

**Ballymore Resources Limited**  
**ACN 632 893 611**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2022**

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## Cautionary Statements

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### Forward-looking statements

This document may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement.

The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any forward-looking statements will be or are likely to be fulfilled. Ballymore Resources Limited undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this document (subject to securities exchange disclosure requirements).

The information in this document does not take into account the objectives, financial situation or particular needs of any person or organisation. Nothing contained in this document constitutes investment, legal, tax or other advice.

### Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Mr David A-Izzeddin. The Company is not aware of any new information or data that materially affects the information included in these Company reports and announcements. Mr A-Izzeddin is a Member of The Australasian Institute of Geoscientists and is an employee of the Company. Mr A-Izzeddin has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr A-Izzeddin consents to the inclusion in the report of the matters based on his information in the form and context in which it applies.

## Corporate Information

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### Directors and Company Secretary

David A-Izzeddin  
Andrew Gilbert  
Andrew Greville  
Nicholas Jorss  
Duncan Cornish (Company Secretary)

### Head Office and Registered Office

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### Share Registry

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### Stock Exchange Listing

Australian Securities Exchange Ltd  
ASX Code: BMR

### Australian Company Number

632 893 611

### Solicitor

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### Banker

Westpac Banking Corporation Limited

## Review of Operations

### PROJECTS

Ballymore Resources Limited (**Ballymore** or the **Company**) has a portfolio of exploration and development assets in north Queensland that are prospective for gold and base metals. These consist of two granted Mining Leases (**MLs**), thirteen granted Exploration Permits for Minerals (**EPMs**) covering an area of 1,461 km<sup>2</sup>. The licences are centred over four project areas at Dittmer, Ruddygore, Ravenswood and Mount Molloy.

#### Dittmer Project

- Highest-grade gold mine in Queensland with numerous unexplored mines
- Similar style to Ravenswood mining district (5.8 Moz Au)
- BMR drilling has discovered faulted high-grade extension to high-grade Duffer Lode with bonanza gold grades.
- Resource drill out being planned

#### Ruddygore Project

- Major tenement holding in prolific Chillagoe mining area (3.2Moz Au)
- Major copper-silver porphyry target at Ruddygore
- Initial drilling has confirmed potential for bulk tonnage, shallow copper deposit
- Numerous other copper, gold, and lead-zinc-silver targets

#### Ravenswood Project

- Prolific Charters Towers Gold Province (+16 Moz Au)
- Numerous breccia- and vein-hosted gold targets
- Initial BMR drilling of Seventy Mile Mount breccia target has intersected broad intersections of gold mineralisation
- Bonanza gold-silver veins recognised

#### Mount Molloy Project

- High grade VHMS-style copper deposit similar in style to Mount Morgan (8Moz Au & 300kt Cu) and QMines' Mount Chalmers Project
- Mining in early 20th Century to shallow depths produced yielded ore grading 8.7% Cu
- Limited drilling and numerous untested geochemical and geophysical targets

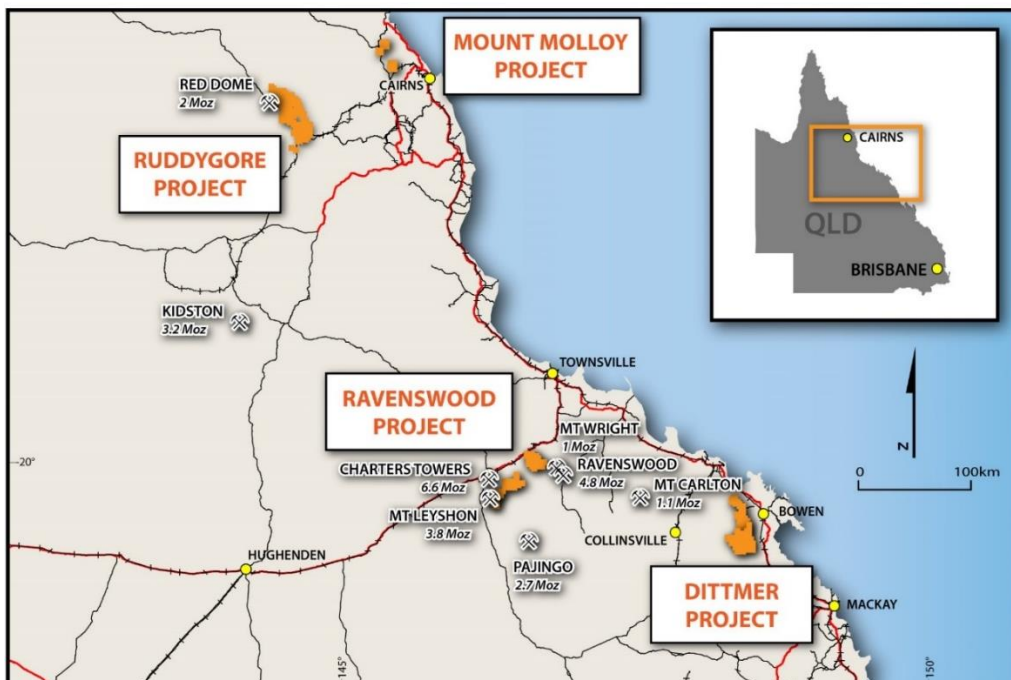


Figure 1: Ballymore Project Locations

## Review of Operations

### Dittmer Project (100%)

The Company's Dittmer Project comprises two granted Mining Leases (ML 10340 and ML 10341) and three granted exploration permits - Dittmer EPM 14255, EPM 26912 and Mount Hector EPM 27282. The Dittmer Project covers an area of 488 km<sup>2</sup> and is located 20 – 50 km west and southwest of the regional centre of Proserpine in central Queensland.

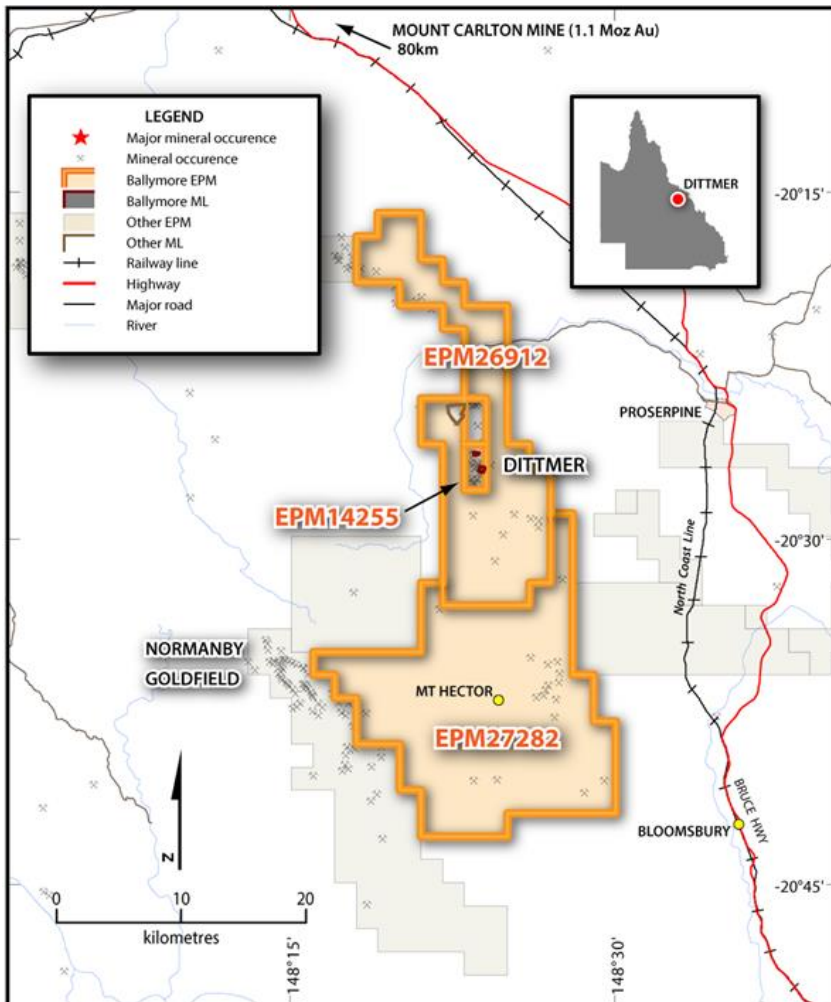


Figure 2: Dittmer Project tenement location plan

The Dittmer Mine is historically the largest operation in the region and exploited the Duffer Reef. After its discovery in 1934, it was cited as one of the highest-grade gold mines in Australia<sup>1</sup>. From 1935 to 1951 Dittmer produced over 54,500 oz of gold, 23,400 oz of silver and 300 tonnes of copper. Production figures are incomplete after 1947, but between 1935 and 1947 figures indicate that the mine operated at an average mined grade of 151.1g/t, Au 66.8g/t Ag and 2.8% Cu.

During the reporting period, mapping and channel sampling of the refurbished Dittmer underground workings was completed and has demonstrated that high-grade ore remains within historic workings. Results show that 23 samples out of 34 exceed 10 g/t Au and 31 samples exceed 1.0 g/t Au. The best result was 0.4m @ 207g/t Au, 2.97% Cu and 76 g/t Ag. In addition to these high-grade results in the existing pillars, samples of the historic backfill in the stopes on 4 and 5 level were collected with the results demonstrating that significant grade remains in the backfill material with all results ranging between 4g/t Au and 81.7 g/t Au.

In addition, a drill chamber was developed and 8 underground diamond drill holes (DTDD003 – 010) were completed at Dittmer for 2,578.8m in order to test the down-dip potential of the Duffer Lode, mined in the Dittmer mine. This program has shown that the lode has been displaced by a fault and the previously unrecognised extension to the high-grade lode sits approximately 30m away from the historic workings.

<sup>1</sup> The Bowen Independent, Friday October 23, 1942

## Review of Operations

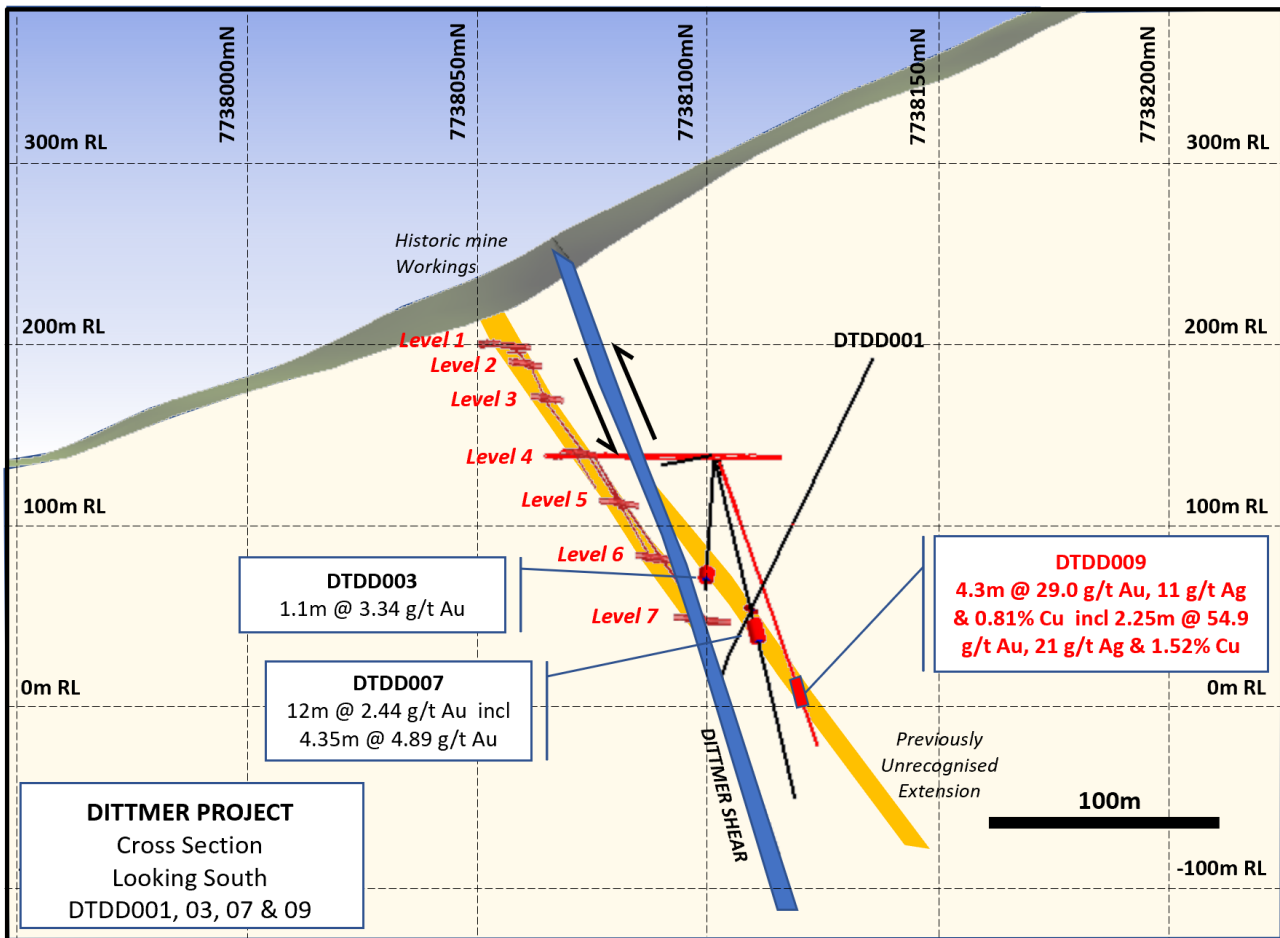


Figure 3. Cross Section of Displaced Duffer Lode with drilling and underground workings

Drilling has intersected quartz-chalcopyrite veining similar in style to ore mined in the historic, high-grade Dittmer mine with significant gold +/- copper mineralisation encountered and intersections suggesting that grade and lode widths may be improving at depth.

All holes intersected the lode structure and reported significant gold +/- copper mineralisation with drilling highlights including:

- **DTDD009:** 4.3m @ 29.02 g/t Au, 11.1 g/t Ag & 0.81% Cu from 118.4m, including 2.25m @ 54.9 g/t Au, 20.6 g/t Ag & 1.52% Cu from 118.4m and 0.5m @ 171.8 g/t Au, 56.4 g/t Ag & 5.28% Cu from 120.15m in.
- **DTDD005B:** 9.1m @ 3.02 g/t Au from 131.95m including 2.05m @ 11.64 g/t Au from 139m
- **DTDD007:** 12.0m @ 2.44 g/t Au from 96m including 4.35m @ 4.89 g/t Au from 97.65m

## Review of Operations

A summary of significant drill results is tabulated below:

Table 1: Summary of significant Drill Intersections

Cut-Off (Au g/t)	Hole	From	To	Interval (m)	Au (g/t)	Cu (%)	Ag (g/t)
0.1	DTDD003	142.90	144.00	1.10	3.34	0.06	0.54
1.0	Including	142.90	143.25	0.35	9.89	0.05	0.92
1.0	DTDD004	215.40	215.90	0.50	9.57	0.69	16.85
0.1	DTDD005B	101.00	104.00	3.00	6.37	0.07	1.81
1.0	Including	101.00	102.00	1.00	9.55	0.10	0.83
1.0	And	102.85	104.00	1.15	8.26	0.07	3.72
0.1	DTDD005B	131.95	141.05	9.10	3.02	0.05	0.92
1.0	And	139.00	141.05	2.05	11.64	0.11	2.65
10.0	Including	140.65	141.05	0.40	54.70	NSR	7.76
1.0	DTDD006	86.30	86.50	0.20	1.90	0.42	6.44
0.1	DTDD006	112.10	114.00	1.90	0.42	0.01	0.11
1.0	Including	112.10	112.45	0.35	1.82	0.03	0.33
1.0	DTDD006	153.30	154.30	1.00	1.65	0.07	2.35
0.1	DTDD007	96.00	108.00	12.00	2.44	0.06	1.02
0.5	Including	97.65	102.00	4.35	4.89	0.11	1.49
1.0	Including	97.65	98.00	0.35	48.10	0.06	2.69
1.0	And	101.00	105.35	4.35	2.02	0.12	1.95
1.0	DTDD008	119.90	120.85	0.95	1.27	NSR	0.48
0.1	DTDD008	141.00	145.40	4.40	0.31	0.06	1.78
0.5	Including	145.00	145.40	0.40	0.85	0.26	8.70
0.1	DTDD009	118.40	122.70	4.30	29.02	0.81	11.07
0.5	Including	118.40	122.00	3.60	34.57	0.95	12.98
1.0	Including	118.40	120.65	2.25	54.92	1.52	20.56
10.0	Including	118.40	118.70	0.30	64.70	2.48	48.94
10.0	And	119.25	119.60	0.35	42.48	NSR	7.59
10.0	And	120.15	120.65	0.50	171.84	5.28	56.36
0.1	DTDD010	113.65	115.30	1.65	2.20	NSR	5.10
1.0	Including	113.65	114.55	0.90	3.80	NSR	9.03
0.1	DTDD010	120.65	124.90	4.25	1.27	NSR	2.09
1.0	Including	121.70	124.90	3.20	1.53	NSR	2.64



