the loss per share and present a misleading result.

### 17 Financial instruments

#### (a) Financial risk management objectives

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable. The main purpose of non-derivative financial instruments is to raise finance for Group operations. The directors consider that the limited risks mean there is no need to enter into risk management strategies involving derivative instruments.

The Group is exposed to credit risk, liquidity risk and interest rate risk. There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

The Group manages liquidity risk by a combination of maintaining cash reserves, banking facilities and continuously monitoring forecast and actual cash flows. Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. Risks are managed through sensitivity analysis to model the impact of changes upon the Group's profits.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date of recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

# Notes to the Financial Statements (continued)

For the year ended 30 June 2024

## (b) Material accounting policies

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

## (c) Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

## (d) Categories of financial instruments

The following table details the carrying amounts and fair values of the Group's financial assets and financial liabilities. The directors consider that the carrying amounts of financial assets and liabilities recorded at amortised cost in the financial statements approximate their fair values.

|                                         | Note | 2024<br>\$       | 2023<br>\$     |
|-----------------------------------------|------|------------------|----------------|
| <b>Financial assets</b>                 |      |                  |                |
| Cash and cash equivalents               | 6    | 1,059,716        | 704,982        |
|                                         |      | <b>1,059,716</b> | <b>704,982</b> |
| <b>Financial liabilities</b>            |      |                  |                |
| Liabilities measured at amortised cost: |      |                  |                |
| Trade and other payables                |      | 1,112,590        | 695,138        |
|                                         |      | <b>1,112,590</b> | <b>695,138</b> |

(i) Financial instruments that are measured subsequent to initial recognition at fair value, are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 - fair value measurements are those derived from quoted sources (unadjusted) in active markets for identical assets or liabilities.

Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of derivative instruments is significantly affected by movements in interest rates. Sensitivity of the valuation of the derivative liabilities to changes in these factors is shown below at item (j).

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

### (e) Credit risk exposures

Credit risk arises principally from the Group's receivables and cash and bank balances. Credit risk is kept continually under review and managed to reduce the incidence of material losses being incurred by the non-receipt of monies due. The Group's financial assets include trade and other receivables and loans to related entities.

The maximum exposure to credit risk on financial assets of the Group which has been recognised on the balance sheets is generally the carrying amount, net of any provisions for doubtful debts. The Group has no significant concentrations of credit risk with any single counterparty or group of counterparties. The Group's financial assets are limited to credit risk exposures to Australia on a geographical basis. Trade and other receivables that are neither past due nor impaired are limited to a few counterparties which are considered credit worthy.

| 2024                      | Interest rates | Contractual      | 6mths or  | 6-12 mths | 1-5 years |
|---------------------------|----------------|------------------|-----------|-----------|-----------|
|                           |                | repayment amount | less      |           |           |
| Cash and cash equivalents | 0.0%           | 1,059,716        | 1,059,716 | -         | -         |
| 2023                      |                |                  |           |           |           |
|                           |                | Contractual      | 6mths or  | 6-12 mths | 1-5 years |
|                           |                | repayment amount | less      |           |           |
| Cash and cash equivalents | 0.0%           | 704,982          | 704,982   | -         | -         |

### (f) Liquidity risk management

The board has put in place liquidity risk management policies for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by having a combination of:

- continuously monitoring forecast and actual cash flows;
- having in place loan facilities structured to grow as the size of the business increases; and
- arranging issues of securities as required.

To the extent possible maturity profiles of financial assets and liabilities are matched.

The board reviews the capital structure on a regular basis. The board does not have a set debt level target however the level of borrowings is in line with expectations.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group could be required to pay. The table includes principal and interest cash flows at the face value of the amount owing and therefore the figures differ from those shown in the financial statements.

