RAND MINING Ltd.

ANNUAL
REPORT
2021

Contents


REFUGE CHAMBER
UNDERGROUND TAG BOARD
YOU MUST PLACE YOUR TAG IF YOU ARE PROCEEDING PAST THIS POINT
ONE TAG PER HOOK
TAG BOARD CLOSED
FIRING WITHIN 30 MINUTES
PERMISSION

Corporate Directory

Directors

Otakar Demis
Non-Executive Chairman

Anthony Billis
Executive Director, Managing Director and Chief Executive Officer

Gordon Sklenka
Non-Executive Director

Company secretaries

Otakar Demis
Roland Berzins
Brett Tucker

Notice of annual general meeting

The annual general meeting of Rand Mining Limited will be held at:

The Plaza Hotel
45 Egan Street
Kalgoorlie WA 6430
on 26 November 2021 at 10.00am

Registered office

Suite G1, 49 Melville Parade
South Perth WA 6151
Tel: +61 (8) 9474 2113
Fax: +61 (8) 9367 9386

Principal place of business

Suite G1, 49 Melville Parade
South Perth WA 6151
Correspondence address:
PO Box 307
West Perth WA 6872

Share register

Advanced Share Registry Services Limited
110 Stirling Highway
Nedlands WA 6009
Tel: +61 (8) 9389 8033
Fax: +61 (8) 9262 3723

Auditor

PKF Perth
Level 5, 35 Havelock Street
West Perth WA 6005

Bankers

Australia and New Zealand Banking Group Limited ('ANZ')
77 St George's Terrace
Perth WA 6000

Stock exchange listing

Rand Mining Limited shares are listed on the Australian Securities Exchange (ASX code: RND)

Website

www.randmining.com.au

Corporate Governance Statement

The Company's directors and management are committed to conducting the Group's business in an ethical manner and in accordance with the highest standards of corporate governance.

The Company has adopted and substantially complies with the ASX Corporate Governance Principles and Recommendations (3rd Edition) ('Recommendations') to the extent appropriate to the size and nature of the Group's operations.

The Company has prepared a Corporate Governance Statement which sets out the corporate governance practices that were in operation throughout the financial year for the Company, identifies any Recommendations that have not been followed, and provides reasons for not following such Recommendations.

The Company's Corporate Governance Statement and policies, approved at the same time as the Annual Report, can be found on the Company's website:

www.randmining.com.au/Corporate-Governance

Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Rand Mining Limited (referred to hereafter as the 'Company', 'parent entity' or 'Rand') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

Directors

The following persons were directors of Rand Mining Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Otakar Demis - Non-Executive Chairman

Anthony Billis - Executive Director, Managing Director and Chief Executive Officer

Gordon Sklenka - Non-Executive Director

Principal activities

The principal activities of the Group during the year were exploration, development and production activities at the Group's East Kundana Joint Venture tenements.

Dividends

Dividends paid during the financial year were as follows:

	Consolidated	
	30 Jun 2021 $	30 Jun 2020 $
A dividend of 10 cents per ordinary share paid to shareholders on 20 November 2020 (30 June 2020: 22 October 2019).	6,014,848	6,014,848

Other than the above, there were no dividends recommended or declared during the current financial year.

Review of operations

The profit for the Group after providing for income tax amounted to $15,201,512 (30 June 2020: loss of $1,536,490).

East Kundana Joint Venture

The EKJV is located 25km west north west of Kalgoorlie and 47km north east of Coolgardie.

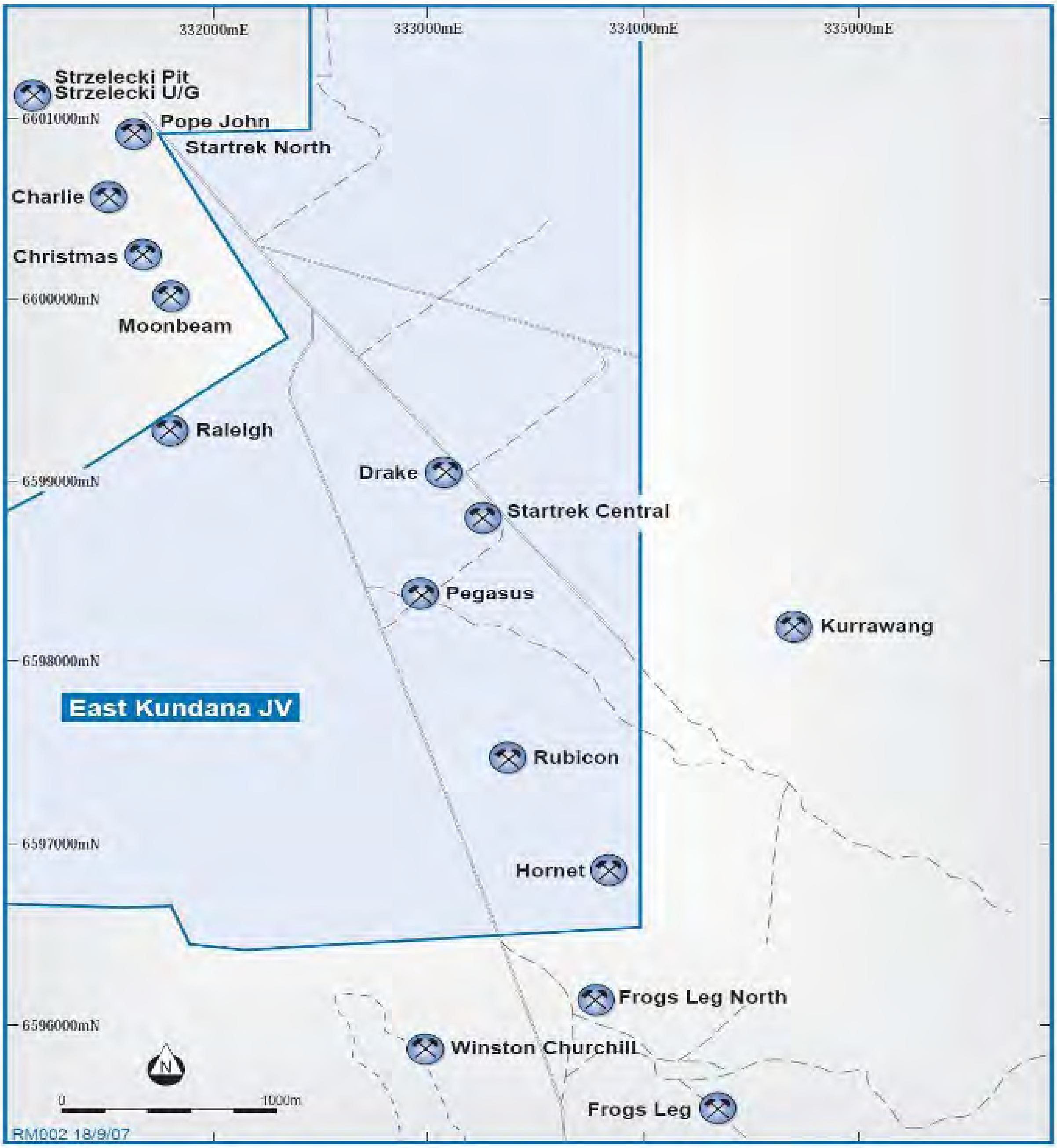
The East Kundana Joint Venture (EKJV) is between Rand Mining Ltd. (12.25%), Tribune Resources Ltd. (36.75%) and Gilt-Edged Mining Pty. Ltd. (51%).

KUNDANA PROJECT

Location Map

Note: The Joint Venture deposits are located within the blue shaded area.Other deposits indicated on this map do not belong to either Rand Mining or the Joint Venture.

Directors' Report



EAST KUNDANA JOINT VENTURE

Deposit Locations

Note: The Joint Venture deposits are located within the blue shaded area.Other deposits indicated on this map do not belong to either Rand Mining or the Joint Venture.

Mining

Raleigh

Raleigh Underground Mine was put onto care and maintenance due to seismic activity in April 2020. A full review of the mine plan was initiated by the JV manager and will result ina rescheduling of the mining of the remaining reserves at a later date.

There was no capital or operating development for the year. The depth of the decline is approximately 743 metres below the surface. The top of the Sadler incline remains at 356 metres below the surface and the bottom of the Sadler Decline is approximately 401 metres below the surface.

There was no mine production from Raleigh during the year.

Rubicon/Hornet/Pegasus

During the year ended 30 June 2021, a total of 888,507 tonnes of ore at 3.72 g/t containing 106,283 oz of gold were mined from the Rubicon, Hornet and Pegasus ore bodies.

Rand's entitlement to the ore extracted was 108,842 tonnes and 13,020 oz, compared to 116,888 tonnes and 19,129oz the previous year.

Year on year RHP Mine production is summarised in the following table -

	Rubicon/Hornet/Pegasus		
Mine Claimed Production (Year)	**Mined (t)**	**Grade (g/t)**	**Gold (oz)**
11/12	78,229	9.6	24,103
12/13	266,113	10.3	88,666
13/14	314,685	11.3	114,454
14/15	605,988	9.5	184,302
15/16	761,483	7.3	178,931
16/17	843,340	7.1	192,487
17/18	996,445	6.2	198,276
18/19	1,072,429	6.0	208,264
19/20	954,188	5.1	156,158
20/21	**888,507**	**3.7**	**106,283**
Rand's entitlement	**108,842**	**3.7**	**13,020**

Directors' Report

Ore Stockpiles

As of 30 June 2021, Rand had 35,379 tonnes of ore stockpiled at a grade of 2.94 g/t which contained 3,345 oz of gold.