Figure 4: Drill core from drill Hole DTDD009 showing quartz-chalcopyrite vein material grading 171.8 g/t Au, 56.4 g/t Ag & 5.28% Cu



## Review of Operations

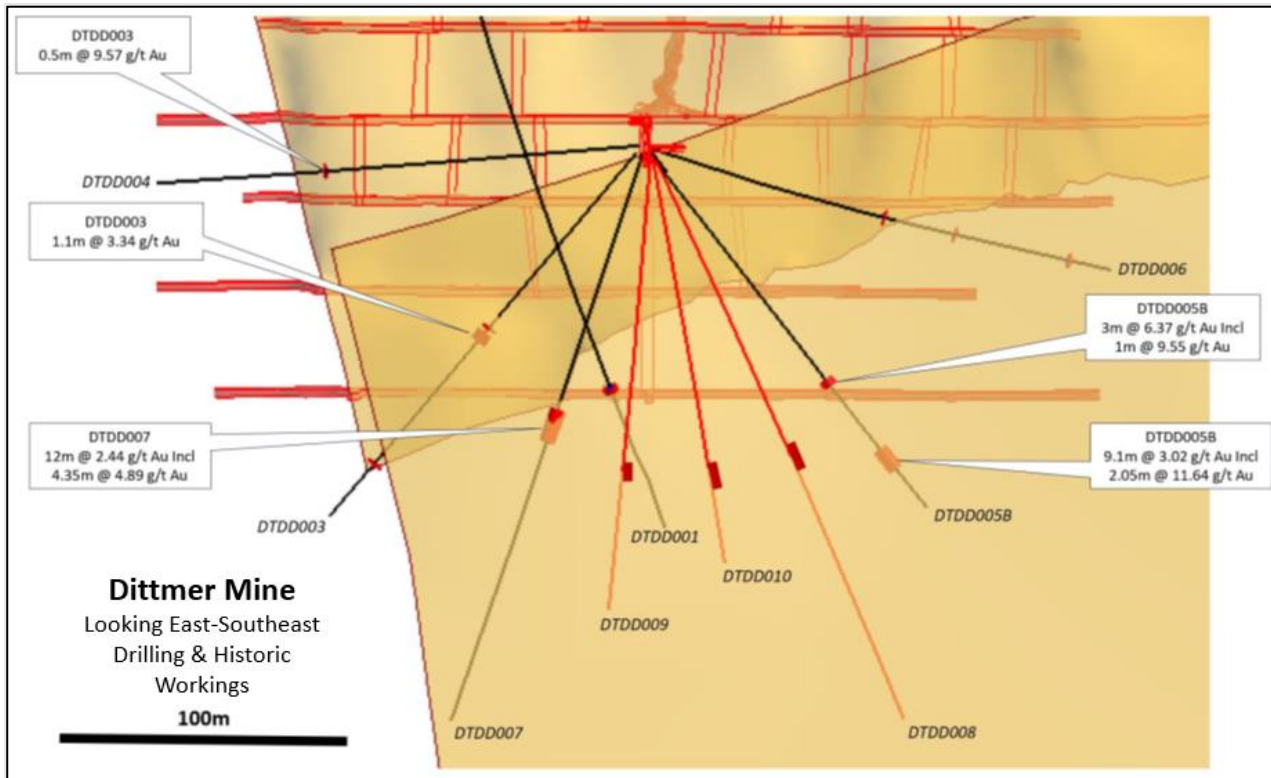


Figure 5: Dittmer drill hole and intersection locations

Other field activities have included prospecting, rock chip sampling and stream sediment sampling in the Dittmer area. Field work completed by Ballymore has confirmed the continuity of many of these lodes and raised the possibility that some may be extensions to the Duffer Lode, including Young Crusader, Scorpion, Golden Gem and The Gold Extended. Mapping and soil sampling of the Cedar Ridge prospect south of Dittmer, was also completed.

Planned works for FY2023 include follow-up drilling of Dittmer mine area from underground. In addition, drilling of the Cedar Ridge prospect will be completed and mapping and soil sampling of other prospects is planned.

## Review of Operations

### Ruddygore Project (100%)

The Ruddygore Project is located adjacent to the regional centre of Chillagoe in north Queensland and consists of four granted EPMS, covering a combined area of 558 km<sup>2</sup>. The exploration permits include Ruddygore EPM 14015, Metal Hills EPM 15047 and EPM 15053. In addition, Ballymore was granted the Scardons EPM 27840 on 5th October 2021.

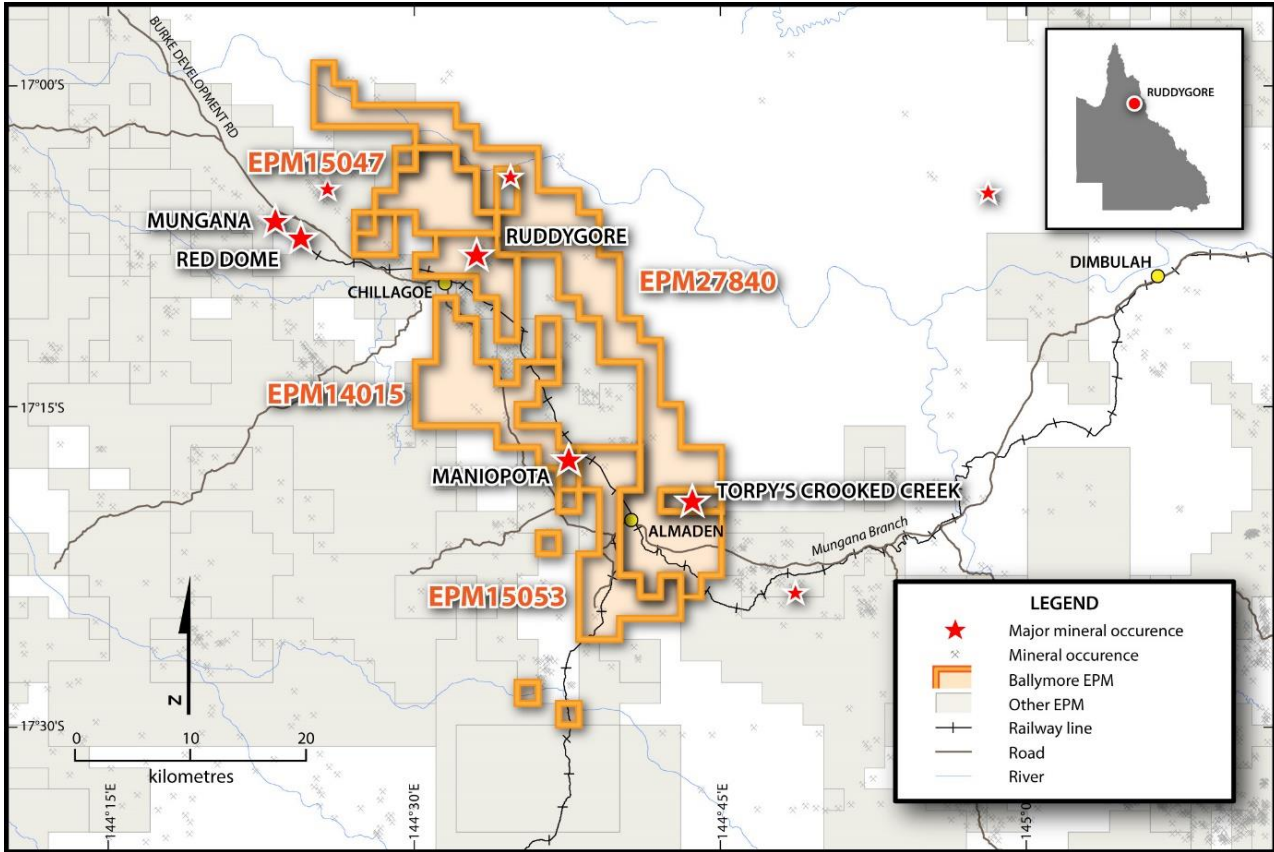


Figure 6: Ruddygore Project tenement location plan

Work on the Ruddygore Project area has focussed on assessing the Ruddygore mine area. An IP-resistivity survey, comprising 7 lines of 100m dipole dipole IP for 20 line-km of data, was completed over the Ruddygore mine area. The survey defined a large, 1,000m x 300m chargeability anomaly which corresponds closely with a strong, +500ppm copper-in-soil anomaly and extensive historic workings. The main IP anomaly is also overlain by a shallow conductive zone, interpreted to be a zone of preferential weathering associated with the copper mineralisation in the area.

A preliminary drilling program was subsequently completed in the Ruddygore mine area and targeted zones of mapped mineralisation with associated elevated soil and rock chip sample results as well as IP anomalies. The drilling program included 6 holes for 1,799.9m, including 621.4m of reverse circulation and 1,178.5m diamond drilling.

## Review of Operations

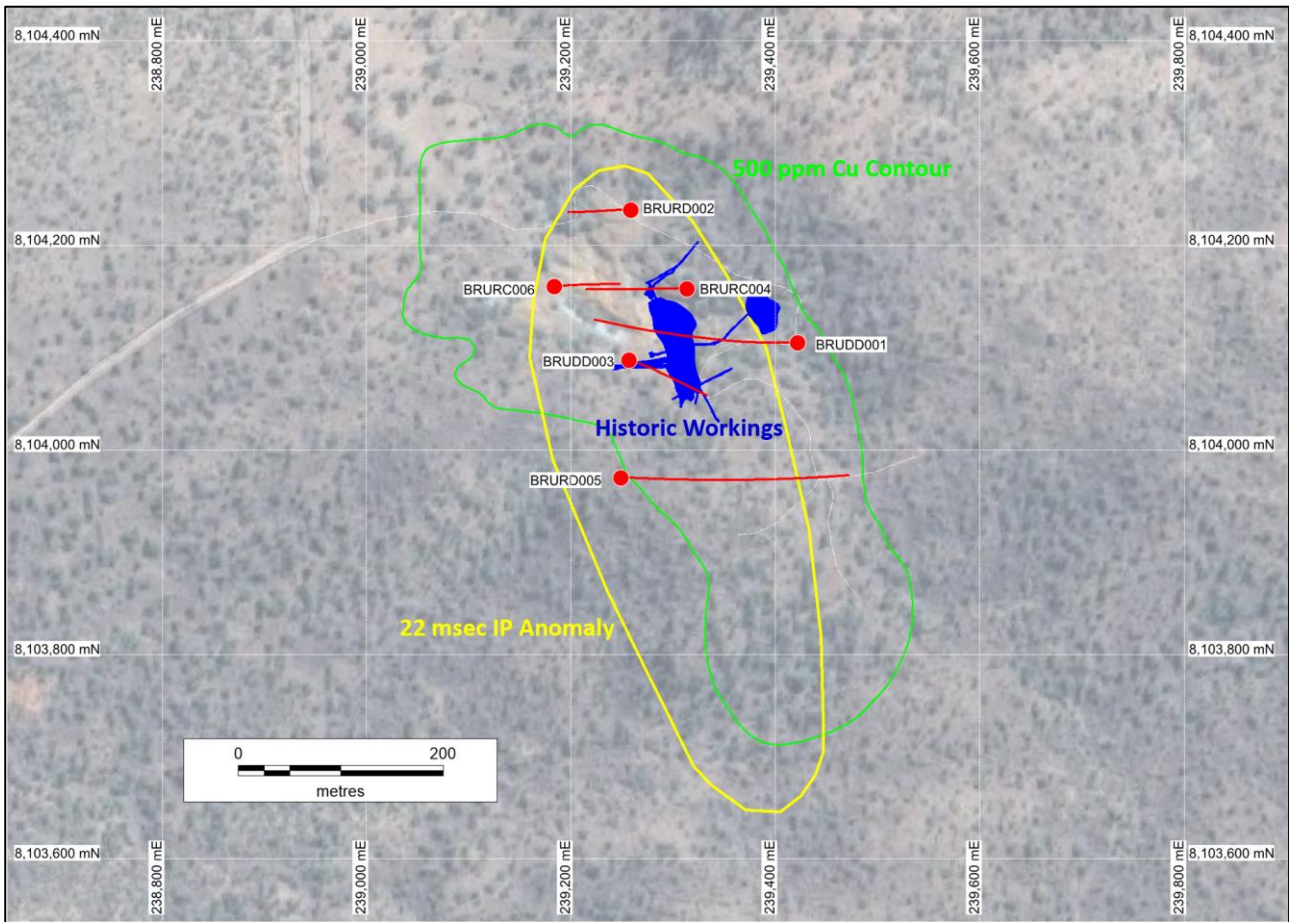


Figure 7: Plan view of Ruddygore area with location of +500ppm copper soil anomaly (green), 22msec IP anomaly outline (yellow), historic workings (blue) and the location of Ballymore drill holes

Drilling has intersected several broad zones of moderate sulphide mineralisation, including a number of more discrete intervals of higher-grade copper mineralisation.



Figure 8: Chalcopyrite-pyrite-sphalerite mineralisation hosted in a quartz-carbonate vein in strongly sericite-altered granodiorite in drill hole BRUDD001 (13.9 – 14.1m)

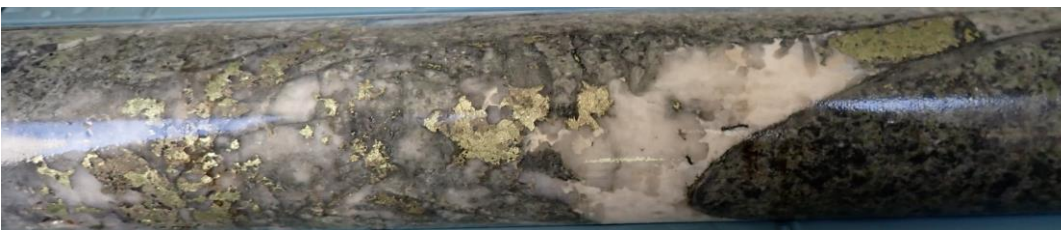


Figure 9: Silica-sericite altered, sheared granodiorite crosscut by chalcopyrite-carbonate veins (BRUDD001: 132.3 – 132.5m).

## Review of Operations

Results were subsequently received for BRUDD001 and BRURD002 in June. Results for BRURD002 reported a broad shallow intersection of 86m @ 0.47% Cu and 10.8 g/t Ag from 4m including 14m @ 0.90% Cu and 20.7 g/t Ag from 22m and 17m @ 0.76% Cu & 16 g/t Ag from 58m.