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

| 2024           | Interest rate | Contractual repayment amount | Less than 1 year | 1-5 years |
|----------------|---------------|------------------------------|------------------|-----------|
| Trade payables | -             | 1,112,590                    | 1,112,590        | -         |
| 2023           | Interest rate | Contractual repayment amount | Less than 1 year | 1-5 years |
| Trade payables | -             | 695,138                      | 695,138          | -         |

The table below reflects an undiscounted view of the contractual maturity for financial liabilities and cash flows expected to be realised from financial assets. Actual timing may differ from that disclosed. The timing of the cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

|                                                | Within 1 Year |         | 1 to 5 Year |      | Total     |         |
|------------------------------------------------|---------------|---------|-------------|------|-----------|---------|
|                                                | 2024          | 2023    | 2024        | 2023 | 2024      | 2023    |
|                                                | \$            | \$      | \$          | \$   | \$        | \$      |
| Group financial liabilities due for payment    |               |         |             |      |           |         |
| Trade payables                                 | 1,112,590     | 695,138 | -           | -    | 1,112,590 | 695,138 |
| Total contractual and expected outflows        | 1,112,590     | 695,138 | -           | -    | 1,112,590 | 695,138 |
| Group financial assets - cash flows realisable |               |         |             |      |           |         |
| Cash                                           | 1,059,716     | 704,982 | -           | -    | 1,059,716 | 704,982 |
| Net inflows                                    | 52,874        | (9,844) | -           | -    | 52,874    | (9,844) |

### (g) Foreign currency risk management

At its current stage of development the Group is indirectly exposed to foreign currency risk, in respect of the market price for gold which is based in US dollars.

### (h) Commodity price risk management

At its current stage of development the Group is indirectly exposed to commodity price risk, in respect of the market price for gold.

### (i) Sensitivity analysis of risk factors

At 30 June 2024, the effect on profit and equity as a result of changes in interest rates, with all other variables remaining constant, would not have a material impact.

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

### 18 Share-based payments

The Company has the following share options outstanding under share based plans:

|                                                     | 2024               |                                 | 2023              |                                 |
|-----------------------------------------------------|--------------------|---------------------------------|-------------------|---------------------------------|
|                                                     | Number of options  | Weighted average exercise price | Number of options | Weighted average exercise price |
| Balance at the beginning of the financial year      | 83,000,000         | \$0.127                         | 91,000,056        | \$0.127                         |
| Granted                                             | 50,000,000         | \$0.040                         | 20,000,000        | \$0.080                         |
| Expired                                             | -                  | \$0.000                         | (28,000,056)      | \$0.075                         |
| <b>Balance at the end of the financial year</b>     | <b>133,000,000</b> | <b>\$0.058</b>                  | <b>83,000,000</b> | <b>\$0.127</b>                  |
| <b>Exercisable at the end of the financial year</b> | <b>113,000,000</b> | <b>\$0.054</b>                  | <b>83,000,000</b> | <b>\$0.127</b>                  |

Share options outstanding at the end of the year have the following expiry date and exercise prices

| Class   | Vesting Conditions    | Grant date | Expiry date | Exercise price | Number of share options | Number of share options |
|---------|-----------------------|------------|-------------|----------------|-------------------------|-------------------------|
|         |                       |            |             |                | 2024                    | 2023                    |
| Class P | Vested                | 14/10/2020 | 30/09/2025  | \$0.050        | 15,000,000              | 15,000,000              |
| Class R | Vested                | 15/07/2021 | 31/08/2026  | \$0.080        | 8,000,000               | 8,000,000               |
| Class S | Vested                | 14/09/2021 | 31/08/2026  | \$0.080        | 21,000,000              | 21,000,000              |
| Class T | Vested                | 14/09/2021 | 31/08/2026  | \$0.080        | 11,000,000              | 11,000,000              |
| Class U | Vested                | 27/10/2021 | 31/08/2026  | \$0.080        | 8,000,000               | 8,000,000               |
| Class V | Subject to conditions | 24/11/2022 | 24/11/2027  | \$0.080        | 20,000,000              | 20,000,000              |
| Class W | Vested                | 19/03/2024 | 1/11/2027   | \$0.012        | 12,500,000              | -                       |
| Class X | Vested                | 25/06/2024 | 25/06/2027  | \$0.040        | 31,500,000              | -                       |
| Class Y | Vested                | 25/06/2024 | 25/06/2027  | \$0.025        | 6,000,000               | -                       |
|         |                       |            |             |                | <b>133,000,000</b>      | <b>83,000,000</b>       |

Class W options were issued as part of a standing working capital facility and Class X as part of a share placement completed during the reporting period.

No options expired during the reporting period.