The breakdown of Rands high and low grade ore stockpiles is tabulated below –

Rand Ore Stockpiles			
Stockpile	**Tonnes**	**Grade**	**Ounces**
RHP Low grade	1,320	1.65	70
RHP High grade	3,527	4.03	457
RHP LG oversize	184	2.5	15
RHP HG transfer SP	7,401	4.53	1,078
RHP LG 1	8,361	1.84	495
RHP LG 2	3,066	1.60	158
Lakewood HG	5,902	4.00	759
Lakewood LG	5,619	1.74	314
Rand Stockpiles	**35,379**	**2.94**	**3,345**

Rand ore stockpiles depleted by 56,730 tonnes and 9,942 oz in the 12 months from June 30 2020.

Processing

Rand's share of ore processed in FY2021 was 165,607 tonnes at 4.13 g/t with 94.54% gold recovery for production of 20,907 fine oz.

Since January 2013, the majority of EKJV ore was processed at the Kanowna Belle Plant located near Kalgoorlie under an Ore Treatment Agreement (OTA). Excess ore was periodically processed by local Toll Milling providers in campaigns managed by EKJV Management.

In October 2019, Northern Star Resources (NST) issued notice that it would treat only 35,000 tonnes of EKJV ore for the four quarters post 1st January 2020. NST maintained that this met their minimum obligation under the OTA. NST also advised that EKJV mined ore was to be split to allow processing in proportion to the EKJV partners interest, 51% GEM (an NST subsidiary) and 49% (Rand and Tribune Group).

During the 2021 financial year, Rand and Tribune were to secured addtional toll treatment arrangements at St Barbara's Gwalia operation and Golden Mile Miling Lakewood processing facility

During FY2021 ore processing was carried out in 4 campaigns at Kanowna Belle, 7 campaigns at St Barbaras Gwalia operation and 6 campaigns at GMM's Lakewood Mill during the year.

Rand share of ore processed is outlined in the table below –

Rand Share of Ore Processed				
Campaign Location	Tonnes Milled	Head Grade Au (g/t)	Recovery (%)	Fine Au Produced (Oz)
GMM Lakewood	101,483	3.98	94.46%	12,257
St Barbara Gwalia	46,360	4.57	95.15%	6,603
NST Kanowna Belle	17,765	3.85	93.12%	2,047
Total	**165,607**	**4.13**	**94.54%**	**20,907**

The increase in processing capacity saw a significant increase in Rand's share of the gold bullion produced compared to the 14,088 ounces produced the previous year.

Historical gold production from the EKJV is summarised in the table below –

Rand and Tribune Group Bullion			Rand Share
To	Gold (oz)	Silver (oz)	Gold (oz)
FY2021	**83,630**	**3,039**	**20,907**
FY2020	56,352	8,335	14,088
FY2019	119,834	20,567	29,958
FY2018	94,751	14,690	23,687
FY2017	109,451	20,728	27,362
FY2016	103,747	20,647	25,937
FY2015	97,420	21,027	24,355
FY2014	79,907	18,854	19,976
FY2013	95,554	17,248	23,888
FY2012	61,864	15,841	15,466
FY2011	64,716	8,639	16,179
FY2010	77,624	12,019	19,406
FY2009	32,478	4,649	8,119
FY2008	59,638	8,048	14,909
FY2007	49,335	6,640	12,333
FY2006	25,599	3,951	6,399
Total	**1,211,900**	**204,922**	**302,969**

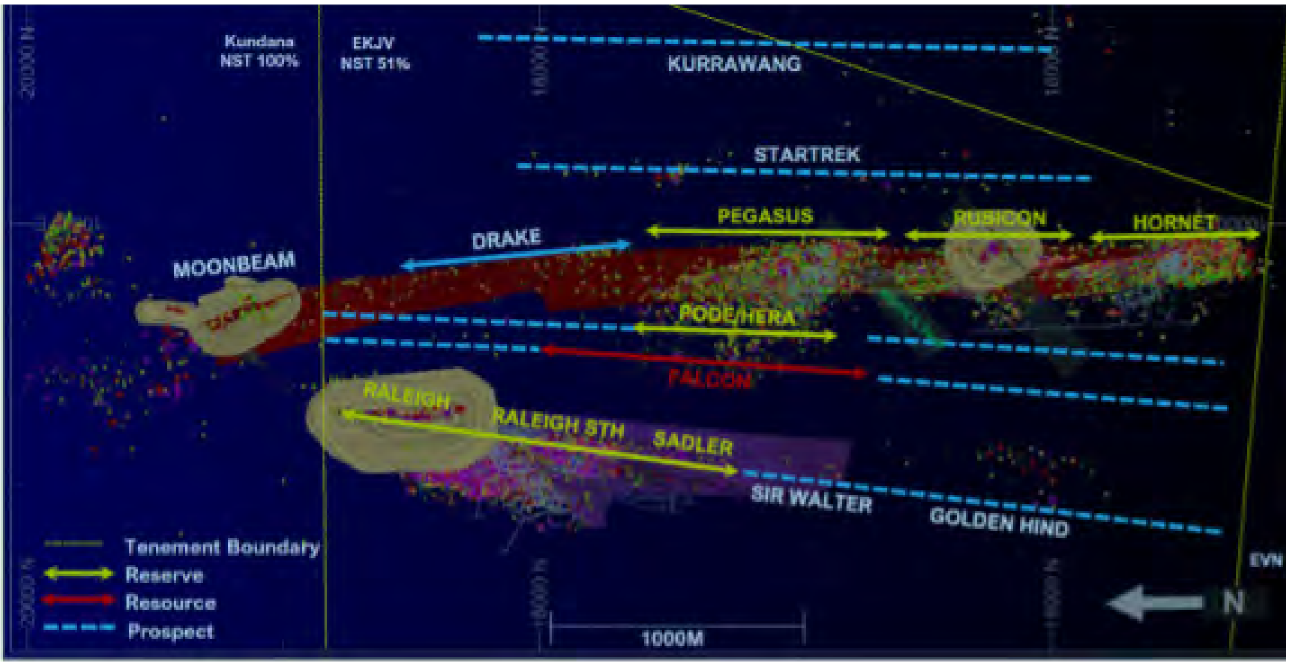
Directors' Report

Exploration

EKJV

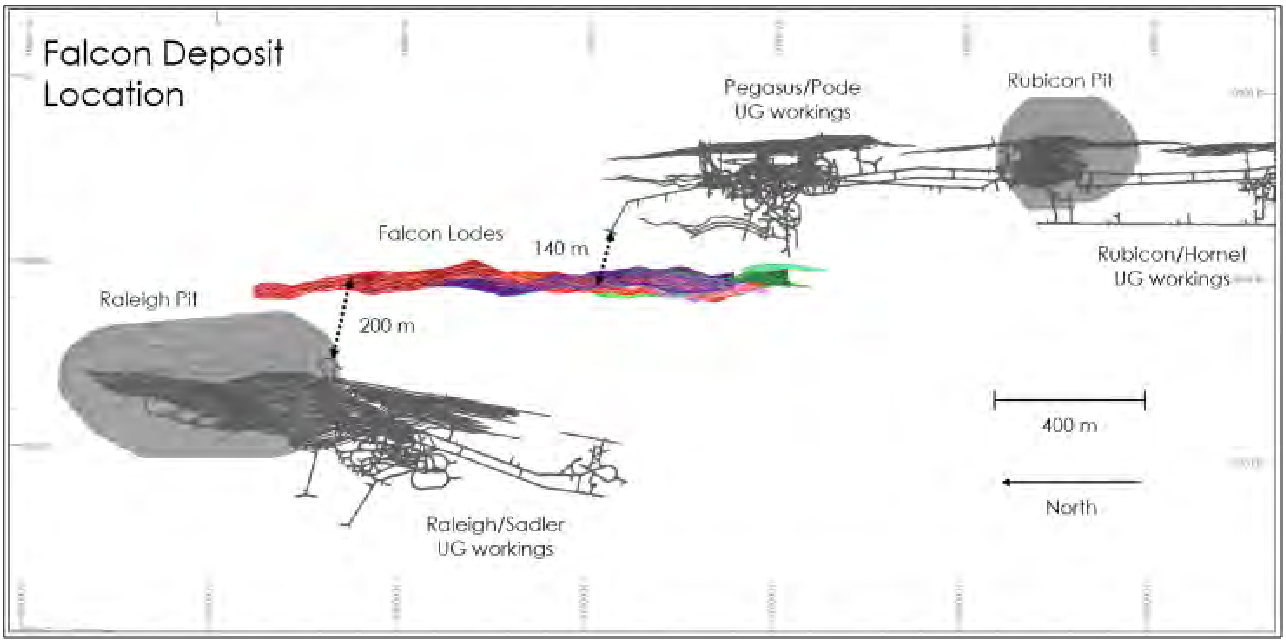
Exploration within the EKJV mining complex during the reporting period was focussed on the Falcon Corridor, Pode extensions, Centenary Main Vein footwall mineralisation, Hornet, Startrek Prospect, Hera, Nugget and Golden Hind Resource. Diamond core drilling totalled 151 holes for 40,660 metres. A program of 59 reverse circulation percussion holes for 4113 metres was completed at Golden Hind.

A high-resolution gravity survey was completed within northern EKJV tenements M16/181, M16/182, M16/325 and M16/326 to assist exploration targeting within this and adjacent areas.