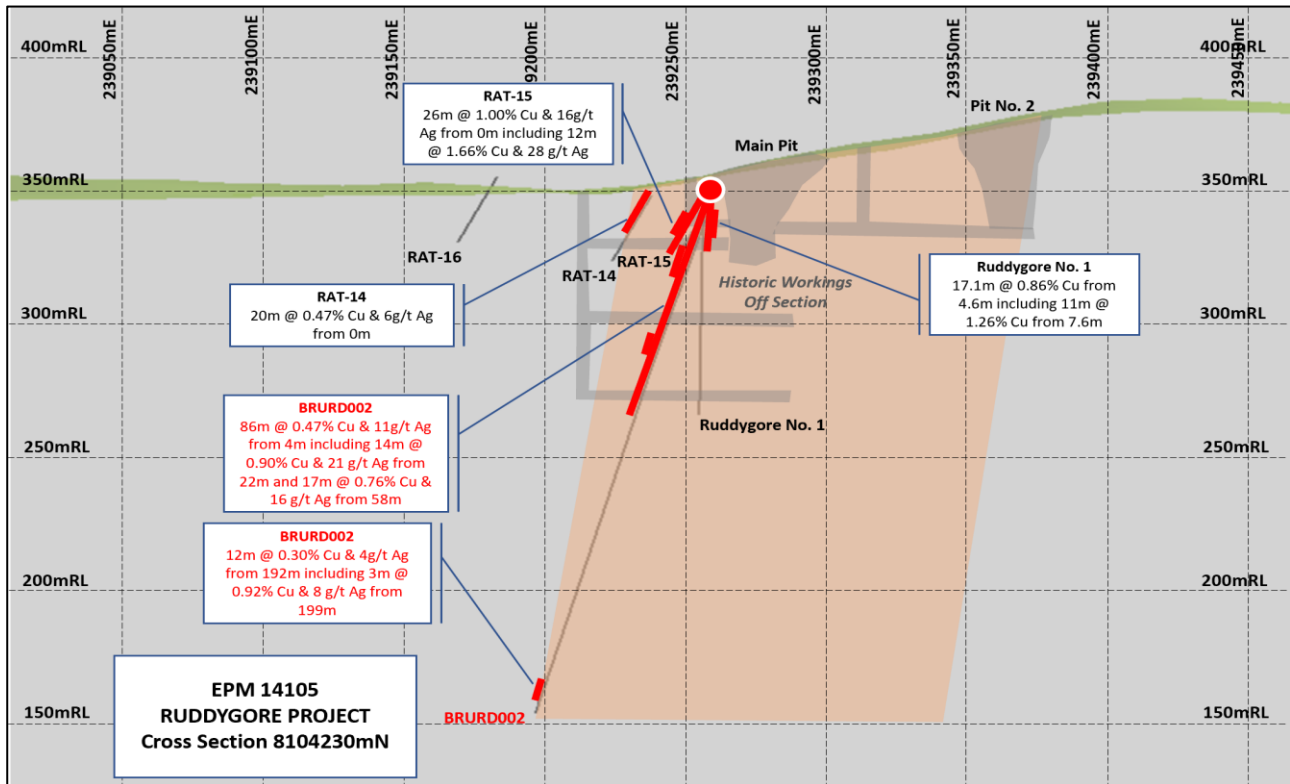


Figure 10. Cross section looking north at Ruddygore drill hole BRURD002 and other historic drill holes located north of the historic Ruddygore mine

Drill hole BRUDD001 encountered a strongly altered and brecciated zone of granodiorite downhole with significant sulphide including pyrite and pyrrhotite with associated chalcopyrite, sphalerite and galena. While sulphide mineralisation was noted throughout the hole, copper grades were patchy, and it has been interpreted that the hole drilled down a structure adjacent to the main mineralised zone. Results included 2m @ 0.25% Cu, 31.7 g/t Ag, 0.44% Pb and 0.73% Zn (BRUDD001: 13 – 15m). The hole intersected numerous narrow intervals of copper, lead and zinc mineralisation and also minor gold mineralisation including 1m @ 7.56 g/t Au, 22.6 g/t Ag, 0.42% Pb and 0.34% Zn (BRUDD001: 334 -335m).

## Review of Operations

Table 2: BRUDD001 and BRURD002 Significant Drilling Results

Cut-Off	Hole	From	To	Interval	CuEq %	Cu %	Ag g/t	Pb %	Zn %	Au g/t
<b>0.1% Cu</b>	<b>BRUDD001</b>	<b>13.00</b>	<b>15.00</b>	<b>2.00</b>	<b>0.97</b>	<b>0.25</b>	<b>31.7</b>	<b>0.44</b>	<b>0.73</b>	<b>0.02</b>
0.1% Zn	BRUDD001	45.00	49.00	4.00	0.27	0.02	4.7	0.14	0.36	0.03
0.5% Zn	Including	48.00	49.00	1.00	0.39	0.01	3.9	0.05	0.75	0.06
0.5% Zn	BRUDD001	86.00	87.00	1.00	0.56	0.06	24.1	0.22	0.59	-0.01
0.1% Cu	BRUDD001	95.00	96.00	1.00	0.19	0.17	2.1	0.00	0.01	-0.01
0.1% Cu	BRUDD001	126.00	128.00	2.00	0.38	0.32	5.3	0.02	0.01	0.01
0.1% Cu	BRUDD001	191.00	192.00	1.00	0.30	0.24	4.0	0.02	0.02	0.02
0.1% Cu	BRUDD001	239.00	240.00	1.00	0.19	0.16	1.7	0.01	0.01	0.01
0.1% Cu	BRUDD001	273.00	274.00	1.00	0.15	0.14	2.0	0.00	0.01	-0.01
0.1% Cu	BRUDD001	281.00	282.00	1.00	0.15	0.12	1.5	0.00	0.01	0.01
0.1% Cu	BRUDD001	290.00	292.00	2.00	0.17	0.12	2.0	0.01	0.09	0.00
0.1% Cu	BRUDD001	294.00	295.00	1.00	0.24	0.20	3.1	0.01	0.01	0.01
0.1% Cu	BRUDD001	302.00	303.00	1.00	0.49	0.44	4.8	0.01	0.01	0.01
0.1% Cu	BRUDD001	317.00	318.00	1.00	0.26	0.20	5.3	0.01	0.02	0.01
0.1% Cu	BRUDD001	324.00	325.00	1.00	0.25	0.14	6.3	0.02	0.08	0.03
0.1% Cu	BRUDD001	356.00	358.00	2.00	0.17	0.16	1.8	0.00	0.01	-0.01
0.1% Cu	BRUDD001	373.00	374.00	1.00	0.31	0.25	6.1	0.01	0.02	-0.01
<b>1.0g/t Au</b>	<b>BRUDD001</b>	<b>334.00</b>	<b>335.00</b>	<b>1.00</b>	<b>5.97</b>	<b>0.09</b>	<b>22.6</b>	<b>0.42</b>	<b>0.34</b>	<b>7.56</b>
<b>0.1% Cu</b>	<b>BRURC002</b>	<b>4.00</b>	<b>90.00</b>	<b>86.00</b>	<b>0.60</b>	<b>0.47</b>	<b>10.8</b>	<b>0.03</b>	<b>0.05</b>	<b>0.02</b>
0.5% Cu	Including	13.00	16.00	3.00	1.00	0.78	17.5	0.07	0.08	0.02
<b>0.5% Cu</b>	<b>And</b>	<b>22.00</b>	<b>36.00</b>	<b>14.00</b>	<b>1.14</b>	<b>0.90</b>	<b>20.7</b>	<b>0.05</b>	<b>0.09</b>	<b>0.02</b>
1.0% Cu	Including	22.00	26.00	4.00	1.69	1.33	33.0	0.07	0.13	0.02
1.0% Cu	And	31.00	35.00	4.00	1.35	1.07	24.4	0.07	0.10	0.02
0.5% Cu	And	44.00	46.00	2.00	1.07	0.84	21.4	0.04	0.07	0.02
<b>0.5% Cu</b>	<b>And</b>	<b>58.00</b>	<b>75.00</b>	<b>17.00</b>	<b>0.94</b>	<b>0.76</b>	<b>15.6</b>	<b>0.03</b>	<b>0.06</b>	<b>0.02</b>
1.0% Cu	Including	58.00	59.00	1.00	1.99	1.30	56.9	0.31	0.23	0.04
1.0% Cu	And	64.00	70.00	6.00	1.23	1.05	17.3	0.01	0.06	0.02

Other field activities have included prospecting, mapping, rock chip sampling and soil sampling. A portable XRF soil grid was completed over the Maniopota lead-zinc-silver prospect on EPM 14015 and defined an extensive zone of zinc-lead +/- copper mineralisation extending for 3.4km along strike. In addition, two -80# soil sampling programs were completed at Eureka Creek on EPM 15047 and in the northern part of EPM 15053 to target areas of elevated stream geochemistry.

Positive initial results have been received for the initial Ruddygore drilling program with further results expected for the remaining holes in September. Planned works for FY2023 will include follow-up drilling at Ruddygore to test further targets in the mine area as well as other local workings including Black Cockatoo and Ruddygore East. In addition, mapping and soil sampling of other prospects within the Project area will also be completed and an IP survey is planned to test the Maniopota prospect.

## Review of Operations

### Ravenswood Project (100%)

The Ravenswood Project is located to the south and east of Charters Towers in north Queensland and consists of five granted EPMs covering an area of 309 km<sup>2</sup> which has been the subject of a farm in agreement with ActivEX Limited (ASX:AIV). Having earned its initial 51% stake in the project, Ballymore announced on the 18<sup>th</sup> November, 2021, that an agreement was executed by Ballymore and ActivEX, for Ballymore to acquire the remaining 49% interest in the Ravenswood Project in consideration for issuing 2.0 million ordinary shares in Ballymore<sup>2</sup>.

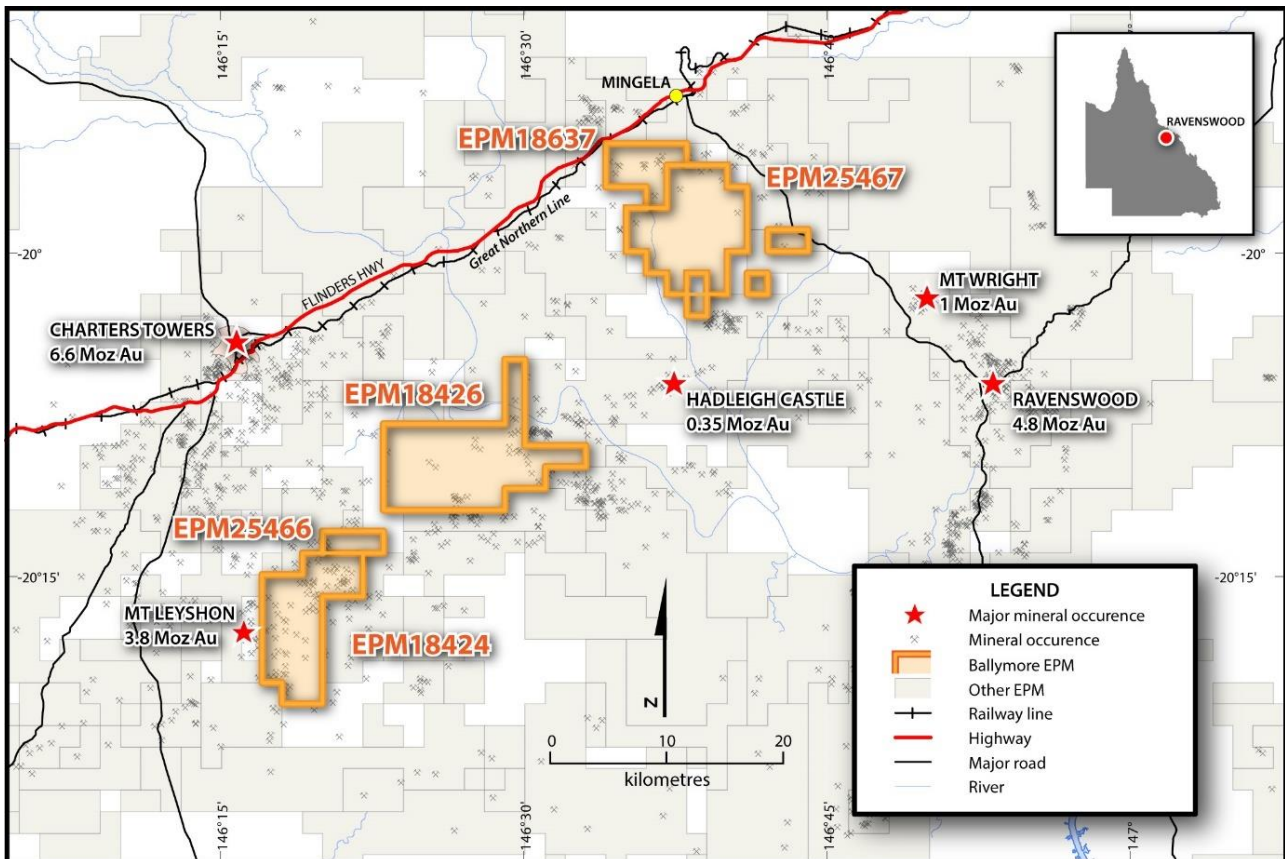


Figure 11. Ravenswood Project tenement location plan

Three holes were completed at the Seventy Mile Mount and Matthews Pinnacle breccia targets on EPM 18424 for a total of 1,145.81m. Drill holes BSMDD001 and BSMDD002 targeted the mapped breccia target at Seventy Mile Mount and both holes encountered broad zones of altered breccias with associated sulphide mineralisation. Assay results have confirmed the presence of broad, shallow zones of gold mineralisation associated with the mapped target breccia. Highlights included 40m @ 1.06 g/t Au including 3m @ 9.38 g/t Au (BSMDD001: 47 – 87m) and 15m @ 0.55 g/t Au including 5m @ 1.44 g/t Au (BSMDD002: 76 – 91m). This initial drilling program has confirmed the interpretation that a second breccia located on the northern margin of the main breccia pipe hosts significant gold mineralisation. Drilling has intersected shallow, ore grade mineralisation 200m west of the zone of best historic drill results and indicate that gold grades are increasing at depth.

In addition, drill hole BMPDD001 was completed at Matthew’s Pinnacle, targeting a coincident geochemical anomaly and pipelike magnetic anomaly and resistivity low with a surrounding chargeable anomaly. Ballymore was awarded a Collaborative Exploration Initiative (CEI) Grant from the Geological Survey of Queensland for \$100,000 to test this target. Drill hole BMPDD001 reported broad, low-grade intersections of copper, zinc, lead and rare gold. The best result was 12m @ 0.63% Zn & 1.3 g/t Ag from 92m including 1m @ 5.53% Zn, 0.20% Cu & 8.4 g/t Ag from 102m. The best gold result was 1m @ 1.05 g/t Au from 348m.

<sup>2</sup> Refer BMR ASX Announcement, 18 November 2021

# Review of Operations

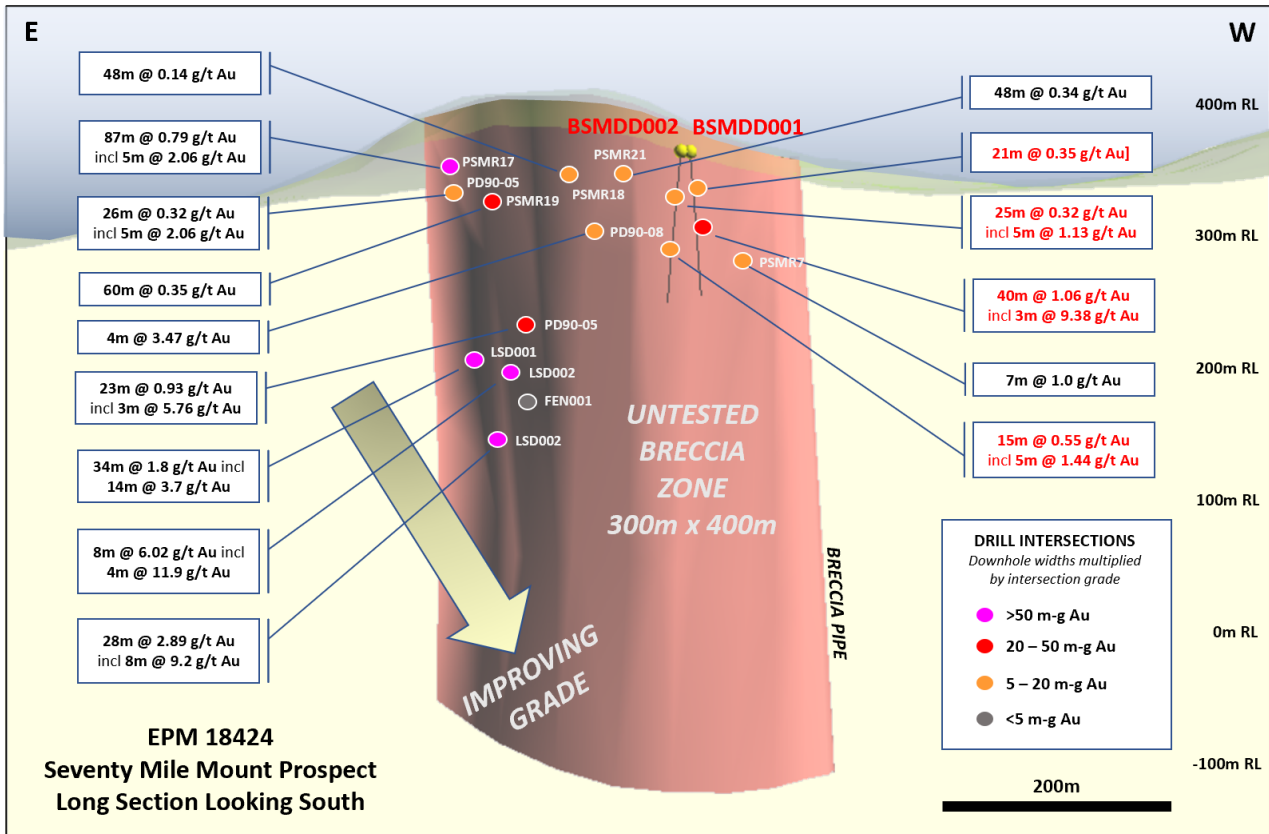


Figure 12. Long section of the Seventy Mile Mount breccia pipe-hosted gold target looking south with historic drill intersections and recent drilling results

Other field activities have also been completed, including prospecting, rock chip sampling and soil sampling surveys at Day Dawn (EPM 18426), SE Anomaly (EPM 18426), King Solomon (EPM 18637), Tea Tree Creek (EPM 25467) and Pinnacle Creek (EPM 18424). Results from the Day Dawn field work have confirmed that a significant new gold-silver mineralised system exists along strike from Mount Wright and Hadleigh Castle mines with a 1,400m x 300m gold-lead soil anomaly. Rock chip samples have reported significant results including 127.5 g/t Au, 2770 g/t Ag and 6.84% Pb.