Details of share options granted during the current year:

|                                     | Class W    | Class X    | Class Y    |
|-------------------------------------|------------|------------|------------|
| Grant date                          | 19/03/2024 | 25/06/2024 | 25/06/2024 |
| Expiry date                         | 1/11/2027  | 25/06/2027 | 25/06/2027 |
| Exercisable from                    | 1/11/2027  | 25/06/2027 | 25/06/2027 |
| Exercise price                      | \$0.012    | \$0.040    | \$0.025    |
| Number of options issued            | 12,500,000 | 31,500,000 | 6,000,000  |
| Fair value at grant date            | \$84,951   | na         | \$37,848   |
| Fair value at grant date per option | \$0.0068   | na         | \$0.0063   |
| Vesting conditions                  | na         | na         | na         |

# Notes to the Financial Statements (continued)

For the year ended 30 June 2024

The fair values of the share options were determined using the following parameters:

|                                          |          | <b>Class W</b> | <b>Class Y</b> |
|------------------------------------------|----------|----------------|----------------|
| Expected volatility of ordinary shares   | %        | 106.00%        | 106.00%        |
| Risk free interest rate                  | %        | 3.76%          | 3.97%          |
| Underlying share price at valuation date | \$/share | \$0.010        | \$0.012        |
| Weighted average life of option          | years    | 3.6            | 3.0            |
| Exercise price                           | \$/share | \$0.012        | \$0.040        |
| Valuation method                         |          | Black Scholes  | Black Scholes  |

Details of share options granted during the prior year:

|                                     | <b>Class V</b> |
|-------------------------------------|----------------|
| Grant date                          | 24/11/2022     |
| Expiry date                         | 24/11/2027     |
| Exercisable from                    | 24/11/2022     |
| Exercise price                      | \$0.08         |
| Number of options issued            | 20,000,000     |
| Fair value at grant date            | \$159,800      |
| Fair value at grant date per option | \$0.0094       |
| Vesting conditions (1)              | Refer below    |

(i) Options vest according to the following conditions:

Tranche A 8,000,000 Vest upon further extraction of gold from the Menzies project.

Tranche B 6,000,000: Vest upon the later of generation of \$3 million of free cash flow from gold extraction from the Menzies project; and remain engaged with REZ for a period of 2 years from date of appointment.

Tranche C 6,000,000: Vest upon either

1. the inferred and indicated gold resource of the Menzies project being increased by 200,000 ounces over the reported balance as of 30 June 2022; or
  2. the indicated and inferred gold resource of the Mount Mackenzie project increasing by 140,000 ounces over the reported balance as of 30 June 2022; or
  3. the commencement of ore extraction at the Mount Mackenzie project.
- and remained engaged with REZ for a period of 2 years from date of appointment.

The fair values of the share options were determined using the following parameters:

|                                          |          | <b>Class V</b> |
|------------------------------------------|----------|----------------|
| Expected volatility of ordinary shares   | %        | 106.00%        |
| Risk free interest rate                  | %        | 3.42%          |
| Underlying share price at valuation date | \$/share | \$0.017        |
| Weighted average life of option          | years    | 5.0            |
| Exercise price                           | \$/share | \$0.08         |
| Valuation method                         |          | Binomial       |

Share-based payments expense

|                                               | <b>2024</b>    | <b>2023</b> |
|-----------------------------------------------|----------------|-------------|
|                                               | <b>\$</b>      | <b>\$</b>   |
| Current year expense                          | <b>122,799</b> | 53,300      |
| Expense of instruments issued in prior period | <b>89,485</b>  | 15,029      |
|                                               | <b>212,284</b> | 68,329      |

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

### 19 Contingent liabilities

|                                      | 2024<br>\$     | 2023<br>\$ |
|--------------------------------------|----------------|------------|
| <b>Corporate and management fees</b> | <b>493,364</b> | 493,364    |

Amounts invoiced by a director related entity (refer Note 21) in prior years are not payable unless and until the Group has a proven mineral resources of gold or the equivalent value of another mineral as follows:

- a) \$246,682 when the Company has announced a resource of 400,000 ounces of gold; and
- b) \$246,682 when the Company has announced a resource of 600,000 ounces of gold.

|                        |               |        |
|------------------------|---------------|--------|
| <b>Bank guarantees</b> | <b>20,000</b> | 20,000 |
|------------------------|---------------|--------|

Bank guarantees are issued on behalf of the Group by its bankers. The guarantees provide that the financier will honour the Group's obligations under specific agreements and are secured against monies held on deposit of \$20,000 (2023: \$20,000) (refer Note 7). No material losses are expected.