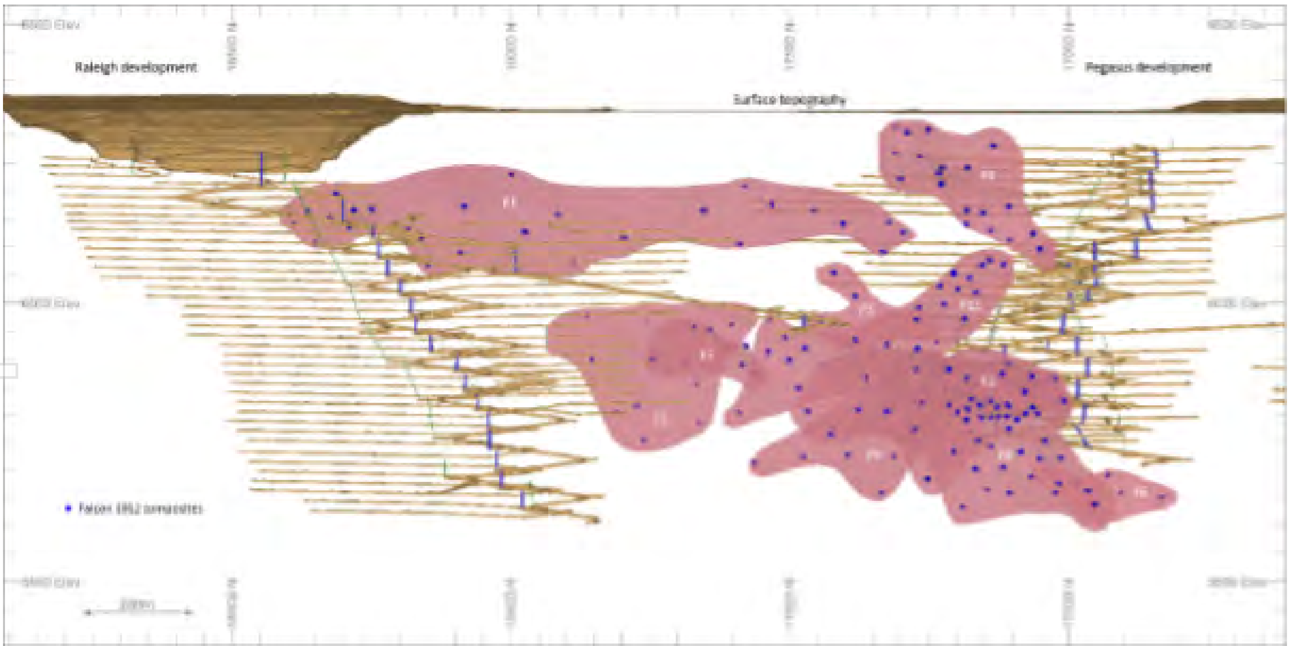


Overview of EKJV Projects showing main mineralisation corridors

The Falcon deposit is interpreted as a series of mineralised splays off low angle structuresthat persist through lithological contacts. Mineralisation is comprised of laminated to brecciated to extensional style quartz veining internal to a sheared biotite-sericite-ankerite altered siltstone/sandstone unit and an intermediate volcaniclastic unit. Mineralisation is present within veins, on vein selvedges, and within the altered host rock, with coarse gold often observed. Current Inferred Mineral Resource for Falcon is 858,000 tonnes grading 4.7g/t for 129,000 ounces of gold. Future work will focus on infill and extensional drilling of this Resource.



Plan view of Falcon Lodes



Falcon long section looking east showing modelled lodes and drill hole pierce points

Full details of all EKJV exploration activities including significant intersections from results received are contained the Quarterly EKJV Exploration Reports available on the ASX.

Directors' Report

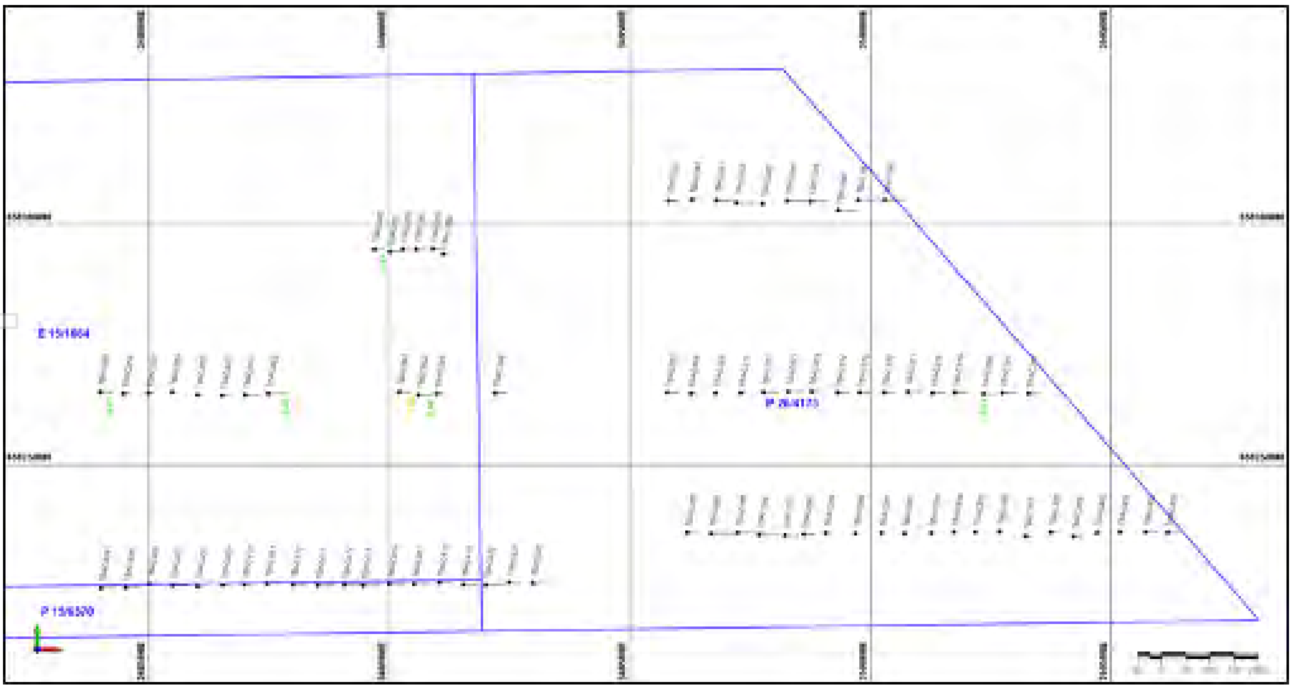
Seven Mile Hill (Rand's Interest 50%)

An aircore drilling campaign comprising 84 holes for 4,036 metres was completed during the year. This program tested extensions of the Binduli mine sequence beneath lacustrine sediments withing the eastern part of the Seven Mile Hill Project area.

Anomalous mineralisation was encountered within strongly weathered felsic volcaniclastics as presented in the table and plan below. These intersections confirmed the tenor of mineralisation defined from previous drilling campaigns and demonstrated that the lateral extents of the mineralisation had been clearly defined by those earlier campaigns. Future work will focus on evaluating the economic potential of mineralisation defined to date with an RC drilling program to commence next financial year.

TABLE OF SIGNIFICANT AIRCORE ASSAY RESULTS										
Hole ID	MGA North	MGA East	RL	Dip	Azimuth	Total Depth (m)	Depth From	Depth To	Length (m)	Au ppm
TBAC349	6582949	348969	343	-60	90	45	32	36	4	0.91
TBAC355	6582652	348399	340	-60	90	45	40	44	4	0.51
TBAC362	6582649	348749	338	-60	90	77	68	72	4	0.86
TBAC363	6582652	349021	348	-60	90	51	48	50	2	1.32
TBAC364	6582646	349061	338	-60	90	61	48	52	4	0.66
TBAC380	6582648	350235	344	-60	90	50	0	4	4	0.51

Significant results for Aircore drilling are ≥0.5ppm gold with no internal dilution. All intersections are of two or four metre composite samples.



Plan of recent aircore drill holes showing significant intersections

Drilling at the Seven Mile Hill project August 2021

Corporate

Share Buy-Back Programme

During the year, the Company extended the current on market share buy-back to 9 January 2022.

3,272,514 shares were bought back under this facility during the year for $4,987,150.

The number of securities on issue as at 30 June 2021 is 56,875,961.

Proceedings against Northern Star Resources Ltd

The EKJV litigation, as previously announced by the Company, remains ongoing.The matter was heard in the Supreme Court in mid-October 2020. The Company is awaiting the court's decision.

Directors' Report

Resources and Reserves

At 31 March 2021, Rand Mining Limited's Mineral Resources amounted to 1.4 million tonnes grading 5.2g/t gold for 236,000 ounces of gold.

Comparison with the Mineral Resources as at 30 June 2020 shows a decrease of 185,000 tonnes and decrease of 25,000 ounces reflected by the following variations:

- Increase in EKJV Resource grade from 5.1g/t to 5.2g/t.
- Mining depletion at Rubicon, Hornet, Pegasus and Raleigh.
- Sterilisation of areas of Pegasus due to geotechnical instability.
- Reflects drilling at Pegasus, Pode, Hera, Falcon.
- Reduction in stockpile contained ounces from 13Koz to 1Koz due to scheduled processing campaigns.

Mineral Resources Comparison

Deposit	30 June 2020			31 March 2021		
EKJV and Stockpiles	1.60Mt	5.1g/t	261Koz	1.44Mt	5.19g/t	238Koz

At 31 March 2021, Rand Mining Limited's Ore Reserves amounted to 0.44 million tonnes grading 5.0g/t gold for 71,000 ounces of gold.