Planned works for FY2023 include a follow-up drilling program to test the Seventy Mile Mount breccia target at depth as well as drill testing of the King Solomon prospect. In addition, an IP survey is planned to test the Day Dawn prospect and mapping and soil sampling of other prospects will also be completed.

## Review of Operations

### Mount Molloy Project (100%)

The Mount Molloy Project is located south of the town of Mount Molloy and 50km northwest of Cairns. EPM 27918 was granted to Ballymore Resources in a competitive application process on the 17<sup>th</sup> May 2022. The area is a historic copper mining area and EPM 27918 covers an area of approximately 78km<sup>2</sup> and hosts the high-grade Mount Molloy copper mine.

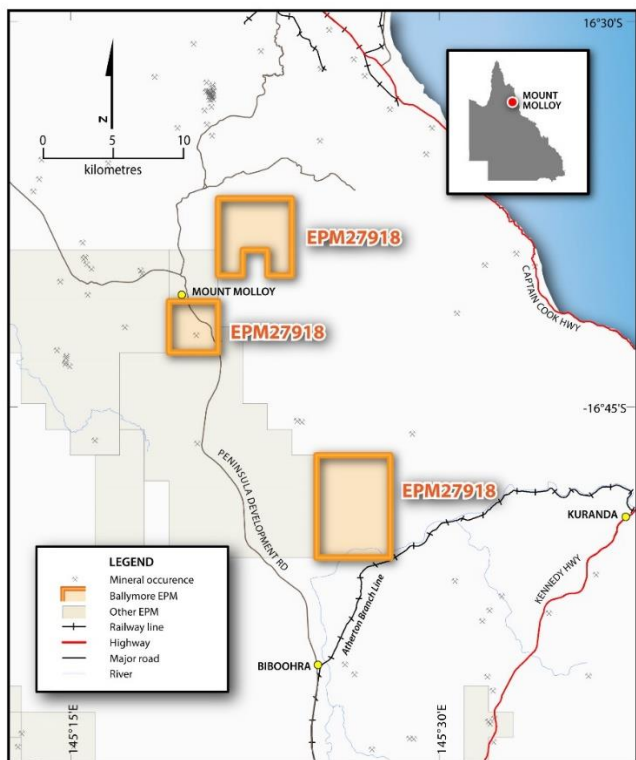


Figure 13. Mount Molloy tenement location plan

Mount Molloy represents a major historic copper operation that mined a high-grade volcanogenic-hosted massive sulphide (“VHMS”) copper deposit similar in style to Sandfire Resources’ DeGrussa deposit in Western Australia and Revolver Resources’ Dianne deposit in North Queensland. Mineralisation was first discovered at Mount Molloy in 1883 and the main period of mining occurred until 1907. The mine was briefly re-worked by a syndicate in 1918 and again in 1941 to 1942. The mine was a significant historic copper producer at the turn of the 20th Century and yielded high-grade copper ore. Production figures are incomplete, although records suggest a total of 43,600 tons of ore was mined producing 3,900 tons of copper metal at 8.7% Cu. A number of smaller mines were operated during the same period within the EPM area with workings hosting copper and zinc ore. The Project area also has potential to host tungsten mineralisation and other critical minerals.

Work completed has included a compilation of historic data and a preliminary technical review. Modern exploration of the Mount Molloy area commenced in the 1950’s and work to date has generally focussed on the historic mine area. Prior work has included some mapping, geochemical sampling, geophysics surveys, shallow reverse circulation (“RC”) and diamond drilling.

Ballymore intends to undertake a detailed evaluation of the mineralised corridor on a regional scale as well as testing potential extensions to known mineralisation associated with the Mount Molloy mine. Planned works for FY2023 include prospecting, mapping, rock chip sampling and a regional multi-element soil sampling program to test the mineralised corridor. An IP survey is also planned to test for blind extensions to the known mineralisation and define drilling targets in the near term.

### CORPORATE

On 31 August 2021, 35,000,000 shares were issued as part of the Company’s Initial Public Offering on the ASX, raising \$7,000,000 (before costs). On 1 September 2021 the Company was admitted to the Official List of the ASX.

On 2 December 2021, the Company issued 2,000,000 shares to acquire the remaining 49% interest in the Ravenswood Project.

Andrew Greville was appointed as a Non-Executive Director of the Company on 13 December 2021. Andrew is a senior international mining executive with over 36 years’ experience in the fields of business development, mergers and acquisitions, product marketing and strategy.



## Directors' Report

The directors submit their report on Ballymore Resources Limited (**Ballymore** or the **Company**) at the end of, and during, the financial year ended 30 June 2022.

### Directors

The following persons were directors of Ballymore during the financial period and up to the date of this report:

- David A-Izzeddin
- Andrew Gilbert
- Andrew Greville (appointed 13 December 2021)
- Nicholas Jorss

### Information on Directors and Secretary

The board has a strong combination of technical, managerial, commercial and capital markets experience. Expertise and experience includes mineral exploration and development and operation of mining projects. The names and qualifications of the current directors are summarised as follows:

#### *David A-Izzeddin- Managing Director*

<b>Qualifications</b>	B.App.Sc. (App. Geol.), B.Sc. (Hons)
<b>Appointment Date</b>	12 April 2019
<b>Length of Service</b>	3 years, 5 months
<b>Current ASX Listed Directorships</b>	Nil
<b>Former ASX Listed Directorships (in last 3 years)</b>	Nil

David is a geologist with over 30 years' experience in exploration, project assessment, feasibility studies, mine development and business development across a broad range of commodities including gold, base metals, iron, uranium, phosphate and bauxite and has worked in Australia, Asia-Pacific, Europe, North and South America.

He has operated in a number of operational and management roles and played a major role in the discovery and development of a number of deposits, including Mount Wright (1.0 Moz Au) and the Sarsfield / Nolan's complex (4.8 Moz Au), both of which are located near Ravenswood and of similar styles to the types of deposits the Company is seeking there.

David has worked extensively in north Queensland exploring for gold and base metals for various companies including Dominion Mining, Cyprus Gold, MIM Exploration, Ross Mining, Xstrata Copper and Capricorn Copper. David has also coordinated project generation activities globally for Xstrata Copper for 5 years, where he was directly involved in the successful negotiation of project acquisitions and joint venture agreements within Australia and internationally.

David is a co-founder and director of Konstantin Resources Ltd, an unlisted company with gold and copper tenements in the prospective Timok Basin in Serbia.

#### *Andrew Gilbert- Executive Director*

<b>Qualifications</b>	B.Eng (Hons) (Mining)
<b>Appointment Date</b>	12 April 2019
<b>Length of Service</b>	3 years, 5 months
<b>Current ASX Listed Directorships</b>	Nil
<b>Former ASX Listed Directorships (in last 3 years)</b>	Nil

## Directors' Report

Andrew is a Mining Engineer with 20 years' experience in engineering, operational and management roles within the mining and tunnelling industry. He has been integral in the establishment, development, and operational control of surface and underground mine sites for companies including Glencore, Xstrata, Oz Minerals, Capricorn Copper and Thiess/John Holland. Andrew has specialised in the delivery of key projects for these major companies across various commodities and followed up the project delivery phases with operational and statutory management of large in house and contractor workforces for delivery of budget KPI's. Key projects include the Ernest Henry underground expansion, AirportLink Tunnel, Carrapateena underground mine and the Capricorn Copper mine refurb and establishment.

Andrew is a Member of the Australasian Institute of Mining and Metallurgy and holds a Queensland First Class Mine Manager Certificate of Competency.

*Andrew Greville – Non-Executive Director*

<b>Qualifications</b>	B.E. (Mining), University of Queensland
<b>Appointment Date</b>	13 December 2021
<b>Length of Service</b>	9 months
<b>Current ASX Listed Directorships</b>	Aeon Metals (ASX:AML) Tulla Resources (ASX:TUL)
<b>Former ASX Listed Directorships (in last 3 years)</b>	Rimfire Pacific Mining Ltd (ASX:RIM)

Andrew is a senior international mining executive with over 36 years' experience and a track record of success. His expertise is particularly strong in the fields of business development, mergers and acquisitions, product marketing and strategy.

A qualified mining engineer, Andrew brings extensive resources industry experience at a senior level, with a history of international success, particularly in the fields of business development and marketing. Andrew has previously served as Executive General Manager, Business Development and Strategy, at Xstrata Copper where he oversaw many major project transactions. Prior to that Andrew served in a range of senior operational and product marketing roles, including five years as Vice President, Ores and Concentrates for Pechiney SA, and three years as Vice President, Commercial for BHP Copper. In these roles he oversaw a number of significant project transactions as well as copper concentrate sales globally.

Andrew has extensive experience in the Australian and Canadian listed resource company environment, and is a member of the Australian Institute of Company Directors.

*Nicholas Jorss - Non-Executive Chairman*

<b>Qualifications</b>	BE (Hons) Civil, MBA, GDip App Fin (Sec Inst)
<b>Appointment Date</b>	25 March 2020
<b>Length of Service</b>	2 years, 6 months
<b>Current ASX Listed Directorships</b>	Bowen Coking Coal Ltd (ASX:BCB)
<b>Former ASX Listed Directorships (in last 3 years)</b>	Nil

Nick is the Executive Chairman of Bowen Coking Coal Ltd, a \$525 million ASX listed metallurgical coal exploration and development company. Nick is also a co-founder and Director of Konstantin Resources Ltd, an unlisted company exploring for gold, copper and other metals in Serbia.

Nick was the founding Managing Director of Stanmore Coal Ltd and served on Stanmore's Board from its formation in June 2008 through to 26 November 2016. He has some 30 years' experience in exploration and mining, investment banking, civil engineering, corporate finance and project management. Nick was instrumental in the success of Stanmore Coal Ltd, which currently has a market value of around \$2.0 billion. As the founding Managing Director, he led Stanmore's growth from a coal exploration company to a profitable, mid-tier producer.

## Directors' Report

Prior to this, Nick worked in investment banking (as a director of Pacific Road Corporate Finance), leading advisory mandates with corporate, government and private equity clients across industry sectors ranging from resources to infrastructure.

Nick worked as an engineer with Baulderstone Hornibrook from 1991 to 1998 where he delivered significant infrastructure and resource projects and has previously held director roles with Kurilpa Uranium, Vantage Private Equity Growth, Vantage Asset Management and WICET Holdings Pty Ltd.

Nick holds a Bachelor with Honours in Civil Engineering from the University of Queensland, a Master of Business Administration from the University of NSW (AGSM) and a Graduate Diploma of Applied Finance and Investment (FINSIA).

### Company Secretary

*Duncan Cornish – Company Secretary and CFO*

<b>Appointment Date</b>	25 March 2020
<b>Resignation Date</b>	N/A

Duncan was the founding CFO and Company Secretary for Stanmore Coal Ltd (ASX:SMR), Waratah Coal Ltd (TSX and ASX:WCI), Bow Energy Ltd (ASX:BOW) and Orbis Gold Ltd (ASX:OBS) and is a Chartered Accountant with significant experience as a public company CFO and Company Secretary, focused on finance, administration and governance roles.

He has more than 30 years' experience in the accountancy profession both in England and Australia, mainly with the accountancy firms Ernst & Young and PricewaterhouseCoopers. He has extensive experience in all aspects of company financial reporting, corporate regulatory and governance areas, business acquisition and disposal due diligence, capital raising, company initial public offerings and company secretarial responsibilities and has served as CFO and/or Company Secretary of several Australian and Canadian public companies.

### Interests in Securities

As at the date of this report, the interests of each director in shares and options issued by the Company are shown in the table below:

Directors	Shares	Options (\$0.25 @ 30-Jun-24)
David A-Izzeddin	18,974,150 <sup>(1)</sup>	1,044,000
Andrew Gilbert	9,846,815	1,044,000
Andrew Greville <sup>(2)</sup>	750,000	-
Nicholas Jorss	22,579,150 <sup>(1)</sup>	870,000

#### Notes:

- (1) This balance includes 1,625,000 shares are held by Ballymore Gold Pty Ltd, an entity of which both Messrs A-Izzeddin and Jorss have an associated interest.
- (2) The Board have resolved and offered Mr Greville (and Mr Greville has accepted) 700,000 options exercisable at \$0.26 each and expiring on 30 June 2025. The issue of the options is subject to shareholder approval, to be sought at the 2022 AGM.

### Dividends Paid or Recommended

There were no dividends paid or recommended during the financial year.

### Principal Activities

The principal activity of the Company during the period was gold and base metal exploration in Queensland.

## Directors' Report

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### Review of Operations

Information on the operations of the Company during the financial year and up to the date of this report is set out separately in the Annual Report under Review of Operations.

### Operating Results

The Company's operating loss for the financial year was \$733,698 (2021: \$568,668). The increased loss was caused principally by higher expenses due to increased exploration, corporate and administrative activities following the capital raising and listing of the Company's shares on the ASX in September 2021:

- General corporate and administrative expenses increased by \$94,903; and
- Employee benefits expense increased by \$251,514, offset by no share-based payments in 2022 (compared to \$175,299 in 2021).

### Review of Financial Condition

#### Capital Structure

As at 30 June 2021 the Company had 120,356,132 ordinary shares and 5,520,000 unquoted options on issue.

On 23 July 2021, the Company completed a selective buy back (for nominal consideration) and cancellation of 33,998,243 shares.

On 31 August 2021, 35,000,000 shares were issued as part of the Company's Initial Public Offering (IPO) on the ASX, raising \$7,000,000 (before costs). On 1 September 2021, the Company was admitted to the Official List of the ASX.

On 2 December 2021, the Company issued 2,000,000 shares to acquire the remaining 49% interest in the Ravenswood Project.

As at 30 June 2022, the Company had 123,357,889 ordinary shares and 5,520,000 unquoted options on issue.

On 17 August 2022, the Company issued 600,000 unquoted options to an employee.

On 29 August 2022, the Company issued 178,000 unquoted options to a member of management.

As at the date of this report, the Company had 123,357,889 ordinary shares and 6,298,000 unquoted options on issue.

#### Financial Position

At 30 June 2022, the Company's net assets totalled \$9,999,083 (2021: \$3,713,287) which included cash assets of \$2,539,321 (2021: \$224,132). The movement in net assets largely resulted from the following factors:

- Operating losses of \$733,698;
- Cash outflows from operating activities of \$667,518;
- Cash outflow from plant and equipment of \$70,882;
- Cash outflows on exploration and evaluation assets of \$3,525,922; and
- Cash inflows from issue of shares and options of \$7,000,000 (less share issue costs of \$420,489).

Throughout the year the Company focussed on exploration and development on the Company's gold and base metal projects.

The Company's working capital, being current assets less current liabilities has increased from \$86,750 in 2021 to \$2,295,529 in 2022.

## Directors' Report

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### Treasury policy

The Company does not have a formally established treasury function. The Board is responsible for managing the Company's finance facilities. The Company does not currently undertake hedging of any kind and is not currently directly exposed to material currency risks.