There are no other contingent liabilities as at 30 June 2024 (2023: nil).

### 20 Tenement lease commitments

#### *Minimum expenditure commitment on tenement leases*

The Group held exploration mineral licences in relation to its mines located at East Menzies, Western Australia for which minimum expenditure is required to comply with license conditions. Amounts committed but not provided for and payable:

|                                                    | 2024<br>\$       | 2023<br>\$ |
|----------------------------------------------------|------------------|------------|
| Within one year                                    | 502,509          | 412,673    |
| One year or later and no later than for five years | 578,148          | 720,799    |
| Over 5 years                                       | 742,905          | 815,804    |
|                                                    | <b>1,823,562</b> | 1,949,276  |

# Notes to the Financial Statements (continued)

For the year ended 30 June 2024

## 21 Key management personnel disclosures

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Group. Key management personnel consists of the directors of the Company and senior management of the Group as defined in the Remuneration Report section of the Directors' Report.

### (a) Compensation of Key Management Personnel

The aggregate compensation made to key management personnel of the Group is set out below (i). The remuneration shown includes all amounts incurred for the year. Further details of the compensation of key management personnel is contained in the Directors' Report in the Remuneration Report section.

(i) Mr Kember was appointed on 8 August 2016 and his remuneration forms part of the fees charged by a director related entity. Details of the nature of the engagement and the amount of fees charged are provided below.

|                      | 2024<br>\$     | 2023<br>\$     |
|----------------------|----------------|----------------|
| Short-term           | 327,633        | 310,225        |
| Share-based payments | 89,486         | 53,300         |
| Post employment      | 7,380          | 2,100          |
|                      | <b>424,499</b> | <b>365,625</b> |

### (b) Shareholdings

The number of ordinary shares in the Company held during the financial year by a director of the Company or senior management of the Group, including their personally related parties, are set out below.

| 2024              | Balance at the start of the year | Granted as compensation | Net other change | Balance at the end of the year |
|-------------------|----------------------------------|-------------------------|------------------|--------------------------------|
| Mr Gavin Rezos    | 15,258,700                       | -                       | 4,166,667        | 19,425,367                     |
| Mr Richard Poole  | 67,987,302                       | -                       | 8,333,333        | 76,320,635                     |
| Mr J Daniel Moore | 12,000,000                       | -                       | 8,333,333        | 20,333,333                     |
| Mr Warren Kember  | 625,000                          | -                       | -                | 625,000                        |
| 2023              | Balance at the start of the year | Granted as compensation | Net other change | Balance at the end of the year |
| Mr Gavin Rezos    | 15,258,700                       | -                       | -                | 15,258,700                     |
| Mr Richard Poole  | 67,987,302                       | -                       | -                | 67,987,302                     |
| Mr J Daniel Moore | 12,000,000                       | -                       | -                | 12,000,000                     |
| Mr Warren Kember  | 625,000                          | -                       | -                | 625,000                        |

### (c) Share option holdings

The number of share options in the Company held during the financial year by a director of the Company or senior management of the Group, including their personally related parties, are set out below.

Details of share options granted during the year are provided at Note 18.

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

| 2024              | Balance at the start of the year | Granted as compensation | Net other change | Balance at the end of the year |
|-------------------|----------------------------------|-------------------------|------------------|--------------------------------|
| Mr Gavin Rezos    | 8,000,000                        | -                       | 2,500,000        | 10,500,000                     |
| Mr Richard Poole  | 8,000,000                        | -                       | 10,000,000       | 18,000,000                     |
| Mr J Daniel Moore | 25,000,000                       | -                       | -                | 25,000,000                     |
| Mr Warren Kember  | 4,000,000                        | -                       | -                | 4,000,000                      |

| 2023              | Balance at the start of the year | Granted as compensation | Net other change | Balance at the end of the year |
|-------------------|----------------------------------|-------------------------|------------------|--------------------------------|
| Mr Gavin Rezos    | 8,000,000                        | -                       | -                | 8,000,000                      |
| Mr Richard Poole  | 8,000,000                        | -                       | -                | 8,000,000                      |
| Mr J Daniel Moore | 5,000,000                        | 20,000,000              | -                | 25,000,000                     |
| Mr Warren Kember  | 4,000,000                        | -                       | -                | 4,000,000                      |

### (d) Other transactions with key management personnel

#### Richard Poole

Transactions with, or with persons or entities associated with, Mr Richard Poole, a director and the chief executive officer of the Company, during the financial year were as follows:

The Company has entered into a Corporate Advisory and Business Development Mandate (Agreement) with entities ultimately controlled by interests associated with Mr Richard Poole (Arthur Phillip). The Agreement provides for the payment of fees for the raising of debt or equity capital and the charging of costs associated with the administration of the Group.