Comparison with the Ore Reserves as at 30 June 2020 shows a decrease of approximately 32,000 ounces in Ore Reserves reflected by the following variations:

- Increase in EKJV Reserve grade from 4.8g/t to 5.0g/t.
- Revised cut-off grades to reflect current operational parameters.
- Mining depletion at Rubicon, Hornet, Pegasus and Raleigh.
- Sterilisation of areas of Pegasus due to geotechnical instability.
- Increase in stockpile contained ounces from 13Koz to 10Koz.

Ore Reserves Comparison

Deposit	30 June 2020			31 March 2021		
EKJV and Stockpiles	667Kt	4.8g/t	103Koz	439Kt	5.0g/t	71Koz

Mineral Resources

For 9 months ended 31 March 2021	MEASURED			INDICATED			INFERRED			TOTAL RESOURCES		
	Tonnes (000's)	Grade (g/t)	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)
Underground	257	6.3	52	661	5.2	110	488	4.5	71	1406	5.2	235
Stockpiles RHP	35	2.9	3	0	0.0	0	0	0.0	0	35	2.9	3
Stockpiles Raleigh	0	1.7	0	0	0.0	0	0	0.0	0	0	0.0	0
Gold in Circuit	0	0.0	0	0	0.0	0	0	0.0	0	0	0.0	0
Sub-Total East Kundana JV	293	5.9	55	661	5.2	110	488	4.5	71	1441	5.1	238

Ore Reserves

For 9 months ended 31 March 2021	PROVED			PROBABLE			TOTAL RESERVES		
	Tonnes (000's)	Grade (g/t)	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)
Surface	0	0.0	0	30	3.9	4	30	3.9	4
Underground	146	4.9	23	228	5.5	40	374	5.3	64
Stockpile RHP	35	2.9	3	0	0.0	0	35	3.0	3
Stockpiles Raleigh	0	1.7	0	0	0.0	0	0	1.7	0
Gold in Circuit	0	0.0	0	0	0.0	0	0	0.0	0
Sub-Total East Kundana JV	181	4.5	26	258	5.3	44	439	5.0	71

Notes to tables:

- EKJV Resources and Reserves are estimated by Northern Star Resources Ltd for the 9 months ending 31 March 2021 and were reported on 3 May 2021 in NST ASX Announcement "Resources, Reserves and Exploration Update".
- Resources and Reserves as reported are 100% Rand Mining Ltd.
- Resources are inclusive of Reserves.
- Gold price used for the EKJV Resource Estimation is AUD$2,250/oz.
- Gold price used for the EKJV Reserve Estimation is AUD$1,750/oz.
- Discrepancies may occur due to rounding.

Directors' Report

Mineral Resource and Ore Reserve Governance and Internal Controls

The Manager of the EKJV prepares the EKJV Mineral Resources and Ore Reserves on an annual basis in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Competent Persons named by the EKJV Manager are Members or Fellows of the Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and qualify as Competent Persons as defined in the JORC Code.

The Company is represented on the EKJV Technical Committee which reviews the Mineral Resource and Ore Reserve estimates and procedures undertaken. The Company's Competent Persons and consultants audit internal reviews by the EKJV Manager and external reviews by independent consultants of Mineral Resource and Ore Reserve estimates and procedures. These audits have not identified any material issues.

Competent Person Statements

The information in the Company's 2021 Annual Report that relates to Mineral Resources and Ore Reserves is based on information and supporting documentation prepared by the Competent Persons referred to in the ASX announcement detailed in the footnotes to the Minerals Resources and Ore Reserves Tables (Tables) and fairly represents that information.

The Mineral Resources and Ore Reserves statement as a whole, as well as the information provided by the Competent Persons referred to in the relevant ASX announcement detailed in the footnotes to the Tables, have been reviewed and approved by Mr Gregory Barnes. Exploration results presented in this report have been prepared in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) by Mr Gregory Barnes. Mr Barnes is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists, is a self-employed consulting geologist to Rand Mining and has sufficient relevant experience in the activities undertaken and styles of mineralisation being reported to qualify as a Competent Person under the JORC Code. Mr Barnes consents to the inclusion in this report of the information compiled by him in the form and context in which it appears.

Significant changes in the state of affairs

There were no other significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not significantly impacted the Group up to date, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

The legal proceeding against the Northern Star Resources Group of Companies previously announced by the Company was heard in the Supreme Court of Western Australia in October 2020. The Company is awaiting the Court's decision.

On 20 August 2020, the Northern Star entities discontinued the counter claim for the payment of and increase to the fixed rate for processing ore under the Ore Treatment Agreement.

On 18 August 2021, Evolution Mining Ltd (ASX:EVN) acquired Northern Star Resources Ltd (ASX:NST) 51% interest in the East Kundana Joint Venture. As a result of this transaction, the 51% joint venture ownership and joint venture management is now owned by Evolution Mining Ltd.

Likely developments and expected results of operations

The Group intends to continue its exploration, development and production activities on its existing projects and to acquire further suitable projects for exploration as opportunities arise.

Environmental regulation

The Group is subject to and compliant with all aspects of environmental regulation of its exploration and mining activities. The directors are not aware of any environmental law that is not being complied with.

Greenhouse gas and energy data reporting requirements

The Group is subject to the reporting requirements of both the Energy Efficiency Opportunities Act 2006 and the National Greenhouse and Energy Reporting Act 2007.

The Energy Efficiency Opportunities Act 2006 requires the Group to assess its energy usages, including the identification, investigation and evaluation of energy saving opportunities, and to report publicly on the assessments undertaken, including what action the Group intends to take as a result. Due to this Act, the Group, via its participation in the EKJV has registered with the Department of Resources, Energy and Tourism as a participant entity and reports the results from its assessments.

The National Greenhouse and Energy Reporting Act 2007 requires the Group, via its participation in the EKJV, to report its annual greenhouse gas emissions and energy use. The Group has previously implemented systems and processes for the collection and calculation of data.

Information on directors

Name:	**Otakar Demis**
Title:	Non-Executive Chairman and Joint Company Secretary
Experience and expertise:	Otakar is a private investor and businessman with several years' experience as a director of the Company.
Other current directorships:	Non-Executive Chairman and Company Secretary of Tribune Resources Limited (ASX: TBR)
Former directorships:	None
Interests in shares:	4,800 ordinary shares held directly
Interests in options:	None

Name:	**Anthony Billis**
Title:	Executive Director, Managing Director and Chief Executive Officer
Experience and expertise:	Anthony has over 30 years' experience in gold exploration within the mining industry in Western Australia. He has been involved in the exploration and development of the Kundana project for over 25 years.
Other current directorships:	Executive Director of Tribune Resources Limited (ASX: TBR)
Former directorships:	None
Interests in shares:	15,237,384 ordinary shares (41,547 held directly and 15,195,837 held indirectly)
Interests in options:	None

Name:	**Gordon Sklenka**
Title:	Non-Executive Director
Qualifications:	B.Comm
Experience and expertise:	Gordon has worked in Chartered Accounting, Stockbroking and Corporate Advisory in both Perth and Sydney and has experience in corporate finance in the resources and technology industries predominantly focusing on capital raisings, initial public offerings ('IPOs'), acquisitions and project finance.
Other current directorships:	Non-Executive Director of Tribune Resources Limited (ASX: TBR)
Former directorships:	None
Interests in shares:	None
Interests in options:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

'Former directorships (in the last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

Directors' Report

Company secretaries

Roland Berzins (B.Comm, ACPA, FFIN, TA) as joint company secretary has over 20 years' experience in the mining industry. He was previously chief accountant for 6 years at Kalgoorlie Consolidated Gold Mines Pty Ltd ('Kalgoorlie Super Pit'). In addition, Roland has worked as a Senior Mining Analyst for the former BHP iron ore division and has worked for the Mt Newman, Koolan and Cockatoo iron ore project. Since 1996 Roland has been company secretary for a variety of ASX listed companies, and has also had experience in retail, merchant banking, venture capital and SME business advisory.

Brett Tucker was appointed joint company secretary on 9 March 2020. He is a Chartered Accountant who has acted as company secretary to a number of ASX listed and private companies across a range of industries. Brett has a strong corporate and compliance background which includes 8 years working in an international accounting firm within Australia and the UK.

Details of Mr Otakar Demis as joint company secretary can be found in the 'Information of directors' section above.

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Full Board	
	Attended	**Held**
O Demis	4	4
A Billis	4	4
G Sklenka	4	4

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

The remuneration report, which has been audited, outlines the director and key management personnel remuneration arrangements for the Group and the Company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Group and Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders and conforms with the market best practice for delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group and Company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group and Company.

Remuneration report (audited) (continued)

The reward framework is designed to align executive reward to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive directors and executive directors' remuneration are separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may seek the advice of independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market (refer 'use of remuneration consultants' below). There are no termination or retirement benefits for non-executive directors other than statutory superannuation.

ASX listing rules requires that the aggregate non-executive directors remuneration shall be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 30 November 2005, where the shareholders approved an aggregate remuneration of $160,000.

Executive remuneration

The Group and Company aims to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- share-based payments; and
- other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board, based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.

Executives can receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and adds additional value for the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the targets of those executives in charge of meeting those targets. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') currently consists of long service leave.

Group performance and link to remuneration

The directors' remuneration levels are not directly dependent upon the Group and Company's performance or any other performance conditions. However, practically, whether shareholders vote for or against an increase in the aggregate director remuneration will depend upon, amongst other things, how the Group and Company have performed.

Use of remuneration consultants

During the financial year ended 30 June 2021, the Company did not engage remuneration consultants to review its existing remuneration policies or provide recommendations on how to improve both the STI and LTI program.