### Liquidity and funding

The Company has sufficient funds to finance its operations and exploration activities, and to allow the Company to take advantage of favourable business opportunities, not specifically budgeted for, or to fund unforeseen expenditure.

### Significant Changes in State of Affairs

Other than the securities issued as noted above, there were no other significant changes in the state of affairs of the Company in the current financial year.

### COVID-19 Impact

The COVID-19 pandemic has impacted the Company on several fronts. The exploration program was impacted by intra-state travel restrictions for the exploration team and also additional costs to keep the team on site and compliant with Queensland Government regulations. Social distancing restrictions and inter-state travel restrictions resulted in some roadshows, investor meetings and board meetings being scheduled as virtual events.

### Subsequent Events

There are no matters or circumstances that have arisen since the end of financial year which significantly affect or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

### Business Risks

The prospects of the Company in progressing their exploration projects will be subject to the normal risks of exploration and development. These factors are similar to most exploration companies moving through exploration phase and attempting to get projects into development. Some of these risks include:

- Exploration - the success of the Company depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining tenements and licences and obtaining all consents and approvals necessary for the conduct of its exploration activities. The results of the exploration activities may be such that the estimated resources are insufficient to justify the financial viability of the projects. The Company undertakes extensive exploration and product quality testing prior to establishing JORC compliant resource estimates and to (ultimately) support mining feasibility studies. The Company engages external experts to assist with the evaluation of exploration results where required and utilises third party competent persons to prepare JORC resource statements or suitably qualified senior management of the Company. Economic feasibility modelling of projects will be conducted in conjunction with third party experts and the results of which will usually be subject to independent third-party peer review.
- Social Licence to Operate – the ability of the Company to secure and undertake exploration and development activities within prospective areas is also reliant upon satisfactory resolution of native title and (potentially) overlapping tenure. To address this risk, the Company develops strong, long term effective relationships with landholders with a focus on developing mutually acceptable access arrangements. The Company takes appropriate legal and technical advice to ensure it manages its compliance obligations appropriately.

## Directors' Report

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- **Regulatory Risk** - the Company's operations are subject to various Commonwealth, State and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials. No assurance can be given that the Company will be successful in maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, the Company may be curtailed or prohibited from continuing or proceeding with exploration, development or production. The Company's business and results of operations could be adversely affected if applications lodged for exploration licences are not granted. Mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company. The Company diligently lodges tenement annual reports and renewals and liaises closely with applicable government departments to best manage its regulatory compliance.
- **Availability of Equipment and Contractors** - prior to the COVID-19 pandemic, appropriate equipment, including drill rigs, was in short supply. There was also high demand for contractors providing other services to the exploration and mining industry. The COVID-19 pandemic has only served to exacerbate these issues. Consequently, there is a risk that the Company may not be able to source all the equipment and contractors required to fulfil its proposed activities. There is also a risk that hired contractors may underperform or that equipment may malfunction, either of which may affect the progress of the Company's activities.
- **Environmental** - all phases of mining and exploration present environmental risks and hazards. The Company's operations are subject to environmental regulations pursuant to a variety of state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The Company assesses each of its projects very carefully with respect to potential environmental issues, in conjunction with specific environmental regulations applicable to each project, prior to commencing field exploration. Periodic reviews are undertaken once field exploration commences.
- **Safety** - safety is of critical importance in the planning, organisation and execution of the Company's exploration and development activities. The Company is committed to providing and maintaining a working environment in which its employees are not exposed to hazards that will jeopardise an employee's health, safety or the health and safety of others associated with the Company. The Company recognises that safety is both an individual and shared responsibility of all employees, contractors and other persons involved with the operation of the organisation. The Company has a Safety and Health Management system which is designed to minimise the risk of an uncontrolled safety and health event and to continuously improve the safety culture within the organisation.
- **Funding** - the Company will require additional funding to continue exploration and potentially move from the exploration phase to the development phase of its projects. There is no certainty that the Company will have access to available financial resources sufficient to fund its exploration, feasibility or development costs at those times.

## Directors' Report

- Market - there are numerous factors involved with exploration and early-stage development of its projects, including variance in commodity price and labour costs which can result in projects being uneconomical.
- Fluctuations in commodity prices and Australian Dollar exchange rate - the gold and copper mining industry is competitive. There can be no assurance that gold and copper prices will be such that the Company can develop and mine its deposits at a profit. Gold and copper prices fluctuate due to a variety of factors including supply and demand fundamentals, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns and speculative activities. These fluctuations were exacerbated by the worldwide spread of the COVID-19 virus and at this stage, forecast recoveries from the impact of the virus are speculative. Similarly, demand and supply of capital and currencies, forward trading activities, relative interest rates and exchange rates and relative economic conditions can impact exchange rates.

### Environmental Issues

The Company is subject to significant environmental regulations under the (Federal, State and local) laws in which the Company operates, which currently includes Australia.

The directors monitor the Company's compliance with environmental obligations. The directors are not aware of any compliance breach arising during the year and up to the date of this report.

### Native Title

Mining tenements that the Company currently holds may be subject to Native Title claims. The Company has a policy that is respectful of the Native Title rights and will, as required, negotiate with relevant indigenous bodies.

### Remuneration Report (Audited)

This report details the nature and amount of remuneration for each director and other key management personnel.

The names of key management personnel of Ballymore Resources Limited who have held office during the financial year are:

David A-Izzeddin	Executive Director
Andrew Gilbert	Executive Director
Andrew Greville	Non-Executive Director <sup>(1)</sup>
Nicholas Jorss	Non-Executive Director
Duncan Cornish	Company Secretary and Chief Financial Officer

**Note:**

(1) appointed 13 December 2021

## Directors' Report

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### Remuneration Report (Audited) (continued)

#### **Remuneration Policy**

The Company's remuneration policy seeks to align director and executive objectives with those of shareholders and the business, while at the same time, recognising the early development stage of the Company and the criticality of funds being utilised to achieve development objectives. The board believes the current policy has been appropriate and effective in achieving a balance of these objectives.

The Company's remuneration policy provides for long-term incentives to be offered through a director and employee equity incentive plan. Options, shares or performance rights may be granted under this plan to align directors', executives', employees' and shareholders' interests. Two methods may be used to achieve this aim, the first being securities that vest upon reaching or exceeding specific predetermined objectives, and the second being options granted with higher exercise prices (than the share price at issue) rewarding share price growth.

The board of directors is responsible for determining and reviewing the Company's remuneration policy, remuneration levels and performance of both executive and non-executive directors. Independent external advice may be sought when required. No independent external advice was sought during the year.

#### **Performance-Based Remuneration**

Performance-based remuneration includes both short-term and long-term incentives and is designed to reward key management personnel for reaching or exceeding specific objectives or as recognition for strong individual performance. Short-term incentives are available to eligible staff of the Company and may be comprised of cash bonuses, determined on a discretionary basis by the board. No short-term incentives were made available during the year.

Long-term incentives are currently comprised of share options, which are granted from time-to-time to encourage sustained strong performance in the realisation of strategic outcomes and growth in shareholder value.

The exercise price of the options is determined after taking into account the underlying share price performance in the period leading up to the date of grant and if applicable, performance conditions attached to the share options. Subject to specific vesting conditions, each option is convertible into one ordinary share.

The Company's policy for determining the nature and amount of remuneration of board members and key executives is set out below.

#### **Non-Executive Directors**

Board policy is to remunerate non-executive directors at market rates of comparable companies for time, commitment and responsibilities. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting and is not linked to the performance of the Company. The maximum aggregate amount of fees that can be paid to non-executive directors as approved by shareholders is currently \$300,000. One-third, by number, of non-executive directors, retires by rotation at the Company's Annual General Meeting. Retiring directors are eligible for re-election by shareholders at the Annual General Meeting of the Company. The appointment conditions of the non-executive directors are set out and agreed in letters of appointment.



## Directors' Report

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### Remuneration Report (Audited) (Continued)

#### *Executives*

The remuneration structure for executives is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company.

The executives receive payments provided for under an employment or service agreement, which may include cash, superannuation, short-term incentives and equity-based performance remuneration.

#### David A-Izzeddin (Executive Director)

The Company has entered into an Executive Services Agreement with Mr A-Izzeddin as Executive Director - Technical. The engagement of Mr A-Izzeddin under this agreement will commence on the date that the Company's shares are admitted to the Official List of ASX and continues until terminated on 4 weeks' notice by either party. However, the Company may terminate the agreement (and hence Mr A-Izzeddin's role as Executive Director - Technical) without notice if Mr A-Izzeddin engages in serious misconduct that violates the terms of the Executive Services Agreement.

Prior to the Company's shares being admitted to the official list of ASX, the Company had entered into an employment contract with Mr A-Izzeddin for the position of Technical Director. The role was full time and paid an annual salary of \$200,000 plus statutory superannuation.

Subsequent to the Company listing on the ASX (in September 2021), Mr A-Izzeddin's cash remuneration for his role as Executive Director - Technical includes a salary of \$150,000 per annum plus statutory superannuation and requires being employed by the Company for three days per week. For any additional days, Mr A-Izzeddin will be compensated at a daily rate of \$961 plus statutory superannuation. Mr A-Izzeddin's remuneration is subject to salary reviews conducted by the Board.

#### Andrew Gilbert (Executive Director)

The Company has entered into an Executive Services Agreement with Mr Andrew Gilbert as Executive Director - Operations.

The engagement of Mr Andrew Gilbert under this agreement will commence on the date that the Company's shares are admitted to the official list of ASX and continues until terminated on 4 weeks' notice by either party. However, the Company may terminate the agreement (and hence Mr Andrew Gilbert role as Executive Director - Operations) without notice if Mr Gilbert engages in serious misconduct that violates the terms of the Executive Services Contract.

Prior to the Company's shares being admitted to the official list of ASX, the Company had entered into an employment contract with Mr Gilbert for the position of Mine Manager. The role was full time and paid an annual salary of \$200,000 plus statutory superannuation.

Subsequent to the Company listing on the ASX, Mr Gilbert's cash remuneration for his role as Executive Director - Operations includes a salary of \$250,000 per annum plus statutory superannuation, based on being employed by the Company on a full-time basis. Mr Gilbert's remuneration is subject to salary reviews conducted by the Board.

#### Duncan Cornish (Chief Financial Officer and Company Secretary)

The Company has a services agreement with Corporate Administration Services Pty Ltd ("CAS") and Duncan Cornish, the Company's CFO and Company Secretary. Under the agreement, CAS also provides accounting, bookkeeping and administrative services. Both the Company and CAS are entitled to terminate the agreement upon giving not less than three months' written notice. The base fee under the services agreement is \$131,400 per annum, and came into effect from the date that the Company's shares were admitted to the official list of ASX. The agreement also provides for additional services to be charged as agreed in advance.

## Directors' Report

### Remuneration Report (Audited) (Continued)

#### Remuneration Details of Key Management Personnel

The remuneration of the key management personnel of Ballymore Resources Limited for the year ended 30 June 2022 was as follows:

Key Management Personnel	Short Term Benefits		Post-Employment		Equity-settled Share-based Payments		Total	Performance related %	% consisting of options/rights
	Salary & Fees	Prov for leave entitlements	Super-annuation	Other	Shares	Options /Rights			
	\$	\$	\$	\$	\$	\$			
D. A-Izzeddin	233,333	22,808	22,379	-	-	-	278,520	0%	0%
A. Gilbert	241,667	16,788	22,973	-	-	-	281,428	0%	0%
A. Greville <sup>(1)</sup>	24,247	-	-	-	-	-	24,247	0%	0%
N. Jorss	66,667	-	6,667	-	-	-	73,334	0%	0%
D. Cornish	131,400	-	-	-	-	-	131,400	0%	0%
<b>Total</b>	<b>697,314</b>	<b>39,596</b>	<b>52,019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>788,929</b>		

**Notes:**

(1) Appointed 13 December 2021

The remuneration of the key management personnel of Ballymore Resources Limited for the year ended 30 June 2021 was as follows:

Key Management Personnel	Short Term Benefits		Post-Employment		Equity-settled Share-based Payments		Total	Performance related %	% consisting of options/rights
	Salary & Fees	Prov for leave entitlements	Super-annuation	Other	Shares	Options /Rights			
	\$	\$	\$	\$	\$	\$			
D. A-Izzeddin	183,333	15,443	17,417	-	-	-	216,193	0%	0%
A. Gilbert	183,333	15,443	17,417	-	-	-	216,193	0%	0%
N. Jorss <sup>(1)</sup>	-	-	-	-	-	-	-	-	-
D. Cornish	20,000	-	-	-	-	-	20,000	0%	0%
<b>Total</b>	<b>386,666</b>	<b>30,886</b>	<b>34,834</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>452,386</b>		

**Notes:**

(1) No director fees payable to Nick Jorss until IPO completed (September 2021)

The percentage of equity-based remuneration for persons who were key management personnel of the Company during the year ended 30 June 2022 is set out below:

Key Management Personnel	Proportion of Remuneration	
	Equity Based	Salary and Fees
D. A-Izzeddin	0%	100%
A. Gilbert	0%	100%
A. Greville	0%	100%
N. Jorss	0%	100%
D. Cornish	0%	100%

## Directors' Report

### Remuneration Report (Audited) (Continued)

#### Company Performance, Shareholder Wealth, and Director and Executive Remuneration

During the financial year, the Company generated losses as its principal activity was mineral exploration. As the Company is still in the exploration and development stage, the link between remuneration, company performance and shareholder wealth is tenuous. Share prices are subject to the influence of commodity prices and market sentiment towards the sector, and as such, increases and decreases might occur independent of executive performance and remuneration.

#### Options Held by Key Management Personnel

Details of options held directly, indirectly or beneficially by key management personnel during the year ended 30 June 2022 were as follows:

Key Management Personnel	D. A-Izzeddin	A. Gilbert	A. Greville	N. Jorss	D. Cornish
Balance as at 1-Jul-21	1,044,000	1,044,000	-	870,000	522,000
Granted as compensation	-	-	-	-	-
Cancelled	-	-	-	-	-
Balance as at 30-Jun-22	1,044,000	1,044,000	-	870,000	522,000

All of the above options were issued on 7 May 2020. All of the above options vested on grant date and expire on 30 June 2024. At 30 June 2022, the exercise price of all of the above options was \$0.25. The fair value of options granted was 2.055 cents per option.

#### Options Granted as Remuneration

No options were granted as remuneration to the key management personnel during the financial year ended 30 June 2022.

#### Shares Held by Key Management Personnel

Details of shares held directly, indirectly or beneficially by key management personnel during the year ended 30 June 2022 were as follows:

Key Management Personnel	Balance at 1 July 2021	Buy-back/cancellation	Acquired	Disposed	Balance at 30 June 2022	Balance at the date of this report
D. A-Izzeddin	29,191,000	(10,216,850)	-	-	18,974,150 <sup>(1)</sup>	18,974,150 <sup>(1)</sup>
A. Gilbert	15,148,946	(5,302,131)	-	-	9,846,815	9,846,815
A. Greville <sup>(2)</sup>	-	-	750,000	-	750,000	750,000
N. Jorss	34,691,000	(12,141,850)	30,000	-	22,579,150 <sup>(1)</sup>	22,579,150 <sup>(1)</sup>
D. Cornish	4,000,000	(1,262,412)	62,412	-	2,800,000	2,800,000

#### Notes:

(1) This balance includes 1,625,000 shares that are held by Ballymore Gold Pty Ltd, an entity of which both Messrs A-Izzeddin and Jorss have an associated interest

(2) Appointed 13 December 2021

## Directors' Report

### Remuneration Report (Audited) (Continued)

#### Company performance and link to remuneration

As the Company is currently a mineral explorer, there is no direct relationship between the Company's financial performance and the level of remuneration paid to key management personnel.

The link between remuneration, company performance and shareholder wealth generation is tenuous, particularly in the mineral exploration industry while a Company is in the exploration stage. Share prices are subject to the influence of international sentiment towards the sector and increases or decreases may occur independently of executive performance or remuneration.

The earnings of the Company and factors that affect shareholder returns for the five years to 30 June 2022 are summarised below:

	2022	2021	2020	2019	2018
Other Income (\$)	705	28,401	2	n/a	n/a
Net loss attributable to owners of the Company (\$)	733,698	568,668	313,189	n/a	n/a
Share price at year-end (cents per share)	19.0	15.0 <sup>(1)</sup>	2.0 <sup>(1)</sup>	n/a	n/a
Dividends paid (cents per share)	-	-	-	n/a	n/a

**Note:**

(1) The Company was not listed (on the ASX) until September 2021. Therefore there was no liquid market for the Company's shares during the years ended 30 June 2020 and 2021. The prices per share shown in the table above (for 2021 and 2020) are the most recent prices that shares were issued at prior to 30 June of each of those years.