Arthur Phillip invoiced fees and expenses for the provision of management, accounting, office administration, consulting and company secretarial services to the Company, amounting to \$333,611 (2023: \$292,920), consisting of:

|                                             | 2024<br>\$     | 2023<br>\$     |
|---------------------------------------------|----------------|----------------|
| Directors fees                              | 33,000         | 33,000         |
| Share-based payment                         | 67,961         | -              |
| Office rent                                 | 1,650          | 5,500          |
| Accounting and company secretarial services | 99,000         | 122,420        |
| Management services                         | 132,000        | 132,000        |
|                                             | <b>333,611</b> | <b>292,920</b> |

At the end of the financial year an amount of \$493,364 for fees owing in prior years, which is subject to performance conditions, is included as a contingent liability (refer Note 19).

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

### 22 Related party disclosures

The consolidated financial statements include the financial statements of the Company and its controlled entities listed in the following table. The Company is the ultimate Australian parent entity and the ultimate parent of the Group.

| Name                                     | Country of incorporation | % Equity interest |         |
|------------------------------------------|--------------------------|-------------------|---------|
|                                          |                          | 2024              | 2023    |
| Mount Mackenzie Pty Limited              | Australia                | 100.00%           | 100.00% |
| Radio Gold Pty Limited                   | Australia                | 100.00%           | 100.00% |
| Resource & Energy Operations Pty Limited | Australia                | 100.00%           | 100.00% |
| Menzies Goldfield Pty Limited            | Australia                | 100.00%           | 100.00% |
| Deep Energy Pty Limited                  | Australia                | 51.85%            | 51.85%  |

### 23 Auditors' remuneration

|                                                                                           | 2024<br>\$ | 2023<br>\$ |
|-------------------------------------------------------------------------------------------|------------|------------|
| Fees charged by the auditor of the Company for auditing or reviewing the financial report | 64,600     | 62,350     |

### 24 Parent entity financial information

(a) Summary financial information

The individual financial statements for the Company (parent entity) show the following aggregate amounts:

|                                       | 2024<br>\$   | 2023<br>\$   |
|---------------------------------------|--------------|--------------|
| <b>Balance Sheet</b>                  |              |              |
| Current Assets                        | 1,077,039    | 22,319       |
| Total Assets                          | 15,731,346   | 14,299,987   |
| Current Liabilities                   | (508,224)    | (471,869)    |
| Total Liabilities                     | (508,224)    | (471,869)    |
| Net Assets                            | 15,223,121   | 13,828,118   |
| Shareholders' contributed equity      | 38,496,218   | 36,811,243   |
| Reserves                              | 1,990,308    | 1,778,024    |
| Accumulated Losses                    | (25,263,404) | (24,761,149) |
|                                       | 15,223,121   | 13,828,118   |
| Profit or Loss for the year           |              |              |
| Total comprehensive loss for the year | (500,311)    | (469,937)    |

(b) Contingent Liabilities of the Parent

The Company did not have any contingent liabilities as at 30 June 2024 or in the prior financial year.

## Notes to the Financial Statements (continued)

For the year ended 30 June 2024

---

### 25 Dividend

No dividend has been declared or paid during the financial year or the prior period. The directors do not recommend the payment of a dividend for the year ended 30 June 2024.

### 26 Events after balance sheet date

Other than as set out below there have been no significant events occurring after the balance date which may affect either the Group's operations, results of those operations or the Group's state of affairs.

In August 2024 the Company completed a placement of 25,000,000 ordinary shares at an issue price of 2 cents each to raise \$500,000. Subscribers were also issued attaching options on a 1 for 1 basis for a total of 25,000,000 with an exercise price of 4 cents and an expiry date of 15 June 2027.