Voting and comments made at the Company's 2020 Annual General Meeting ('AGM')

At the last AGM 99.54% of the shareholders voted to adopt the remuneration report for the year ended 30 June 2020. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Directors' Report

Details of remuneration

The key management personnel of the Group consisted of the following directors of Rand Mining Limited:

- Otakar Demis - Non-Executive Chairman
- Anthony Billis - Executive Director, Managing Director and Chief Executive Officer
- Gordon Sklenka - Non-Executive Director

And the following person:

- Rodney Johns - Chief Operating Officer (ceased 25 May 2021)

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
30 Jun 2021	**Cash salary and fees $**	**Bonus $**	**Non-monetary* $**	**Super-annuation $**	**Leave benefits $**	**Equity-settled $**	**Total $**
Non-Executive Directors:							
G Sklenka	30,000	-	-	-	-	-	30,000
O Demis	40,000	-	-	3,800	-	-	43,800
Executive Directors:							
A Billis*	91,687	-	39,329	8,710	-	-	139,726
Other Key Management Personnel:							
R Johns**	177,124	-	-	-	-	-	177,124
	338,811	-	39,329	12,510	-	-	390,650

* Includes car and housing plus applicable fringe benefits tax payable on benefits
** Remuneration is from 1 July 2020 to 25 May 2021, being the date of cessation as a member of key management personnel

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
30 Jun 2020	**Cash salary and fees $**	**Bonus $**	**Non-monetary* $**	**Super-annuation $**	**Leave benefits $**	**Equity-settled $**	**Total $**
Non-Executive Directors:							
G Sklenka	30,000	-	-	-	-	-	30,000
O Demis	40,000	-	-	3,800	-	-	43,800
Executive Directors:							
A Billis*	91,687	-	89,320	8,710	-	-	189,717
Other Key Management Personnel:							
R Johns	202,428	-	-	-	-	-	202,428
	364,115	-	89,320	12,510	-	-	465,945

* Includes car and housing plus applicable fringe benefits tax payable on benefits

Details of remuneration (continued)

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		STI		LTI	
Name	**30 Jun 2021**	**30 Jun 2020**	**30 Jun 2021**	**30 Jun 2020**	**30 Jun 2021**	**30 Jun 2020**
Non-Executive Directors:						
G Sklenka	100%	100%	-	-	-	-
O Demis	100%	100%	-	-	-	-
Executive Directors:						
A Billis	100%	100%	-	-	-	-
Other Key Management Personnel:						
R Johns	100%	100%	-	-	-	-

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Anthony Billis
Title:	Executive Director, Managing Director and Chief Executive Officer
Term of agreement:	Ongoing
Details:	Base salary, inclusive of superannuation and fringe benefits, for the year ended 30 June 2021 of $139,726, to be reviewed annually by the Board.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2021.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Additional information

The earnings of the Group for the five years to 30 June 2021 are summarised below:

	2021 $	2020 $	2019 $	2018 $	2017 $
Sales revenue	43,218,150	2,540,000	79,424,150	44,791,500	34,785,950
EBITDA	26,575,099	2,115,284	81,300,340	34,621,689	27,814,537
EBIT	22,180,005	(2,570,284)	76,300,539	30,767,118	24,044,268
Profit/(loss) after income tax	15,201,512	(1,536,490)	67,388,360	22,103,235	16,521,417

Directors' Report

Share-based compensation (continued)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2021 $	2020 $	2019 $	2018 $	2017 $
Share price at financial year end ($)	1.45	2.06	3.28	2.70	3.00
Total dividends declared (cents per share)	10.00	10.00	135.00	-	10.00
Basic earnings per share (cents per share)	25.51	(2.55)	112.04	36.75	27.47
Diluted earnings per share (cents per share)	25.51	(2.55)	112.04	36.75	27.47

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
O Demis	4,800	-	-	-	4,800
A Billis	15,237,384	-	-	-	15,237,384
G Sklenka	-	-	-	-	-
R Johns	-	-	-	-	-
	15,242,184	-	-	-	15,242,184

Option holding

There were no options over ordinary shares in the Company held during the financial year by any director and other members of key management personnel of the Group, including their personally related parties.

Loans to key management personnel and their related parties

There were no loans to or from key management personnel and their related parties at the current reporting date.

Other transactions with key management personnel and their related parties

The following transactions occurred with key management personnel and their related parties:

	Group 30 Jun 2021 $
Payment for other expenses:	
Payment of royalties to Lake Grace Exploration Pty Ltd *	-
Payment for executive accommodation fees to Lake Grace Exploration Pty Ltd *	-
Payment of management fees to Tribune Resources Ltd *** ****	289,374
Payment of rent, rates and levies for office to Melville Parade Pty Ltd *	10,448
Reimbursement of operating expenses to Iron Resources Liberia Ltd * **	394,233
Amounts advanced and repaid during the financial year: Cash advances from/to Tribune Resources Ltd ***	1,300,000
Interest received on loans to Tribune Resources Ltd ***	(803)

* An entity in which Anthony Billis is a director.
** From this total, $14,208 is still to be paid.
*** An entity in which Anthony Billis, Otakar Demis and Gordon Sklenka are directors.
**** From this total. $66,192 is still to be paid

All transactions were made on normal commercial terms and conditions and at market rates.

This concludes the remuneration report, which has been audited.

Shares under option

There were no unissued ordinary shares of Rand Mining Limited under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of Rand Mining Limited issued on the exercise of options during the year ended 30 June 2021 and up to the date of this report.

Indemnity and insurance of officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against liabilities that may arise from an officers' position with the exception of insolvency, conduct involving a wilful breach in relation to the Company, or a contravention of section 182 or 183 of the Corporations Act 2001, an entity that is involved in any joint venture or, partnership or enterprise carried on in common with the Company, outside directorships, any outside entity or non-profit outside entity or any vehicle or entity established to conduct such joint venture partnership or enterprise. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company

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

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the Company who are former partners of PKF Perth

There are no officers of the Company who are former partners of PKF Perth.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Anthony Billis
Director
17 September 2021
Perth

Advisory • Audit
Business Solutions

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF RAND MINING LIMITED

In relation to our audit of the financial report of Rand Mining Limited for the year ended 30 June 2021, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Perth

PKF PERTH

SIMON FERMANIS
PARTNER

17 September 2021
WEST PERTH,
WESTERN AUSTRALIA

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RAND MINING LTD

Consolidated statement of profit or loss and other comprehensive income

	Note	Group 30 Jun 2021 $	30 Jun 2020 $
Revenue	5	43,218,150	2,540,000
Other income		31,170	268,530
Interest revenue calculated using the effective interest method		10,175	97,473
Net fair value gain on financial assets	11	61,467	323,011
Expenses			
Changes in inventories		12,421,031	25,478,675
Employee benefits expense		(323,672)	(348,136)
Management fees		(555,474)	(754,905)
Depreciation and amortisation expense	6	(4,395,094)	(4,685,568)
Impairment of exploration and evaluation	14	(663,235)	(1,047,195)
Impairment of mine development	15	(1,302,591)	-
Net fair value loss on financial assets		-	(181,380)
Net loss on sale of assets		(135,343)	-
Mining expenses		(15,829,646)	(17,154,266)
Processing expenses		(7,794,169)	(4,335,821)
Royalty expenses		(1,280,585)	(884,032)
Foreign currency losses		(7,183)	(3,782)
Other expenses		(1,264,821)	(1,785,415)
Finance costs	6	(39,722)	(65,315)
Profit/(loss) before income tax (expense)/benefit		22,150,458	(2,538,126)
Income tax (expense)/benefit	7	(6,948,946)	1,001,636
Profit/(loss) after income tax (expense)/benefit for the year attributable to the owners of Rand Mining Limited	20	15,201,512	(1,536,490)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Rand Mining Limited		15,201,512	(1,536,490)
		Cents	Cents
Basic earnings per share	33	25.51	(2.55)
Diluted earnings per share	33	25.51	(2.55)

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

Consolidated statement of financial position

	Note	Group 30 Jun 2021 $	Group 30 Jun 2020 $
Assets			
Current assets			
Cash and cash equivalents	8	1,352,860	5,630,713
Trade and other receivables	9	366,801	427,883
Inventories	10	71,770,167	59,367,894
Total current assets		73,489,828	65,426,490
Non-current assets			
Financial assets at fair value through profit or loss	11	377,445	315,978
Property, plant and equipment	12	11,664,583	11,337,974
Right-of-use assets	13	1,411,524	2,364,289
Exploration and evaluation	14	1,869,136	1,039,806
Mine development	15	10,137,658	11,956,048
Deferred tax	7	2,505,227	1,845,653
Total non-current assets		27,965,573	28,859,748
Total assets		101,455,401	94,286,238
Liabilities			
Current liabilities			
Trade and other payables	16	2,771,968	3,181,033
Lease liabilities	17	613,026	1,116,187
Income tax payable	7	2,959,090	45,347
Provisions	18	40,504	30,187
Total current liabilities		6,384,588	4,372,754
Non-current liabilities			
Lease liabilities	17	215,805	773,842
Deferred tax	7	4,209,852	2,859,351
Provisions	18	458,352	293,001
Total non-current liabilities		4,884,009	3,926,194
Total liabilities		11,268,597	8,298,948
Net assets		90,186,804	85,987,290
Equity			
Issued capital	19	11,707,036	16,694,186
Retained profits	20	78,479,768	69,293,104
Total equity		90,186,804	85,987,290