The Company may issue options to provide an incentive for key management personnel which, it is believed, is in line with industry standards and practice and is also believed to align the interests of key management personnel with those of the Company's shareholders. Options were issued to key management and employees during the current and prior periods.

#### Other transactions with Key Management Personnel

There have been no other transactions with key management personnel during the year ended 30 June 2022.

#### End of Remuneration Report (Audited)

#### Options

At the date of this report, the number of unlisted options are as follows:

#### Unlisted Options

Grant Date	Expiry Date	Exercise Price	Number of Options
7-May-20	30-Jun-24	\$0.25	3,480,000
1-Nov-20	30-Jun-24	\$0.225	2,040,000
17-Aug-22	30-Jun-25	\$0.26	600,000
29-Aug-22	30-Jun-25	\$0.26	178,000
<b>Total</b>			<b>6,298,000</b>

Option holders do not have any rights to participate in any share issue or other interests in the Company or any other entity.

## Directors' Report

### Directors' Meetings

It is noted that, during the COVID-19 lockdowns, the Directors were able to attend to business of the Company during the year by circulated resolution and telephone meetings as permitted by the Company's Constitution in place of conducting meetings. Now that the lockdowns have eased and the Company is listed on the ASX, regular formal board meetings are being held.

The Company does not have an audit committee. The Board is of the opinion that due to the nature and size of the Company, the functions performed by an audit committee can be adequately handled by the full Board.

At such time when the Company is of sufficient size, a separate Audit and Risk Management Committee will be formed.

The meetings (held while a director) attended by each director during the financial year were:

Directors	Board	
	Meetings	Attended
David A-Izzeddin	11	11
Andrew Gilbert	11	10
Andrew Greville	7	7
Nicholas Jorss	11	11

### Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Ballymore Resources Limited support and, where practicable or appropriate, have adhered to the ASX Principles of Corporate Governance. The Company's Corporate Governance Statement is lodged separately on the ASX and can be found on the Company's website ([www.ballymoreresources.com](http://www.ballymoreresources.com)).

### Indemnifying Directors and Auditors

The Company has entered into a Deed with each of the Directors (and the Company Secretary) whereby the Company has agreed to provide certain indemnities to each Director (and the Company Secretary) to the extent permitted by the Corporations Act and to use its best endeavours to obtain and maintain directors' and officers' indemnity insurance, subject to such insurance being available at reasonable commercial terms.

The Company has paid premiums to insure each of the directors (and the Company Secretary) of the Company against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director (or Company Secretary) of the Company, other than conduct involving a wilful breach of duty in relation to the Company. The contracts include a prohibition on disclosure of the premium paid and nature of the liabilities covered under the policy.

The Company has not given an indemnity or entered into an agreement to indemnify or paid or agreed to pay insurance premiums in respect of any person who is or has been an auditor of the Company or a related entity during the year and up to the date of this report.

### 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 a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

## Directors' Report

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### Non-Audit Services

The auditors signed an Investigating Accountant's Report on 23 July 2021 for inclusion on the Company's Prospectus for the IPO and listing on the ASX.

During the financial year, BDO also provided taxation services, to a total amount of \$24,100, being \$20,800 for preparation of income tax returns and tax compliance and \$3,300 for assurance report for Prospectus.

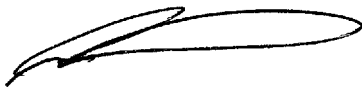
The board of directors is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the board of directors to ensure they do not impact the impartiality and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

### Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is attached to this financial report.

Signed in accordance with a resolution of the board of directors.



Nick Jorss  
Director

Dated: 20 September 2022  
Brisbane, Queensland

## Auditor's Independence Declaration

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Fax: +61 7 3221 9227  
[www.bdo.com.au](http://www.bdo.com.au)

Level 10, 12 Creek Street  
Brisbane QLD 4000  
GPO Box 457 Brisbane QLD 4001  
Australia

### DECLARATION OF INDEPENDENCE BY R M SWABY TO THE DIRECTORS OF BALLYMORE RESOURCES LIMITED

As lead auditor of Ballymore Resources Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

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

A handwritten signature in black ink, appearing to read 'R M Swaby'.

**R M Swaby**  
Director

**BDO Audit Pty Ltd**

Brisbane, 20 September 2022

## Shareholder Information

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 6 September 2022.

### (a) Distribution of equity securities

The number of holders, by size of holding, in each class of security are:

	Ordinary Shares		Options (\$0.26 @ 30-Jun-25)	
	No. Holders	No. Shares	No. Holders	No. Options
1 - 1,000	14	2,945	-	-
1,001 - 5,000	125	380,620	-	-
5,001 - 10,000	114	1,028,547	-	-
10,001 - 100,000	234	8,805,771	-	-
100,001 and over	100	113,140,006	2	778,000
<b>Total</b>	<b>587</b>	<b>123,357,889</b>	<b>2</b>	<b>778,000</b>

	Options (\$0.25 @ 30-Jun-24)		Options (\$0.225 @ 30-Jun-24)	
	No. Holders	No. Options	No. Holders	No. Options
1 - 1,000	-	-	-	-
1,001 - 5,000	-	-	-	-
5,001 - 10,000	-	-	-	-
10,001 - 100,000	-	-	-	-
100,001 and over	4	3,480,000	3	2,040,000
<b>Total</b>	<b>4</b>	<b>3,480,000</b>	<b>3</b>	<b>2,040,000</b>

There are 69 shareholders holding less than a marketable parcel of 2,703 shares.



## Shareholder Information

### (b) Twenty Largest Shareholders

The names of the twenty largest holders of total Ordinary Shares (both Quoted and Unquoted) are:

#	Registered Name	Number of Shares	% of total Shares
1	DAVID IBRAHIM A-IZZEDDIN & DIANAH MAY A-IZZEDDIN	17,349,150	14.1%
2	MR NICHOLAS CHRISTIAN JORSS & MRS KATHERINE JORSS *	11,730,000	9.5%
3	CLAIRE ELIZABETH GILBERT	9,846,815	8.0%
4	OLROSS INVESTMENTS PTY LTD *	9,224,150	7.5%
5	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	5,997,817	4.9%
6	BRAZIL FARMING PTY LTD	5,000,000	4.1%
7	MONTANA DRAFTING & DESIGN PTY LTD *	4,692,678	3.8%
8	WISHART FAMILY SUPER PTY LTD	3,655,000	3.0%
9	PIT2 CO PTY LTD	2,916,666	2.4%
10	ALBIANO HOLDINGS PTY LTD	2,800,000	2.3%
11	INVIA CUSTODIAN PTY LIMITED *	2,050,000	1.7%
12	ACTIVEX LIMITED	2,000,000	1.6%
13	LATIMORE FAMILY PTY LTD *	2,000,000	1.6%
14	RAPLON PTY LTD	1,890,000	1.5%
15	MR PETER DAVID SPIERS & MRS FIONA LYNETTE SPIERS	1,625,000	1.3%
16	BALLYMORE GOLD PTY LTD	1,625,000	1.3%
17	MR MICHAEL JOHN TOBIN	1,383,334	1.1%
18	CAPE COAL PTY LTD *	1,283,840	1.0%
19	CHARLES RICHARD THOMPSON & ROBYN MARJORIE THOMPSON	1,175,000	1.0%
20	FREO NOMINEES PTY LTD	1,000,000	0.8%
	<b>TOP 20 TOTAL</b>	<b>89,244,450</b>	<b>72.3%</b>
	<b>Total of Securities</b>	<b>123,357,889</b>	<b>100.0%</b>

\*Denotes merged holding

## Shareholder Information

The names of the twenty largest holders of Quoted Ordinary Shares are:

#	Registered Name	Number of Shares	% of total Shares
1	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	5,997,817	4.9%
2	BRAZIL FARMING PTY LTD	5,000,000	4.1%
3	MONTANA DRAFTING & DESIGN PTY LTD *	4,692,678	3.8%
4	WISHART FAMILY SUPER PTY LTD	3,655,000	3.0%
5	PIT2 CO PTY LTD	2,916,666	2.4%
6	ALBIANO HOLDINGS PTY LTD	2,800,000	2.3%
7	INVIA CUSTODIAN PTY LIMITED *	2,050,000	1.7%
8	ACTIVEX LIMITED	2,000,000	1.6%
9	LATIMORE FAMILY PTY LTD *	2,000,000	1.6%
10	RAPLON PTY LTD	1,890,000	1.5%
11	MR PETER DAVID SPIERS & MRS FIONA LYNETTE SPIERS	1,625,000	1.3%
12	MR MICHAEL JOHN TOBIN	1,383,334	1.1%
13	CAPE COAL PTY LTD *	1,283,840	1.0%
14	CHARLES RICHARD THOMPSON & ROBYN MARJORIE THOMPSON	1,175,000	1.0%
15	FREO NOMINEES PTY LTD	1,000,000	0.8%
16	HUNTINGDALE CAPITAL PTY LTD	1,000,000	0.8%
17	COMMON SENSE PTY LTD	966,666	0.8%
18	GEAT INCORPORATED	889,420	0.7%
19	MR NICHOLAS CHRISTIAN JORSS & MRS KATHERINE JORSS *	787,692	0.6%
20	MR ANDREW GREVILLE & MRS LOUISE GREVILLE	750,000	0.6%
	<b>TOP 20 TOTAL (Quoted Shares)</b>	<b>43,863,113</b>	<b>35.6%</b>
	Balance of Quoted Shares	29,614,967	21.7%
	Total Unquoted Shares	49,879,809	41.1%
	<b>Total of Securities</b>	<b>123,357,889</b>	<b>100.0%</b>

\*Denotes merged holding

## Shareholder Information

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### (c) Substantial Shareholders

The Company has received substantial shareholder notices from the following entities:

Name of Shareholder	Ordinary Shares	% of total Shares
David & Dianah A-Izzeddin	18,974,150	15.63%
Claire Gilbert	9,846,815	8.11%
Nicholas Jorss	22,579,150	18.61%

### (d) Voting rights

All ordinary shares carry one vote per share without restriction.

Options and performance rights do not carry voting rights.

### (e) Restricted securities

As at the date of this report, there are 49,879,809 ordinary shares and 2,958,000 unquoted options subject to ASX escrow for a period of 24 months from the date of official quotation of the Company's shares (being 3 September 2023).

### (f) On-market buy back

There is not a current on-market buy-back in place.

### (g) Business objectives

The Company has used its cash and assets that are readily convertible to cash in a way consistent with its business objectives.

## Interests in Tenements

Ballymore Resources Limited held the following interests in tenements as at the date of this report:

Country	Location	Project	Tenement	Status	Current Interest (%)
Australia	Queensland	Dittmer	ML 10340	Granted	100%
Australia	Queensland	Dittmer	ML 10341	Granted	100%
Australia	Queensland	Dittmer	EPM 14255	Granted	100%
Australia	Queensland	Dittmer	EPM 26912	Granted	100%
Australia	Queensland	Dittmer	EPM 27282	Granted	100%
Australia	Queensland	Ruddygore	EPM 14015	Granted	100%
Australia	Queensland	Ruddygore	EPM 15047	Granted	100%
Australia	Queensland	Ruddygore	EPM 15053	Granted	100%
Australia	Queensland	Ruddygore	EPM 27840	Granted	100%
Australia	Queensland	Ravenswood	EPM 18424	Granted	100%
Australia	Queensland	Ravenswood	EPM 18426	Granted	100%
Australia	Queensland	Ravenswood	EPM 18637	Granted	100%
Australia	Queensland	Ravenswood	EPM 25466	Granted	100%
Australia	Queensland	Ravenswood	EPM 25467	Granted	100%
Australia	Queensland	Mount Molloy	EPMA 27918	Application	0%

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Other income	2	705	28,401
Corporate and administrative expenses	3	(338,843)	(243,940)
Employee benefits expenses	3	(394,136)	(317,921)
Exploration expenses		(1,424)	(35,208)
Loss before income tax expense		(733,698)	(568,668)
Income tax expense	4	-	-
<b>Loss for the year</b>		<b>(733,698)</b>	<b>(568,668)</b>
Other comprehensive income			
Other comprehensive loss for the year, net of tax		-	-
<b>Total comprehensive loss for the year</b>		<b>(733,698)</b>	<b>(568,668)</b>
<b>Total comprehensive loss for the year attributable to the shareholders of the Company</b>		<b>(733,698)</b>	<b>(568,668)</b>
Loss per share attributable to shareholders of the company		<b>Cents</b>	<b>Cents</b>
Basic and diluted earnings per share	13	(0.63)	(0.49)

The accompanying notes form part of these financial statements.

## Statement of Financial Position

### As at 30 June 2022

	Note	30 June 2022	30 June 2021
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	2,539,321	224,132
Other receivables		106,237	65,692
Prepayments		17,965	69,047
Deposit		2,750	-
<b>Total Current Assets</b>		<b>2,666,273</b>	<b>358,871</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	6	178,147	147,122
Exploration and evaluation assets	7	7,525,407	3,479,415
<b>Total Non-Current Assets</b>		<b>7,703,554</b>	<b>3,626,537</b>
<b>TOTAL ASSETS</b>		<b>10,369,827</b>	<b>3,985,408</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	281,279	221,511
Employee provisions	8	89,465	50,610
<b>Total Current Liabilities</b>		<b>370,744</b>	<b>272,121</b>
<b>TOTAL LIABILITIES</b>		<b>370,744</b>	<b>272,121</b>
<b>NET ASSETS</b>		<b>9,999,083</b>	<b>3,713,287</b>
<b>EQUITY</b>			
Issued capital	9	11,233,111	4,213,617
Reserves	10	381,527	381,527
Accumulated losses		(1,615,555)	(881,857)
<b>TOTAL EQUITY</b>		<b>9,999,083</b>	<b>3,713,287</b>

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity For the Year Ended 30 June 2022

	Note	Issued Capital	Reserve	Accumulated Losses	Total Equity
		\$	\$	\$	\$
<b>Balance at 30 June 2020</b>		<b>730,873</b>	<b>205,528</b>	<b>(313,189)</b>	<b>623,212</b>
<b>Balance at 1 July 2020</b>		<b>730,873</b>	<b>205,528</b>	<b>(313,189)</b>	<b>623,212</b>
Loss for the year		-	-	(568,668)	(568,668)
<b>Total comprehensive loss</b>		<b>-</b>	<b>-</b>	<b>(568,668)</b>	<b>(568,668)</b>
Transactions with shareholders in their capacity as shareholders					
Issue of shares	9	3,482,744	-	-	3,482,744
Share-based payments	17	-	175,999	-	175,999
<b>Balance at 30 June 2021</b>		<b>4,213,617</b>	<b>381,527</b>	<b>(881,857)</b>	<b>3,713,287</b>
<b>Balance at 1 July 2021</b>		<b>4,213,617</b>	<b>381,527</b>	<b>(881,857)</b>	<b>3,713,287</b>
Loss for the year		-	-	(733,698)	(733,698)
<b>Total comprehensive loss</b>		<b>-</b>	<b>-</b>	<b>(733,698)</b>	<b>(733,698)</b>
Transactions with shareholders in their capacity as shareholders					
Issue of shares	9	6,999,983	-	-	6,999,983
Share-based payments	17	440,000	-	-	440,000
Share issue costs	9	(420,489)	-	-	(420,489)
<b>Balance at 30 June 2022</b>		<b>11,233,111</b>	<b>381,527</b>	<b>(1,615,555)</b>	<b>9,999,083</b>

The accompanying notes form part of these financial statements.

## Statement of Cash Flows

### For the Year Ended 30 June 2022

		2022	2021
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Interest receipts		705	401
Other receipts		-	28,000
Payments to suppliers and employees		(668,223)	(313,928)
<b>Net cash used in operating activities</b>	12	<b>(667,518)</b>	<b>(285,527)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments of plant and equipment		(70,882)	(172,312)
Payments for exploration and evaluation assets		(3,525,922)	(3,212,131)
<b>Net cash used in investing activities</b>		<b>(3,596,804)</b>	<b>(3,384,443)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares	9	7,000,000	3,482,744
Share Issue Costs		(420,489)	-
<b>Net cash provided by financing activities</b>		<b>6,579,511</b>	<b>3,482,744</b>
Net increase in cash held		2,315,189	(187,226)
Cash at beginning of the year		224,132	411,358
<b>Cash at end of the year</b>	5	<b>2,539,321</b>	<b>224,132</b>

The accompanying notes form part of these financial statements.