## Consolidated Entity Disclosure Statement

As at 30 June 2024

| <b>Entity Name</b>                          | <b>Entity Type</b> | <b>Country of<br/>incorporation</b> | <b>Ownership<br/>Interest %</b> | <b>Tax<br/>Residency</b> |
|---------------------------------------------|--------------------|-------------------------------------|---------------------------------|--------------------------|
| Mount Mackenzie Pty Limited                 | Body Corporate     | Australia                           | <b>100.00%</b>                  | Australia                |
| Radio Gold Pty Limited                      | Body Corporate     | Australia                           | <b>100.00%</b>                  | Australia                |
| Resource & Energy Operations<br>Pty Limited | Body Corporate     | Australia                           | <b>100.00%</b>                  | Australia                |
| Menzies Goldfield Pty Limited               | Body Corporate     | Australia                           | <b>100.00%</b>                  | Australia                |
| Deep Energy Pty Limited                     | Body Corporate     | Australia                           | <b>51.85%</b>                   | Australia                |

Resources & Energy Group Limited (the "head entity") and its wholly owned Australian subsidiaries have not formed an income tax consolidated group under the tax consolidation regime

## Directors' Declaration

---

In accordance with a resolution of the directors of Resources & Energy Group Limited, the directors declare that:

- (a) The financial statements and notes of the company are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
  - (ii) complying with Accounting Standards and Corporations Regulations 2001, including compliance with International Financial Reporting Statements as issued by the International Accounting Standards Board as stated in Note 2 of the financial statements.
- (b) The Chief Executive Officer has declared that:
  - (i) the financial records of the Company for the financial year have been properly maintained in accordance with Section 286 of the Corporations Act 2001;
  - (ii) the financial statements and notes for the financial year comply with the Accounting Standards; and
  - (iii) the financial statements and notes for the financial year give a true and fair view.
- (c) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- (d) The information disclosed in the consolidated entity disclosure statement is true and correct.

On behalf of the Board,



Mr Gavin Rezos  
Chairman

Sydney, 30 September 2024

**RSM Australia Partners**

Level 13, 60 Castlereagh Street  
Sydney  
NSW 2000  
Australia  
T +61 (02) 8226 4500  
F +61 (02) 8226 4501  
rsm.com.au

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Resources & Energy Group Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

A blue ink signature of RSM Australia Partners.**RSM AUSTRALIA PARTNERS**A blue ink signature of C J Hume.

**C J Hume**  
Partner

Sydney, NSW  
30 September 2024

**THE POWER OF BEING UNDERSTOOD**  
ASSURANCE | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.  
RSM Australia Partners ABN 36 965 185 036  
Liability limited by a scheme approved under Professional Standards Legislation

#### RSM Australia Partners

Level 13, 60 Castlereagh Street  
Sydney  
NSW 2000  
Australia  
T +61 (02) 8226 4500  
F +61 (02) 8226 4501  
rsm.com.au

## INDEPENDENT AUDITOR'S REPORT

To the Members of Resources & Energy Group Limited and its controlled subsidiaries

### Opinion

We have audited the financial report of Resources & Energy Group 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 statements, including a summary of material accounting policy information, the consolidated entity disclosures statement and the directors' declaration.

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

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

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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 indicates that the Group incurred a net loss of \$1,246,084 from continuing operations and had net cash outflows from operating activities of \$534,436 during the year ended 30 June 2024. As stated in Note 2(c), these events or conditions, along with other matters as set forth