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

Consolidated statement of changes in equity

Group	Issued capital $	Retained profits $	Total equity $
Balance at 1 July 2019	16,694,186	76,844,442	93,538,628
Loss after income tax benefit for the year	-	(1,536,490)	(1,536,490)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(1,536,490)	(1,536,490)
Transactions with owners in their capacity as owners:			
Dividends paid (note 21)	-	(6,014,848)	(6,014,848)
Balance at 30 June 2020	16,694,186	69,293,104	85,987,290

Group	Issued capital $	Retained profits $	Total equity $
Balance at 1 July 2020	16,694,186	69,293,104	85,987,290
Profit after income tax expense for the year	-	15,201,512	15,201,512
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	15,201,512	15,201,512
Transactions with owners in their capacity as owners:			
Share buy-back (note 19)	(4,987,150)	-	(4,987,150)
Dividends paid (note 21)	-	(6,014,848)	(6,014,848)
Balance at 30 June 2021	11,707,036	78,479,768	90,186,804

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

Consolidated statement of cash flows

	Note	Group 30 Jun 2021 $	30 Jun 2020 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		43,249,320	2,632,399
Payments to suppliers and employees (inclusive of GST)		(27,237,028)	(26,776,220)
		16,012,292	(24,143,821)
Interest received		9,366	97,473
Interest and other finance costs paid		(38,286)	(63,951)
Income taxes paid		(3,344,278)	(16,971,480)
Net cash from/(used in) operating activities	32	12,639,094	(41,081,779)
Cash flows from investing activities			
Payments for property, plant and equipment		(1,253,983)	(1,682,353)
Payments for exploration and evaluation		(1,489,877)	(884,014)
Payments for mine development		(2,211,411)	(3,688,089)
Proceeds from disposal of investments		-	9,224,002
Proceeds from disposal of property, plant and equipment		153,705	13,829
Proceeds from dividends		-	227,000
Net cash from/(used in) investing activities		(4,801,566)	3,210,375
Cash flows from financing activities			
Repayment of lease liabilities	32	(1,113,383)	(1,234,492)
Repayment of cash advances to Tribune Resources Limited		(1,300,000)	(22,000,000)
Cash advances from Tribune Resources Limited		1,300,000	22,000,000
Payments for share buy-backs		(4,987,150)	-
Dividends paid	21	(6,014,848)	(6,014,848)
Net cash used in financing activities		(12,115,381)	(7,249,340)
Net decrease in cash and cash equivalents		(4,277,853)	(45,120,744)
Cash and cash equivalents at the beginning of the financial year		5,630,713	50,751,457
Cash and cash equivalents at the end of the financial year	8	1,352,860	5,630,713

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

Notes to the consolidated financial statements

Note 1. General information

The financial statements cover Rand Mining Limited as a Group consisting of Rand Mining Limited ('Company', 'parent entity' or 'Rand') and the entities it controlled at the end of, or during, the year (referred to in these financial statements as the 'Group'). The financial statements are presented in Australian dollars, which is Rand Mining Limited's functional and presentation currency.

Rand Mining Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite G1, 49 Melville Parade
South Perth WA 6151

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 17 September 2021. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial year ended 30 June 2021.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets at fair value through profit or loss.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 29.

Note 2. Significant accounting policies (continued)

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2021 and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

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

Revenue recognition
The Group recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of gold
Sale of gold revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract.

Note 2. Significant accounting policies (continued)

Dividends
Dividends are received from financial assets measured at fair value through profit or loss ('FVPL'). Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

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

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

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

Note 2. Significant accounting policies (continued)

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

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables
Other receivables are recognised at amortised cost, less any allowance for expected credit losses. The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, other receivables have been grouped based on days overdue.

Inventories
Gold bullion, gold in transit and ore stockpiles are physically measured or estimated and valued at the lower of cost and net realisable value. Net realisable value is the estimated future sales price of the product the Group expects to realise when the product is processed and sold, less costs to complete production. The costs of producing silver are not separately identifiable and are allocated between the products on a rational and consistent basis based on the relative sales value at the completion of production.

Cost is determined using the average method and comprises direct purchase costs and an appropriate portion of fixed and variable costs including depreciation and amortisation, incurred in converting materials into finished goods.

Consumables are valued at the lower of cost or net realisable value. Any provision for obsolescence is determined by reference to specific items of stock. A regular review is undertaken to determine the extent of any provision or obsolescence.

Joint operations
A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Group has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

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

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

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

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Note 2. Significant accounting policies (continued)

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Mining plant and equipment	3 - 15 years

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Mining plant and equipment and capital work in progress

Mining plant and equipment and capital work in progress is carried at cost which includes acquisition, transportation, installation, and commissioning costs. Costs also include present value of decommissioning costs and finance charges capitalised during the construction period where such expenditure is financed by borrowings. Costs are not depreciated until such time as the asset has been completed ready for use.

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

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Exploration and evaluation

Exploration and evaluation expenditures are typically expenses, unless it can be demonstrated that the related expenditures will generate a future economic benefit, in which case these costs are capitalised.

Examples of common exploration and evaluation activities

Exploration activities which primarily consist of expenditures relating to drilling programs and include, but are not limited to:

- Researching and analysing existing exploration data;
- Conducting geological mapping studies; and
- Exploratory drilling and sampling including:
  - Taking core samples for analysis (assay work);
  - Sinking exploratory shafts;
  - Opening shallow pits; and
  - Drilling to determine volume and grade of deposits in an area known to contain mineral resources, or for the purpose of converting mineral resources into proven and probable reserves.

Note 2. Significant accounting policies (continued)

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of the asset exceeds its recoverable amount. Where the carrying amount is assessed as exceeding recoverable amount, the excess is recognised as an impairment expense in the profit or loss.

Mine development assets

Capitalised mine development costs include expenditures incurred to develop new ore bodies to define further mineralisation in existing ore bodies, to expand the capacity of a mine and to maintain production. Mine development also includes costs transferred from the exploration and evaluation phase once production commences in the area of interest.

Amortisation of mine development is computed by the units of production basis over the estimated proved and probable reserves. Proved and probable mineral reserves reflect estimated quantities of economically recoverable reserves which can be recovered in the future from known mineral deposits. These reserves are amortised from the date on which production commences. The amortisation is calculated from recoverable proved and probable reserves and a predetermined percentage of the recoverable measured, indicated and inferred resource. This percentage is reviewed annually.

Restoration costs expected to be incurred are provided for as part of the development phase that give rise to the need for restoration.

Impairment of non-financial assets

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

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

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 2. Significant accounting policies (continued)

Provisions
Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

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

Rehabilitation costs are recognised at present value as a non-current liability. An equivalent amount is capitalised as part of the cost of the asset when an obligation arises to decommission or restore a site to certain condition after abandonment as a result of bringing the assets to its present location. The capitalised cost is amortised over the life of the project and the provision is accreted periodically as the discounting of the liability unwinds. The unwinding of the discount is recorded as a finance cost.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. 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 high quality 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.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques used to measure fair value are those that are appropriate in the circumstances and which maximise the use of relevant observable inputs and minimise the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Note 2. Significant accounting policies (continued)

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

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

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Rand Mining Limited, 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 bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

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 additional ordinary shares that would have been outstanding assuming conversion of all dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory have not been early adopted by the Group for the annual reporting period ended 30 June 2021.

The directors have reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2021. As a result of this review the directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Company and, therefore, no change is necessary to Group accounting policies. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Inventories

Net realisable value tests are performed at each reporting date and represent the future sales prices of the product the Group expects to realise when the product is processed and sold, less estimated costs to complete production and bring the product to sale.

Stockpiles are verified by periodic surveys.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Recoverability of assets
The recoverable amount of each 'cash-generating unit' , 'investment in associate', and 'investment in joint arrangement' is determined as the higher of the asset's fair value less costs to dispose and its value in use. Assessments of value in use and fair value less cost to dispose require the use of estimates and assumptions including discount rates, exchange rates, commodity prices, future capital requirements and future operating performance, as well as the value that a market participant would place on any resources which have yet to be proven as reserves associated with the CGU.

Inventories are recognised at the lower of cost and net realisable value which is calculated. The computation of net realisable value involves significant judgements and estimates in relation to future processing costs, commodity prices, foreign exchange rates, and timing of processing and sale.

Mine development assets
The estimated quantities of economically recoverable reserves and resources are based upon interpretations of geological and geophysical models and require assumptions to be made regarding factors such as estimates of short and long term exchange rates, estimates of short and long term commodity prices, future capital requirements and future operating performance. Changes in reported reserves and resources estimates can impact the carrying value of deferred mining expenditure, intangible assets, provisions for mine rehabilitation, the recognition of deferred tax assets, as well as the amount of depreciation and amortisation charged to the profit or loss.

Exploration and evaluation expenditure
The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement to determine whether future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

Provision for site rehabilitation
The ultimate rehabilitation costs are uncertain, and cost estimates may vary in response to many factors. These uncertainties may result in future actual expenditure differing from the amounts currently provided. Therefore, significant estimates and assumptions are made by the managers of the Joint Venture in determining the provision for mine rehabilitation. As a result, there could be significant adjustments to the provisions established which would affect future financial result. The provision at the reporting date represents management's best estimate of the present value of the future rehabilitation costs required.

Joint arrangements
The Group holds a 50% interest in Mount Manning Resources Pty Ltd. The partnership agreements require unanimous consent from all parties for all relevant activities. The two partners own the assets of the partnership as tenants in common and are jointly and severally liable for the liabilities incurred by the partnership. This entity is therefore classified as a joint operation and the Group recognises its direct right to the jointly held assets, liabilities, revenues and expenses as described in note 2.