## Notes to the Financial Statements For the Year Ended 30 June 2022

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements that have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board. Ballymore Resources Limited is a for-profit entity for the purpose of preparing the financial statements. The financial statements are presented in Australian dollars.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The financial statements are for Ballymore Resources Limited (the Company). Ballymore Resources Limited is a listed public company, incorporated and domiciled in Australia. The financial report was authorised for issue on 20 September 2022 by the directors of the Company.

The principal activity of the Company is gold and base metal exploration.

The financial report is presented in Australian dollars, rounded to the nearest dollar, which is the functional currency of the Company.

Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

#### Historical Cost Convention

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

#### Going Concern

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

For the year ended 30 June 2022, the Company generated a loss of \$733,698 and incurred operating cash outflows of \$667,518. As at 30 June 2022, the Company had cash and cash equivalents of \$2,539,321 and net assets of \$9,999,083.

The Company's ability to continue to adopt the going concern assumption will depend upon the Company being able to manage its liquidity requirement and by taking some or all of the following actions:

1. raising additional capital;
2. successful exploration and subsequent exploitation of the Company's tenements; and
3. reducing its working capital expenditure.

The directors have concluded as a result of the requirement to raise funds in the future there exists a material uncertainty that may cast significant doubt regarding the Company's ability to continue as a going concern and therefore, the Company may be unable to realise their assets and discharge their liabilities in the normal course of business. Nevertheless, after taking into account the current financial position of the Company, and the Company's ability to raise further capital, the directors have a reasonable expectation that the Company will have adequate resources to fund its future operational requirements and for these reasons they continue to adopt the going concern basis in preparing the financial report.

Should the Company be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Company be unable to continue as a going concern.

## Notes to the Financial Statements for the Year Ended 30 June 2022

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Director/Chief Executive Officer.

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of geographical locations as these locations have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis. Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are similar with respect to any external regulatory requirements. Management currently identifies the Company as having only one reportable segment, being the exploration of mineral projects in Australia.

#### Income Tax

The income tax expense/income for the period comprises current income tax expense/income and deferred tax expense/income. Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities/assets are therefore measured at the amounts expected to be paid to/recovered from the relevant taxation authority. Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well as unused tax losses. Current and deferred income tax expense/income is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

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

**Notes to the Financial Statements for the Year Ended 30 June 2022**

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**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**Exploration and Evaluation Assets**

Exploration and evaluation assets are recognised in relation to tenements held directly by the Company, as well as those subject to farm-in arrangements. Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. Such expenditures comprise net direct costs and an appropriate portion of related overhead expenditure but do not include overheads or administration expenditure not having a specific nexus with a particular area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active or significant operations in relation to the area are continuing.

A regular review will be undertaken on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. A provision is raised against exploration and evaluation assets where the directors are of the opinion that the carried forward net cost may not be recoverable or the right of tenure in the area lapses. The increase in the provision is charged against the results for the year. Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs 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.

**Restoration Costs**

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. 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 clauses of the exploration and mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted for on a prospective basis. 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. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

The Company is not currently liable for any future restoration costs in relation to current areas of interest. Consequently, no provision for restoration has been deemed necessary.

**Impairment of Non-Financial Assets**

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

## Notes to the Financial Statements for the Year Ended 30 June 2022

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial Instruments

##### *Recognition and Initial Measurement*

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the company becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets.

##### *Derecognition*

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire.

##### *Classification and Subsequent Measurement*

Financial instruments are subsequently measured at fair value or amortised cost using the effective interest rate method.

The Company does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

##### *Receivables*

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

##### *Impairment*

The Company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

#### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of less than 3 months.

#### Issued Capital

Ordinary shares are classified as equity. Transaction costs (net of tax where the deduction can be utilised) arising on the issue of ordinary shares are recognised in equity as a reduction of the share proceeds received.

#### Share-Based Payments

The Company makes equity-settled share-based payments to directors, employees and other parties for services provided or the acquisition of exploration assets. Where applicable, the fair value of the equity is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using the Black-Scholes option valuation pricing model which incorporates all market vesting conditions. Where applicable, the number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

## Notes to the Financial Statements for the Year Ended 30 June 2022

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Share-Based Payments (Continued)

Where the fair value of services rendered by other parties can be reliably determined, this is used to measure the equity-settled payment.

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

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

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

#### Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST (or overseas VAT), except where the amount of GST incurred is not recoverable. In these circumstances the GST (or overseas VAT) is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis except for the GST component of investing and financing activities which are disclosed as operating cash flows.

#### Plant and Equipment

Each class of plant and equipment is carried at cost less, accumulated depreciation and any impairment losses. Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed periodically by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the Company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss and other comprehensive income during the financial period in which they are incurred.

#### Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are:

- Plant and equipment 20%
- Motor Vehicles 20%
- Computer equipment 33.3%

## Notes to the Financial Statements for the Year Ended 30 June 2022

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### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Plant and Equipment (Continued)

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss.

#### Employee Benefits

##### *Short-term employee benefit obligations*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled wholly within 12 months after the end of the reporting period are recognised in liabilities in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled.

##### *Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

##### *Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

#### Current and non-current classification

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

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

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

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

#### Earnings Per Share (EPS)

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

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

## Notes to the Financial Statements for the Year Ended 30 June 2022

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### New and Amended Standards and Interpretations

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are necessary for the current reporting period. Adoption of these new and amended standards and interpretations did not have material impact to the financial statements.

#### New Standards and Interpretations Not Yet Adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 reporting periods. The Company has decided against early adoption of these standards. The Company has assessed the impact of these new standards that are not yet effective and determined that they are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

#### Critical Accounting Estimates and Judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period and future periods if the revision affects both current and future periods. The following estimates and judgements were used for the current financial year:

#### *Exploration and Evaluation Assets*

The Company performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of exploration and drilling results performed to reporting date. Exploration and evaluation assets as at 30 June 2022 were \$7,525,407.

### NOTE 2: OTHER INCOME

	2022	2021
	\$	\$
<b>Other income:</b>		
Interest received from other persons	705	401
Gain on sale of equipment <sup>(1)</sup>	-	28,000
	<b>705</b>	<b>28,401</b>

#### **Note:**

- (1) An item of plant was sold to a third party during the year ended 30 June 2021. On acquisition of the Dittmer project, this item was ascribed no value due to its age and condition. Hence the full consideration represents a gain.

## Notes to the Financial Statements for the Year Ended 30 June 2022

### NOTE 3: EXPENSES

	2022	2021
	\$	\$
<b>Included in expenses are the following items:</b>		
Share based payment expense	-	175,299
Accounting and audit fees	66,369	63,210
ASX, ASIC, share registry expenses	59,446	73,312
Consulting fees	8,040	-
Insurance	49,029	17,983
Marketing	28,677	9,240
Legal fees	75,571	55,108
Employee benefits expense comprises:		
Salaries, wages and superannuation	64,769	332
Directors and senior management fees	290,511	90,981
Provision for leave entitlement	38,856	50,610

### NOTE 4: INCOME TAX EXPENSE

#### Recognised in the Statement of profit or loss

	2022	2021
	\$	\$
<b>a) Tax expense</b>		
Current tax expense	(218,030)	-
Deferred tax expense	218,030	-
Total income tax expense per the Statement of profit or loss	-	-
<b>b) Numerical reconciliation between tax expense and pre-tax net profit or (loss)</b>		
<b>Net loss before tax</b>	<b>(733,698)</b>	<b>(568,668)</b>
<i>Corporate tax rate applicable</i>	<i>30%</i>	<i>26%</i>
<b>Income tax benefit on above at applicable corporate rate</b>	<b>(220,109)</b>	<b>(147,854)</b>
Increase in income tax due to tax effect of:		
Share-based payments expense	-	45,578
Non-deductible expenses	2,080	472
Current year tax losses not recognised	192,800	138,967
Temporary differences recognised	-	(37,163)
Decrease in income tax expense due to:		
Deductible equity raising costs	25,229	-
Income tax expense attributable to entity	-	-



## Notes to the Financial Statements for the Year Ended 30 June 2022

### NOTE 4: INCOME TAX EXPENSE (Continued)

#### Deferred tax assets and liabilities

	2022	2021
	\$	\$
<b>(c) Recognised deferred tax assets and liabilities</b>		
<b>Deferred tax assets</b>		
Employee provisions	26,840	4,930
Other provisions and accruals	19,086	50,185
Blackhole expenditure	100,917	-
Acquired exploration & mine properties	367,113	-
Tax losses	1,337,461	681,841
	<u>1,851,417</u>	<u>736,956</u>
Set-off of deferred tax liabilities	<u>(1,851,417)</u>	<u>(736,956)</u>
Net deferred tax assets	<u>-</u>	<u>-</u>
<b>Deferred tax liabilities</b>		
Prepayments	-	17,952
Exploration and mine properties	1,851,417	719,004
	<u>1,851,417</u>	<u>736,956</u>
Gross deferred tax liabilities	<u>1,851,417</u>	<u>736,956</u>
Set-off of deferred tax assets	<u>1,851,417</u>	<u>(736,956)</u>
Net deferred tax liabilities	<u>-</u>	<u>-</u>

#### (d) Unused tax losses and temporary differences for which no deferred tax assets has been recognised

Deferred tax assets have not been recognised in respect of the following using corporate tax rates of:

Tax losses not recognised	864,010	153,775
Total unrecognised deferred tax assets	<u>864,010</u>	<u>153,775</u>

The corporate tax rates on both recognised and unrecognised deferred tax assets and deferred tax liabilities have been calculated with respect to the tax rate that is expected to apply in the year the deferred tax asset is realised or the liability is settled.

Unused losses at 30 June 2022 total \$7,259,901 (2021: \$3,213,908). The benefit of these losses will only be obtained if:

- (a) the Company derives future assessable income of a nature and of an amount sufficient to enable the losses to be realised;
- (b) the Company continues to comply with the conditions for deductibility imposed by the law; and
- (c) no changes in tax legislation adversely affect the Company in realising the losses.

## Notes to the Financial Statements for the Year Ended 30 June 2022

### NOTE 5: CASH AND CASH EQUIVALENTS

	2022	2021
	\$	\$
Cash at bank and on hand	2,539,321	224,132
	<b>2,539,321</b>	<b>224,132</b>

### NOTE 6: PLANT AND EQUIPMENT

	2022	2021
	\$	\$
At cost	243,194	172,312
Accumulated depreciation	(65,047)	(25,190)
	<b>178,147</b>	<b>147,122</b>
Plant and equipment, at cost	144,238	144,237
Accumulated depreciation	(48,561)	(19,713)
	95,677	124,524
Motor vehicles, at cost	85,682	22,000
Accumulated depreciation	(11,907)	(4,050)
	73,775	17,950
Computer equipment	13,275	6,075
Accumulated depreciation	(4,580)	(1,427)
	8,695	4,648
	<b>178,147</b>	<b>147,122</b>

Reconciliation of the carrying amounts for property, plant and equipment is set out below:

	Plant & equipment	Motor Vehicles	Computer equipment	Total
Balance at 1 July 2021	124,524	17,950	4,648	147,122
Additions at cost	-	63,682	7,200	70,882
Depreciation expense	(28,848)	(7,856)	(3,153)	(39,857)
Disposals	-	-	-	-
<b>Balance at 30 June 2022</b>	<b>95,676</b>	<b>73,776</b>	<b>8,695</b>	<b>178,147</b>

## Notes to the Financial Statements for the Year Ended 30 June 2022

### NOTE 7: EXPLORATION AND EVALUATION ASSETS

	2022	2021
	\$	\$
Exploration and evaluation expenditure carried forward in respect of areas of interest are:		
Acquisitions - at cost	1,354,016	714,016
Exploration and evaluation phase - at cost	6,171,391	2,765,399
	7,525,407	3,479,415
Movement in exploration and evaluation assets:		
Acquisitions:		
Opening balance - at cost	714,016	153,395
Acquisition costs - purchase prices paid to acquire projects	640,000 <sup>(1)(2)</sup>	515,000 <sup>(3)(4)</sup>
Acquisition costs - other project acquisition costs	-	45,621
Total acquisitions costs	1,354,016	714,016
Exploration and evaluation phase – at cost:		
Opening balance - at cost	2,765,399	207,981
Capitalised exploration expenditure	3,405,992	2,557,418
Total exploration and evaluation phase – at cost:	6,171,391	2,765,399
<b>Carrying amount at the end of the year</b>	<b>7,525,407</b>	<b>3,479,415</b>

Recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation of projects, or alternatively, through the sale of the areas of interest.

Notes for the above table relating to the year ended 30 June 2022 are:

- (1) On 2 December 2021, the Company issued 2,000,000 shares to acquire the remaining 49% interest in the Ravenswood Project. The closing share price on 2 December 2021 was \$0.22, valuing the shares at \$440,000.
- (2) Pursuant to a Royalty Deed forming part of the Mining Asset Sale Agreement to acquire EPM14255, ML10340 and ML10341 (forming part of the Dittmer Project), in December 2021 the Company paid \$200,000, which will be set off against future royalties payable by the Company.

Notes for the above table relating to the year ended 30 June 2021 are:

- (3) On 20 June 2020 the Company entered into a Mining Asset Sale Agreement to acquire EPM14255, ML10340 and ML10341. The total cash consideration was \$490,000 payable upon achievement of certain conditions, with \$290,000 paid in December 2020 upon the successful transfer of the title and ownership of the licences to Ballymore, and the balance of \$200,000 paid in June 2021 after the successful transfer of the title and ownership of the licences to Ballymore.
- (4) In June 2020 the Company entered into a Mining Asset Sale Agreement to acquire EPM26912, forming part of the Dittmer Project. The consideration price of \$25,000 was paid in February 2021 upon the successful transfer of the title and ownership of the licence to Ballymore.

## Notes to the Financial Statements for the Year Ended 30 June 2022

### NOTE 8: CURRENT LIABILITIES

	2022	2021
	\$	\$
Current:		
Trade payables and accrued expenses	250,826	202,550
Short term employee benefits	30,453	18,961
Employee provisions	89,465	50,610
<b>Total payables (unsecured)</b>	<b>370,744</b>	<b>272,121</b>

The average credit period on purchases of goods and services is 30 days. No interest is paid on trade payables.

### NOTE 9: CONTRIBUTED EQUITY

#### Fully paid ordinary shares

	2022		2021	
	No. of Shares	\$	No. of Shares	\$
Balance at the beginning of the year	120,356,132	4,213,617	48,568,919	730,873
Share issues:				
Placement – August 2020 (a)	-	-	11,609,147	3,482,744
Share split – May 2021 (b)	-	-	60,178,066	-
Cancellation of shares – July 2021 (c)	(33,998,243)	(17)	-	-
Initial Public Offering – August 2021 (d)	35,000,000	7,000,000	-	-
Project acquisition – December 2021 (e)	2,000,000	440,000	-	-
Transaction costs associated with issues	-	(420,489)	-	-
<b>Balance as at 30 June</b>	<b>123,357,889</b>	<b>11,233,111</b>	<b>120,356,132</b>	<b>4,213,617</b>

Ordinary shareholders are entitled to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amount paid on the shares held. Every ordinary shareholder present at a meeting in person or by proxy is entitled to one vote on a show of hands or by poll. Ordinary shares have no par value.

Notes for the above table are:

- (a) In August 2020, 11,609,147 shares were issued at \$0.30 each, raising \$3,482,744.
- (b) In May 2021 the Company undertook a (2 for 1) share split resulting in 60,178,066 new shares being issued.
- (c) In July 2021, the Company completed a selective buy back (for nominal consideration) and cancellation of 33,998,243 shares.
- (d) On 31 August 2021, 35,000,000 shares were issued as part of the Company's Initial Public Offering (IPO) on the ASX, raising \$7,000,000 (before costs). On 1 September 2021, the Company was admitted to the Official List of the ASX.
- (e) On 2 December 2021, the Company issued 2,000,000 shares to acquire the remaining 49% interest in the Ravenswood Project. The closing share price on 2 December 2021 was \$0.22, valuing the shares at \$440,000.