**THE POWER OF BEING UNDERSTOOD**  
ASSURANCE | TAX | CONSULTING

in Note 2(c), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | How our audit addressed this matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Carrying value of capitalised exploration and evaluation</b><br>Refer to Note 9 in the financial statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p>As disclosed in note 9, the Group held capitalized exploration and evaluation expenditure of \$10,637,330 as at 30 June 2024 which represents a significant asset of the Group.</p> <p>We consider the carrying amount of these assets under <i>AASB 6 Exploration for and Evaluation of Mineral Resources</i> to be a key audit matter due to the significant management judgments involved, including:</p> <ul style="list-style-type: none"> <li>• whether the exploration and evaluation spend can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest</li> <li>• the Group's ability and intention to continue to explore the area</li> <li>• which costs should be capitalised</li> <li>• the existence of any impairment indicators (such as the potential that mineral reserves and resources may not be commercially viable for extraction, or that the carrying value of the assets may not be recovered through sale or successful development) - and if so, those applied to determine and quantify any impairment loss</li> <li>• whether exploration activities have reached the stage at which the existence of an economically recoverable reserve may be determined</li> </ul> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Considering the Group's right to explore in the relevant exploration area which included obtaining and assessing supporting documentation such as obtaining independent searches of the company's tenement holdings;</li> <li>• Considering the Group's intention to carry out significant exploration and evaluation activity in the relevant exploration area which included an assessment of the Group's future cash flow forecasts and enquired of management and the Board of Directors as to the intentions and strategy of the Group;</li> <li>• Assessing recent exploration activity in a given exploration license area to determine if there are any negative indicators that would suggest a potential impairment of the capitalized exploration and evaluation expenditure;</li> <li>• Assessing the commercial viability of results relating to exploration and evaluation activities carried out in the relevant license area; and</li> <li>• Assessing the ability to finance any planned future exploration and evaluation activity.</li> </ul> |
| <b>Provision for site restoration obligations</b><br>Refer to Note 12 in the financial statements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p>The Consolidated Statement of Financial Position of the Group includes a provision for site restoration of \$331,075 as at 30 June 2024. The group has obligations to restore the land on which it has conducted drilling activities. The provision is for future</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <p>Our audit procedures in relation to provision for site restoration obligations included:</p> <ul style="list-style-type: none"> <li>• Understanding management's process to determine the provision for restoration and ensuring it was</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

| Key Audit Matter                                                                                                                                                                                                                                                                                                                          | How our audit addressed this matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>costs associated with the rehabilitation activities and requires significant judgement in respect of asset lives, timing of restoration being undertaken and environmental legislation requirements.</p> <p>This is considered as a key audit matter due to the significant judgement involved and the materiality of the balance.</p> | <p>consistent with our understanding of the activities associated with those tenements;</p> <ul style="list-style-type: none"> <li>• Reviewing the cost elements used in the estimation of rehabilitation of related tenements and ensuring that these were supported by independent third-party reports;</li> <li>• Checking the mathematical accuracy of the model used to calculate the provision;</li> <li>• Reviewing the reasonableness of the inflation rate, discount rate and timing of the rehabilitation cashflows assumptions used in the model;</li> <li>• Ensuring the movement in the provision has been accounted for in accordance with Australian Accounting Standards; and</li> <li>• Assessing the appropriateness of the disclosures in the financial report.</li> </ul> |

## Other Information

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

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

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

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

## Responsibilities of the Directors for the Financial Report

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

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

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

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- 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 have no realistic alternative but to do so.

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

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_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 15 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Resources & Energy Group 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.



**C J Hume**  
Partner

### **RSM Australia Partners**

Sydney, NSW  
30 September 2024

For personal use only

## Security Holders' Information

Additional information included in accordance with the Listing Rules of the Australian Securities Exchange Ltd. The information provided is current as of 13 September 2024.

### 1. Ordinary share holders

#### (a) Top 20 shareholders

The names of the 20 largest holders of ordinary shares as shown in the Company's share register are listed below.

| Name                                                  | Number of Shares   | % of Issued Shares |
|-------------------------------------------------------|--------------------|--------------------|
| Citicorp Nominees Pty Limited                         | 79,685,196         | 11.9%              |
| Arthur Phillip Nominees Pty Ltd                       | 48,251,270         | 7.2%               |
| Fontelina Pty Limited                                 | 39,920,000         | 6.0%               |
| Kyriaco Barber Pty Limited                            | 26,896,454         | 4.0%               |
| Vivien Enterprises Limited                            | 19,400,367         | 2.9%               |
| Arthur Phillip Nominees Pty Ltd (Larraakeyah Pty Ltd) | 15,958,333         | 2.4%               |
| Smita Pty Limited                                     | 11,802,000         | 1.8%               |
| Parkmond Ventures Pty Limited                         | 10,317,700         | 1.5%               |
| Matt Corp WA Pty Limited                              | 9,500,000          | 1.4%               |
| Vanavo Pty Limited                                    | 9,171,905          | 1.4%               |
| BNP Paribas Nominees Pty Ltd                          | 9,018,903          | 1.3%               |
| Girdis Superannuation Pty Limited                     | 8,500,000          | 1.3%               |
| Mr Sean Robert Muffet                                 | 8,084,719          | 1.2%               |
| Mr John Hancock                                       | 7,250,000          | 1.1%               |
| Mr Paul James Madden                                  | 7,000,000          | 1.0%               |
| Mrs Emma Bacci                                        | 6,497,150          | 1.0%               |
| Mrs Natalie Risinger                                  | 6,497,150          | 1.0%               |
| Sanjur Pty Limited                                    | 6,096,747          | 0.9%               |
| Sharky Holdings Limited                               | 6,000,000          | 0.9%               |
| Jackill Pty Limited                                   | 5,580,658          | 0.8%               |
| Total top 20 holders                                  | 341,428,552        | 51.0%              |
| Other holders                                         | 327,710,570        | 49.0%              |
| <b>Total ordinary shares on issue</b>                 | <b>669,139,122</b> | <b>100.0%</b>      |