Note 4. Operating segments

Identification of reportable operating segments
The Group has no separate operating segments as the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources reflect the financial position and performance of the Group as a whole.

Major customers
During the year ended 30 June 2021 approximately 100% (30 June 2020: 100%) of the consolidated entity's external revenue was derived from sales to one customer.

Geographical information
The Group's revenue and non-current assets are all Australian based and therefore, this information is detailed throughout the financial statements.

Note 5. Revenue

	Group 30 Jun 2021 $	30 Jun 2020 $
Sales of gold	43,218,150	2,540,000

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Group 30 Jun 2021 $	30 Jun 2020 $
Major product lines		
Gold	43,218,150	2,540,000
Geographical regions		
Australia	43,218,150	2,540,000
Timing of revenue recognition		
Goods transferred at a point in time	43,218,150	2,540,000

Note 6. Expenses

	Group 30 Jun 2021 $	30 Jun 2020 $
Profit/(loss) before income tax includes the following specific expenses:		
Depreciation		
Plant and equipment	6,990	2,160
Mining plant and equipment	875,418	937,138
Plant and equipment - right-of-use assets	788,024	982,256
Total depreciation	1,670,432	1,921,554
Amortisation		
Mine development	2,724,662	2,764,014
Total depreciation and amortisation	4,395,094	4,685,568
Finance costs		
Interest and finance charges paid/payable on borrowings	38,292	63,950
Interest and finance charges paid/payable on lease liabilities	1,430	1,365
Finance costs expensed	39,722	65,315
Superannuation expense		
Defined contribution superannuation expense	12,510	12,510

Note 7. Income tax

	30 Jun 2021 $	Group 30 Jun 2020 $
Income tax expense/(benefit)		
Current tax	6,288,898	45,341
Deferred tax - origination and reversal of temporary differences	659,014	(1,040,144)
Adjustment recognised for prior periods	1,034	(6,833)
Aggregate income tax expense/(benefit)	6,948,946	(1,001,636)
Deferred tax included in income tax expense/(benefit) comprises:		
Increase in deferred tax assets	(659,574)	(42,747)
Increase/(decrease) in deferred tax liabilities	1,318,588	(997,397)
Deferred tax - origination and reversal of temporary differences	659,014	(1,040,144)
Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate		
Profit/(loss) before income tax (expense)/benefit	22,150,458	(2,538,126)
Tax at the statutory tax rate of 30%	6,645,137	(761,438)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible foreign expenditure	118,270	124,192
Tax effect of other assessable/(not assessable) amounts in calculating taxable income	2,567	33,787
Sundry items	-	(97,293)
	6,765,974	(700,752)
Adjustment recognised for prior periods	1,034	(6,833)
Current year temporary differences not recognised	200,378	(200,378)
Prior year temporary differences not recognised now recognised	(18,440)	(93,673)
Income tax expense/(benefit)	6,948,946	(1,001,636)

	30 Jun 2021 $	Group 30 Jun 2020 $
Amounts credited directly to equity		
Deferred tax assets	-	(12,092)

Note 7. Income tax (continued)

	30 Jun 2021 $	Group 30 Jun 2020 $
Deferred tax asset		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Leave provisions	4,836	9,056
Provision for rehabilitation	137,505	87,900
Capitalised mine development costs	2,313,912	1,728,797
Blackhole costs	6,254	405
Leases	16,496	-
Sundry accruals and provisions	26,224	19,495
Deferred tax asset	2,505,227	1,845,653
Movements:		
Opening balance	1,845,653	1,790,814
Credited to profit or loss	659,574	42,747
Credited to equity	-	12,092
Closing balance	2,505,227	1,845,653

	30 Jun 2021 $	Group 30 Jun 2020 $
Deferred tax liability		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Trading stock	460,383	-
Consumables and spare parts	128,649	-
Capitalised exploration	3,432,244	2,912,099
Other	188,576	(52,748)
Deferred tax liability	4,209,852	2,859,351
Movements:		
Opening balance	2,859,351	3,856,748
Charged/(credited) to profit or loss	1,318,588	(997,397)
Adjustment recognised for prior periods	31,913	-
Closing balance	4,209,852	2,859,351

Note 7. Income tax (continued)

	Group 30 Jun 2021 $	30 Jun 2020 $
Provision for income tax		
Provision for income tax	2,959,090	45,347

Note 8. Cash and cash equivalents

	Group 30 Jun 2021 $	30 Jun 2020 $
Current assets		
Cash on hand	250	250
Cash at bank	1,352,610	5,630,463
	1,352,860	5,630,713

Cash at bank earns fixed interest at 0.25% (30 June 2020: 0.30%) and cash on hand is non-interest bearing.

Note 9. Trade and other receivables

	Group 30 Jun 2021 $	30 Jun 2020 $
Current assets		
Other receivables	311,341	392,983
Goods and services tax receivable	55,460	34,900
	366,801	427,883

Note 10. Inventories

	Group 30 Jun 2021 $	30 Jun 2020 $
Current assets		
Ore stockpiles - at cost	6,412,000	15,075,748
Gold in transit - at cost	1,101,410	65,287
Gold on hand - at cost	62,293,319	42,702,407
Silver on hand - at net realisable value	1,534,609	1,076,866
Consumables - at cost	607,213	574,386
Less: Provision for impairment	(178,384)	(126,800)
	71,770,167	59,367,894

Note 11. Financial assets at fair value through profit or loss

	Group	
	30 Jun 2021 $	30 Jun 2020 $
Non-current assets		
Listed securities - at fair value through profit or loss	377,445	315,978

Reconciliation
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

Opening carrying amount	315,978	6,335,412
Disposals	-	(6,342,445)
Gain on revaluation through profit or loss	61,467	323,011
Closing carrying amount	377,445	315,978

Refer to note 23 for further information on fair value measurement.

Note 12. Property, plant and equipment

	Group	
	30 Jun 2021 $	30 Jun 2020 $
Non-current assets		
Plant and equipment - at cost	9,150	9,150
Less: Accumulated depreciation	(9,150)	(2,160)
	-	6,990
Mining plant and equipment - at cost	21,188,141	20,210,803
Less: Accumulated depreciation	(9,548,722)	(8,967,866)
	11,639,419	11,242,937
Construction work in progress - at cost	25,164	88,047
	11,664,583	11,337,974

Note 12. Property, plant and equipment (continued)

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

Group	Plant and equipment $	Mining plant and equipment* $	Construction work in progress $	Total $
Balance at 1 July 2019	-	12,197,087	72,728	12,269,815
Additions	9,150	668,707	2,206,623	2,884,480
Disposals	-	(45,705)	-	(45,705)
Reclassified to plant and equipment right-of-use assets - prior year written down value (note 13)	-	(1,629,196)	-	(1,629,196)
Reclassified to plant and equipment right-of-use assets - current year (note 13)	-	(1,855,716)	-	(1,855,716)
Transfers from exploration and evaluation (note 14)	-	653,594	-	653,594
Transfers in/(out)	-	2,191,304	(2,191,304)	-
Depreciation expense	(2,160)	(937,138)	-	(939,298)
Balance at 30 June 2020	6,990	11,242,937	88,047	11,337,974
Additions	-	889,311	563,542	1,452,853
Disposals	-	(255,876)	-	(255,876)
Reclassified to plant and equipment right-of-use assets - current year (note 13)	-	(3,135)	-	(3,135)
Transfers from exploration and evaluation (note 14)	-	15,175	-	15,175
Transfers in/(out)	-	626,425	(626,425)	-
Depreciation expense	(6,990)	(875,418)	-	(882,408)
Balance at 30 June 2021	-	11,639,419	25,164	11,664,583

* Included in mining plant and equipment is $9,571,676 (30 June 2020: $8,667,191) of resource extension relating to drilling expenditure on Raleigh, Rubicon/Hornet and Pegasus.

Note 13. Right-of-use assets

	Group 30 Jun 2021 $	Group 30 Jun 2020 $
Non-current assets		
Plant and equipment - right-of-use	3,179,959	4,360,867
Less: Accumulated depreciation	(1,768,435)	(1,996,578)
	1,411,524	2,364,289

The Group leases plant and equipment under agreements of between one to three years.

Note 13. Right-of-use assets (continued)

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

Group	Plant and equipment - right-of-use $
Balance at 1 July 2019	-
Recognised as assets on adoption of AASB 16	49,542
Reclassified from mining plant and equipment - prior year written down value (note 12)	1,629,196
Reclassified from mining plant and equipment - current year (note 12)	1,855,716
Disposals	(187,909)
Depreciation expense	(982,256)
Balance at 30 June 2020	2,364,289
Additions	65,291
Reclassified from mining plant and equipment - current year (note 12)	3,135
Disposals	(233,167)
Depreciation expense	(788,024)
Balance at 30 June 2021	1,411,524

For other AASB 16 and lease related disclosures, refer to the following:
- note 6 for details of interest on lease liabilities;
- note 17 for lease liabilities at 30 June 2021;
- note 22 for maturity analysis at 30 June 2021; and
- consolidated statement of cash flows for repayment of lease liabilities.