## Notes to the Financial Statements for the Year Ended 30 June 2022

### NOTE 9: CONTRIBUTED EQUITY (Continued)

#### Unlisted Options

	Note	Weighted average exercise price	2022 No. of Options	Weighted average exercise price	2021 No. of Options
Unlisted Share Options		\$0.272	5,520,000	\$0.272	5,520,000
Balance at the beginning of the year		\$0.272	5,520,000	\$0.30 <sup>(1)</sup>	10,000,000
Change of options during the year:					
Issued to directors and consultants	17	-	-	-	-
Issued to employees	17	-	-	\$0.225 <sup>(2)</sup>	620,000
Issued to consultants	17	-	-	\$0.225 <sup>(2)</sup>	400,000
Options cancelled		-	-	-	(2,500,000)
Share/Option split (2 for 1)		-	-	-	8,520,000
Options cancelled		-	-	-	(11,520,000)
<b>Exercisable at end of year</b>		<b>\$0.272</b>	<b>5,520,000</b>	<b>\$0.272</b>	<b>5,520,000</b>

Notes for the above table:

- (1) In May 2021, the Company undertook a (2 for 1) share/option split resulting in the option exercises prices being adjusted (to 50% from when issued). Also, during the year ended 30 June 2021 the Company cancelled some options and adjusted the exercise price of the options held by directors (and one consultant). These changes resulted in the options on issue at 30 June 2020 (10,000,000 with exercises prices of \$0.30) being 3,480,000 options with exercise prices of \$0.25 each at 30 June 2021.
- (2) In May 2021, the Company undertook a (2 for 1) share/option split resulting in the option exercises prices being adjusted (to 50% from when issued). These options issued to employees and consultants were originally issued with \$0.45 exercise prices.

#### Capital Management

Exploration companies such as Ballymore Resources Limited are funded almost exclusively by share capital. Management controls the capital of the Company to ensure it can fund its operations and continue as a going concern. Capital management policy is to fund its exploration activities principally by way of equity, and where required, debt and/or project finance. No dividend will be paid while the Company is in exploration stage. There are no externally imposed capital requirements.

There have been no other changes to the capital management policies during the year.

### NOTE 10: RESERVES

#### Share-Based Payments Reserve

The share-based payment reserve is used to recognise the fair value of options and performance shares issued to directors, employees and consultants. This reserve can be reclassified to accumulated losses if options lapse. Refer to note 17 for details of share-based payment arrangements and valuations.

## Notes to the Financial Statements for the Year Ended 30 June 2022

### NOTE 11: OPERATING SEGMENTS

#### Segment Information

##### Identification of reportable segments

The Company does not have any products or services that it derives revenue from. The Company's exploration and development activities in Australia is the Company's primary focus.

Accordingly, management currently identifies the Company as having only one reportable segment, being the exploration of mineral projects in Australia. There have been no changes in the reporting segments during the year. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

### NOTE 12: CASH FLOW INFORMATION

	2022	2021
	\$	\$
<b>A. Reconciliation of Cash Flow from Operations with Loss after Income Tax:</b>		
Loss after income tax	(733,698)	(568,668)
Non-cash flows in loss from ordinary activities:		
Amortisation & Depreciation	49,029	-
Share based payments	-	175,999
Changes in operating assets and liabilities:		
(Increase)/Decrease in receivables	(47,918)	(34,012)
Decrease/(Increase) in prepayments and other assets	16,361	(69,048)
Increase in payables and accruals	48,708	210,202
<b>Net cash used in operations</b>	<b>(667,518)</b>	<b>(285,527)</b>

#### B. Non-Cash Financing transactions:

On 2 December 2021, the Company issued 2,000,000 shares to acquire the remaining 49% interest in the Ravenswood Project (refer notes 7 and 17). There were no other non-cash investing or financing activities.

### NOTE 13: EARNINGS PER SHARE

	2022	2021
	\$	\$
Net loss used in the calculation of basic and diluted EPS attributable to shareholders of the Company	(733,698)	(568,668)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	117,122,244	116,412,203

Options are considered potential ordinary shares. Options issued are not presently dilutive and were not included in the determination of diluted earnings per share for the period.

## Notes to the Financial Statements for the Year Ended 30 June 2022

### NOTE 14: COMMITMENTS

#### (a) Exploration Commitments

The Company has certain obligations to expend minimum amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Company.

The following commitments exist at reporting date but have not been brought to account. If the relevant option to acquire a mineral tenement is relinquished the expenditure commitment also ceases. The Company has the option to negotiate new terms or relinquish the tenements and also to meet expenditure requirements by joint venture or farm-in arrangements.

	2022	2021
	\$	\$
Not later than 1 year	1,221,291	975,142
Later than 1 year but not later than 5 years	4,804,544	2,159,249
Later than 5 years	-	-
<b>Total commitment</b>	<b>6,025,835</b>	<b>3,134,391</b>

In May 2020, the Company entered into a Farm-In and Option Agreement for the Ravenswood Project, comprising EPMs 18424, 18426, 18637, 25466 and 25467. The agreement required \$200,000 to be spend on the project by October 2020 (successfully achieved) and a further \$300,000 to be spent by October 2021 to earn 51% (Initial Interest). This was achieved in September 2021. On 2 December 2021, Ballymore acquired the remaining 49% interest in the Ravenswood Project for a consideration of 2,000,000 Ballymore shares (valued at \$440,000). None of these amounts are included in the table above.

#### (b) Lease Commitments

The Company has no long-term leases.

#### (c) Capital Commitments

The Company has no capital commitments.

### NOTE 15: CONTINGENT LIABILITIES

As set out in Note 9, the Company entered into a Mining Asset Sale Agreement to acquire EPM14255, ML10340 and ML10341 (forming part of the Dittmer Project). The agreement includes a royalty of 5.0% of all revenue from future mining activities. Pursuant to a Royalty Deed (forming part of the Mining Asset Sale Agreement), in December 2021 the Company paid \$200,000, which will be set off against future royalties payable by the Company. The Company has the option to acquire the royalty for \$3.75million.

There were no other contingent liabilities at the end of the reporting period.

### NOTE 16: RELATED PARTY TRANSACTIONS

#### Key Management Personnel

	2022	2021
	\$	\$
Short-term employee benefits	736,910	417,552
Post-employment benefits	52,019	34,834
	<b>788,929</b>	<b>452,386</b>

## Notes to the Financial Statements for the Year Ended 30 June 2022

### NOTE 17: SHARE-BASED PAYMENTS

#### Director and Employee Share-based Payments

Share-based payment expense recognised during the year:

	2022	2021
	\$	\$
Share-based payment expense recognised during the period:		
Options issued to employees (1)	-	109,981
Options issued to a consultant (2)	-	66,018
	<u>-</u>	<u>175,999</u>

No share-based payments granted to directors or employees during the year ended 30 June 2022.

Notes for the above table, relating to the year ended 30 June 2021 are:

- (1) During the year ended 30 June 2021, 620,000 options were granted to employees. The options vested on grant date and expire on 30 June 2024. The fair value of options granted was 17.74 cents per option. The fair value at grant date was determined by an independent valuator using a Black-Scholes option pricing model that takes into account the share price at grant date, exercise price, expected volatility, option life, expected dividends, the risk free rate, the impact of dilution, and the fact that the options are not tradeable. The inputs used for the Black-Scholes option pricing model for the options granted were as follows:
  - grant date: 1 November 2020
  - deemed share price at grant date: 30.0 cents
  - exercise price: 45.0 cents
  - expected volatility: 100%
  - expected dividend yield: nil%
  - risk free rate: 0.1902%
- (2) During the year ended 30 June 2021, a further 400,000 options were granted to a consultant. The options vested on grant date and expire on 30 June 2024. The fair value of options granted was 16.5 cents per option. The fair value at grant date was determined by an independent valuator using a Black-Scholes option pricing model that takes into account the share price at grant date, exercise price, expected volatility, option life, expected dividends, the risk free rate, the impact of dilution, and the fact that the options are not tradeable. The inputs used for the Black-Scholes option pricing model for the options granted were as follows:
  - grant date: 26 April 2021
  - deemed share price at grant date: 30.0 cents
  - exercise price: 45.0 cents
  - expected volatility: 100%
  - expected dividend yield: nil%
  - risk free rate: 0.1101%.

\*Note: All options noted above were issued prior to a (2 for 1) share/option split that took place on 11 May 2021, and prior to any option cancellations (refer note 9). As such, all share and option exercise prices noted above are before the share/option split and cancellations. There was no impact on the financial statements as a result of the cancellations and share/option split noted above.



## Notes to the Financial Statements for the Year Ended 30 June 2022

### NOTE 17: SHARE-BASED PAYMENTS (Continued)

Share-based payment options during 2022:

Option exercise price	Option expiry date	Balance 1 July 2021	Granted as Compensation	Exercised/ Lapsed	Balance 30 June 2022	Total Vested 30 June 2022	Total Vested and Exercisable 30 June 2022	Weighted average remaining contractual life
\$0.25	30/06/24	3,480,000	-	-	3,480,000	3,480,000	3,480,000	2 years
\$0.23	30/06/24	2,040,000	-	-	2,040,000	2,040,000	2,040,000	2 years
<b>Total</b>		<b>5,520,000</b>	<b>-</b>	<b>-</b>	<b>5,520,000</b>	<b>5,520,000</b>	<b>5,520,000</b>	<b>2 years</b>

Share-based payment options during 2021:

Option exercise price	Option expiry date	Balance 1 July 2020	Granted as Compensation	Exercised/ lapsed	Balance 30 June 2021	Total Vested 30 June 2021	Total Vested and Exercisable 30 June 2021	Weighted average remaining contractual life
\$0.25	30/06/24	3,480,000*	-	-	3,480,000	3,480,000	3,480,000	3 years
\$0.23	30/06/24	0	2,040,000	-	2,040,000	2,040,000	2,040,000	3 years
<b>Total</b>		<b>3,480,000</b>	<b>2,040,000</b>	<b>-</b>	<b>5,520,000</b>	<b>5,520,000</b>	<b>5,520,000</b>	<b>3 years</b>

\*Note: 3,480,000 options (adjusted for subsequent security consolidation and cancellations) were issued on 7 May 2022, vested immediately on issue and had a fair value of 5.9 cents per options (adjusted for the subsequent security consolidation and cancellations).

### Acquisition Share-based Payments

Share-based payment capitalised to Exploration and Evaluation Assets:

	2022	2021
	\$	\$
Shares issued for project acquisition <sup>(1)</sup>	440,000	-

Note for the above table:

- (1) On 2 December 2021, the Company issued 2,000,000 shares to acquire the remaining 49% interest in the Ravenswood Project. The closing share price on 2 December 2021 was \$0.22, valuing the shares at \$440,000.

### NOTE 18: AUDITOR'S REMUNERATION

Remuneration for the auditor of the Company:

	2022	2021
	\$	\$
BDO Audit Pty Ltd and its related entities:		
Auditing or reviewing the financial reports	48,221	42,903
Taxation and accounting services	20,800	-
IPO due diligence services	3,300	17,500
	<b>72,321</b>	<b>60,403</b>

## Notes to the Financial Statements for the Year Ended 30 June 2022

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### NOTE 19: FINANCIAL RISK MANAGEMENT

#### (a) Financial Risk Management Policies

The Company's financial instruments comprises cash balances, receivables and payables. The main purpose of these financial instruments is to provide finance for operations.

#### *Treasury Risk Management*

Key executives of the Company meet on a regular basis to analyse exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management is responsible for developing and monitoring the risk management policies and reports to the board.

#### *Financial Risks*

The main risks the Company is exposed to through its financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. These risks are managed through monitoring of forecast cash flows, interest rates, economic conditions and ensuring adequate funds are available.

#### *Interest Rate Risk*

The Company's exposure to interest rate risk, which is the risk that a financial instrument's cash flows or fair value will fluctuate as a result of changes in market interest rates, arises in relation to the Company's bank balances. This risk is managed through the use of variable rate bank accounts.

#### *Liquidity Risk*

Liquidity risk is the risk that the Company will not be able meet its financial obligations as they fall due. This risk is managed by ensuring, to the extent possible, that there is sufficient liquidity to meet liabilities when due, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's activities are funded from equity and where required and available debt and/or project finance.

#### *Credit Risk*

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is their carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. Credit risk arises from exposures to deposits with financial institutions and sundry receivables.

Credit risk is managed and reviewed regularly by key executives. The key executives monitor credit risk by actively assessing the rating quality and liquidity of counter parties:

- only banks and financial institutions with an 'A' rating are utilised; and
- all other entities are rated for credit worthiness taking into account their size, market position and financial standing.

At 30 June 2022, there was no concentration of credit risk, other than bank balances.

#### *Foreign Currency Risk*

The Company has no material exposure to foreign currency risk at the end of the reporting period.

## Notes to the Financial Statements for the Year Ended 30 June 2022

### NOTE 19: FINANCIAL RISK MANAGEMENT (Continued)

#### (b) Financial Instrument Composition and Contractual Maturity Analysis

	2022	2021
	\$	\$
<b>Financial assets:</b>		
Within 6 months:		
cash & cash equivalents <sup>(1)</sup>	2,539,321	224,132
receivables <sup>(1)</sup>	21	25,097
	<u>2,539,342</u>	<u>249,229</u>
<b>Financial liabilities:</b>		
Within 6 months:		
payables <sup>(1)</sup>	148,206	253,160
	<u>148,206</u>	<u>253,160</u>

**Note:**

(1) *Non-interest bearing. The contractual cash flows do not differ to the carrying amount.*

#### (c) Net Fair Values

Fair values of financial assets and financial liabilities are materially in line with carrying values.

#### (d) Sensitivity Analysis

The Company has performed sensitivity analysis relating to its exposure to interest rate risk. At year end, the effect on profit and equity as a result of a 1% change in the interest rate, with all other variables remaining constant, is immaterial.

### NOTE 20: SUBSEQUENT EVENTS

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

### NOTE 21: COMPANY DETAILS

The registered office and principal place of business is:

Suite 606, Level 6, 10 Market Street  
Brisbane, Queensland, 4000 Australia

### NOTE 22: DIVIDENDS & FRANKING CREDITS

There were no dividends paid or recommended during the financial year. There are no franking credits available to the shareholders of the Company.

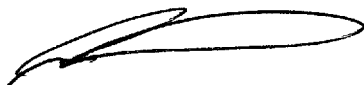
## Directors' Declaration

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The directors of the Company declare that:

1. The attached financial statements and notes are in accordance with the Corporations Act 2001, the Corporations Regulations 2001, including:
  - a. complying with the Australian Accounting Standards which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
  - b. giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date.
2. The chief executive officer (or equivalent) and chief financial officer have each declared that:
  - a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
  - b. the financial statements and notes for the financial year comply with the Accounting Standards; and
  - c. the financial statements and notes for the financial year give a true and fair view.
3. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors.



Nick Jorss  
Director

Dated: 20 September 2022  
Brisbane, Queensland

## INDEPENDENT AUDITOR'S REPORT

To the members of Ballymore Resources Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Ballymore Resources Limited (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of Ballymore Resources Limited, is 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 2022 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

### Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

### Key audit matters

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

### Carrying value of exploration and evaluation assets

Key audit matter	How the matter was addressed in our audit
<p>The Entity carries exploration and evaluation assets in accordance with the Entity's accounting policy for exploration and evaluation assets as set out in Note 9.</p> <p>The recoverability of exploration and evaluation asset is a key audit matter due to the significance of the total balance as a proportion of total assets and the level of procedures undertaken to evaluate management's application of the requirements of AASB 6 Exploration for and Evaluation of Mineral Resources ('AASB 6') in light of any indicators of impairment that may be present.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• Obtaining evidence that the Entity has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditure by obtaining supporting documentation such as licence agreements and also considering whether the Entity maintains the tenements in good standing.</li> <li>• Making enquiries of management with respect to the status of ongoing exploration programs in the respective areas of interest.</li> <li>• Enquiring of management, reviewing ASX announcements and reviewing directors' minutes to ensure that the Entity had not decided to discontinue activities in any applicable areas of interest and to assess whether there are any other facts or circumstances that existed to indicate impairment testing was required.</li> </ul>

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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 that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability 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 Company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the Financial Report**

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

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

[https://www.auasb.gov.au/admin/file/content102/c3/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 on pages 22 to 27 of the directors' report for the year ended 30 June 2022. In our opinion, the Remuneration Report of Ballymore Resources Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

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

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'R M Swaby', is written over a faint, larger 'BDO' watermark.

**R M Swaby**  
Director

Brisbane, 20 September 2022