#### (b) Shareholder analysis

An analysis of the numbers of ordinary share holders by size of holding is shown below

| Size of holding range | Number of holders | Percentage of holders | Units held         |
|-----------------------|-------------------|-----------------------|--------------------|
| 1 - 1,000             | 50                | 3.0%                  | 8,578              |
| 1,001 - 5,000         | 149               | 8.9%                  | 449,664            |
| 5,001 - 10,000        | 145               | 8.7%                  | 1,301,286          |
| 10,001 - 100,000      | 842               | 50.5%                 | 35,899,287         |
| 100,001 and Over      | 481               | 28.9%                 | 631,480,307        |
|                       | <b>1,667</b>      | <b>100.0%</b>         | <b>669,139,122</b> |

There were 883 shareholders that held less than a marketable parcel of ordinary shares.

## Security Holders' Information

### (c) Substantial shareholders

Holders of more than 5% of the ordinary shares who have lodged substantial shareholder notices are listed below.

| Name of shareholder      | Ordinary shares held | Percentage of total ordinary shares on issue |
|--------------------------|----------------------|----------------------------------------------|
| Richard Poole and family | 76,320,635           | 11.4%                                        |
| Gaffwick Pty Limited     | 68,213,334           | 10.2%                                        |

### (d) Voting rights

There are no restrictions on voting rights attached to the ordinary shares. On a show of hands every member present in person shall have one vote and upon a poll, every member present or by proxy shall have one vote every share held.

### (e) Share buyback

There were no share buybacks during or subsequent to the end of the financial year.

## 2 Share options

The names of holders of more than 20% of each class of unlisted share options are shown below. Share options do not have voting rights until converted into ordinary shares.

| Class                        | Name of holder                  | Number of holders | Share options issued | Percentage held of each class |
|------------------------------|---------------------------------|-------------------|----------------------|-------------------------------|
| Q                            | Employee options                | 1                 | 15,000,000           | 100.0%                        |
| R                            | Barclay Pearce Capital Pty Ltd  | 1                 | 8,000,000            | 100.0%                        |
| S                            | Employee & director options     | 3                 | 21,000,000           | 100.0%                        |
| T                            | Employee & director options     | 3                 | 11,000,000           | 100.0%                        |
| U                            | Guildfords Funds Management Pty | 1                 | 4,000,000            | 50.0%                         |
|                              | Karantzias Investments Pty Ltd  | 1                 | 2,000,000            | 25.0%                         |
|                              | Spark Plus Pte Ltd              | 1                 | 2,000,000            | 25.0%                         |
| V                            | Employee options                | 1                 | 20,000,000           | 100.0%                        |
| W                            | Arthur Phillip Nominees Pty Ltd | 1                 | 10,000,000           | 80.0%                         |
|                              | Vivien Enterprises Limited      | 1                 | 2,500,000            | 20.0%                         |
| X                            | Placement holders               | 56                | 31,500,000           | 100.0%                        |
| Y                            | Canary Capital Pty Limited      | 1                 | 6,000,000            | 100.0%                        |
| Z                            | Placement holders               | 21                | 22,500,000           | 100.0%                        |
| AA                           | Canary Capital Pty Limited      | 1                 | 12,000,000           | 100.0%                        |
| Total share options on issue |                                 |                   | <b>167,500,000</b>   |                               |