Note 14. Exploration and evaluation

	30 Jun 2021 $	Group 30 Jun 2020 $
Non-current assets		
Exploration and evaluation - at cost	1,869,136	1,039,806

Note 14. Exploration and evaluation (continued)

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

Group	Exploration and evaluation $
Balance at 1 July 2019	1,209,065
Additions	1,531,530
Impairment of assets	(1,047,195)
Transfers to mining plant and equipment (note 12)	(653,594)
Balance at 30 June 2020	1,039,806
Additions	1,507,740
Impairment of assets	(663,235)
Transfers to mining plant and equipment (note 12)	(15,175)
Balance at 30 June 2021	1,869,136

The recoverability of the carrying amount of exploration and evaluation assets is dependent upon the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Impairment
At each reporting date the Group undertakes an assessment of the carrying amount of its exploration and evaluation assets. During the year the Group identified indicators of impairment on certain exploration and evaluation assets under AASB 6 'Exploration for and Evaluation of Mineral Resources'. As a result of this review, an impairment loss of $663,235 (30 June 2020: $1,047,195) has been recognised in the statement of profit or loss in relation to areas of interest where no future exploration and evaluation activities are expected. The impairment loss included $35,092 (30 June 2020: $225,577) in relation to a 2020 program that was targeting HW lode in the Drake resource. Resource was estimated however grades were not as high as originally expected. No further work is planned in this area.

Note 15. Mine development

	Group	
	30 Jun 2021 $	**30 Jun 2020 $**
Non-current assets		
Mine development - at cost	49,032,775	46,823,913
Less: Accumulated amortisation	(37,592,526)	(34,867,865)
Less: Impairment	(1,302,591)	-
	10,137,658	11,956,048

Note 15. Mine development (continued)

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

Group	Mine development $
Balance at 1 July 2019	11,031,972
Additions	3,671,596
Rehabilitation adjustment	16,494
Amortisation expense	(2,764,014)
Balance at 30 June 2020	11,956,048
Additions	2,046,061
Impairment of assets*	(1,302,591)
Rehabilitation adjustment	162,802
Amortisation expense	(2,724,662)
Balance at 30 June 2021	10,137,658

* During the year, due to uncertainty around the restart of mining at Raleigh, the company made the decision to fully impair the carrying value of Raleigh mine development.

Mine development relates to Rubicon and Hornet development and Pegasus underground development and includes $57,628 in mine under construction costs relating to Hornet and Golden Hind open pit permitting, compliance and modelling to allow mining to commence.

Note 16. Trade and other payables

	Group 30 Jun 2021 $	30 Jun 2020 $
Current liabilities		
Trade payables	2,342,867	3,129,921
Accrued expenses	426,701	48,712
Other payables	2,400	2,400
	2,771,968	3,181,033

Refer to note 22 for further information on financial instruments.

Note 17. Lease liabilities

	Group	
	30 Jun 2021	30 Jun 2020
	$	$
Current liabilities		
Lease liability	613,026	1,116,187
Non-current liabilities		
Lease liability	215,805	773,842

Refer to note 22 for further information on financial instruments.

Leases obtained during the period cover underground mining equipment which have terms ranging between 30 and 36 months. All leased assets are secured.

Note 18. Provisions

	Group	
	30 Jun 2021	30 Jun 2020
	$	$
Current liabilities		
Employee benefits	40,504	30,187
Non-current liabilities		
Rehabilitation	458,352	293,001

Rehabilitation
The provision for rehabilitation covers the following East Kundana joint venture ('EKJV') tenements - M15/993, M16/308, M16/309, M16/428 and M24/924.

The provision for rehabilitation also covers the following key long-lived assets:
- Raleigh - part of pit, waste rock dump, access roads, laydown areas, paste backfill plant and dam, paste sand/tailings stockpile;
- Rubicon - pit and abandonment bund, waste rock dump, ROM pad, infrastructure (e.g. offices, workshop, fuel facilities), roads;
- White Foil - evaporation ponds;
- Kundana water discharge pipeline corridor;
- Section 4 of Kundana haul road; and
- Kundana/Moonbeam access road.

During the financial year, EKJV management reassessed the rehabilitation cost estimate, noting an adjustment of $162,802 to the discounted cash flows estimate applied at 30 June 2021.

Note 18. Provisions (continued)

Movements in provisions
Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

Group - 30 Jun 2021	Rehabilitation $
Carrying amount at the start of the year	293,001
Additional provisions recognised	162,802
Impact of revision to expected cashflows (net of accretion)	2,549
Carrying amount at the end of the year	458,352

Note 19. Issued capital

			Group	
	30 Jun 2021 Shares	30 Jun 2020 Shares	30 Jun 2021 $	30 Jun 2020 $
Ordinary shares - fully paid	56,875,961	60,148,475	11,707,036	16,694,186

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2019	60,148,475		16,694,186
Balance	30 June 2020	60,148,475		16,694,186
Share buy-back	1 April 2021	(28,072)	$1.50	(42,108)
Share buy-back	29 April 2021	(3,244,442)	$1.52	(4,945,042)
Balance	30 June 2021	56,875,961		11,707,036

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

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

Options
The Company has no options on issue.

Share buy-back
On 30 December 2020, the Company announced it would extend the on-market buy-back of ordinary shares to 9 January 2022. The number of shares remaining to be bought back is 6,014,847. As at 30 June 2021, 3,272,514 shares had been bought back.

Note 19. Issued capital (continued)

Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current parent entity's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The Group is subject to certain financing arrangements covenants and meeting these are given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2020 Annual Report.

Note 20. Retained profits

		Group
	30 Jun 2021	30 Jun 2020
	$	$
Retained profits at the beginning of the financial year	69,293,104	76,844,442
Profit/(loss) after income tax (expense)/benefit for the year	15,201,512	(1,536,490)
Dividends payable (note 21)	(6,014,848)	(6,014,848)
Retained profits at the end of the financial year	78,479,768	69,293,104

Note 21. Dividends

Dividends

Dividends paid during the financial year were as follows:

		Group
	30 Jun 2021	30 Jun 2020
	$	$
A dividend of 10 cents per ordinary share paid to shareholders on 23 November 2020 (30 June 2020: 22 October 2019).	6,014,848	6,014,848

Other than the above, there were no dividends recommended or declared during the current financial year.

Note 21. Dividends (continued)

Franking credits

	Group 30 Jun 2021 $	30 Jun 2020 $
Franking credits available for subsequent financial years based on a tax rate of 30%	35,762,769	34,996,283

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:
- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

Note 22. Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units when deemed necessary. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The Group is not exposed to any significant foreign currency risk.

Price risk

The Group is exposed to equity securities price risks and bullion price risk. This arises from investments held by the Group and classified in the statement of financial position as financial assets at fair value through profit or loss and bullion held as inventory.

The policy of the Group is to sell gold at spot price and so it has not entered into any hedging contracts. The Group's revenues were exposed to fluctuation in the price of gold. If the average selling price of gold of $2,558.62 (30 June 2020: $2,414.73) for the financial year had increased/decreased by 10% the change in the profit before income tax for the Group would have been an increase/decrease of $255,862 (30 June 2020: $241,473).

If there was a 10% increase or decrease in the market price of gold, the net realisable value of bullion on hand would increase/(decrease) by $10,216,930 (30 June 2020: $10,448,239) and the bullion in transit would increase/(decrease) by $143,280 (30 June 2020: $13,343). As gold on hand is held at cost there would be no impact on profit or loss.

Interest rate risk

The Group is not exposed to any significant interest rate risk.

Note 22. Financial instruments (continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the 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. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

The Group has a credit risk exposure with the carrying amount of receivables. For some receivables the Group obtains agreements which can be called upon if the counterparty is in default under the terms of the agreement.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Group - 30 Jun 2021	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	2,342,867	-	-	-	2,342,867
Other payables	-	2,400	-	-	-	2,400
Interest-bearing - fixed rate						
Lease liability	2.89%	625,965	205,428	11,482	-	842,875
Total non-derivatives		2,971,232	205,428	11,482	-	3,188,142

Note 22. Financial instruments (continued)

Group - 30 Jun 2020	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-	3,129,921	-	-	-	3,129,921
Other payables	-	2,400	-	-	-	2,400
Interest-bearing - fixed rate						
Lease liability	3.73%	1,153,990	605,744	182,143	-	1,941,877
Total non-derivatives		4,286,311	605,744	182,143	-	5,074,198

Note 23. Fair value measurement

Fair value hierarchy

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Group - 30 Jun 2021	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Listed securities - equity	377,445	-	-	377,445
Total assets	377,445	-	-	377,445

Group - 30 Jun 2020	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Listed securities - equity	315,978	-	-	315,978
Total assets	315,978	-	-	315,978

There were no transfers between levels during the financial year.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

Note 24. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	Group	
	30 Jun 2021 $	30 Jun 2020 $
Short-term employee benefits	378,140	453,435
Post-employment benefits	12,510	12,510
	390,650	465,945

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by PKF Perth, the auditor of the Company, and unrelated firms:

	Group	
	30 Jun 2021 $	30 Jun 2020 $
Audit services - PKF Perth		
Audit or review of the financial statements	81,500	74,000
Audit services - unrelated firms		
Audit or review of the financial statements	-	8,049
Other services - unrelated firms		
Tax compliance services	31,750	16,975
Matters related to ASIC reviews	-	4,710
	31,750	21,685
	31,750	29,734

Note 26. Contingent liabilities

Native title claims have been made with respect to areas which include tenements in which the Group has interests. The Group is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Group or its projects.

Note 27. Commitments

	Group 30 Jun 2021 $	30 Jun 2020 $
Capital commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Property, plant and equipment	2,303	872,969
Tenement commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	429,421	396,763
One to five years	1,413,686	1,420,736
	1,843,107	1,817,499

Capital commitments relate to mining capital expenditure commitments relating to the East Kundana Joint Venture.

Note 28. Related party transactions

Parent entity and ultimate parent entity
Rand Mining Limited ('Rand') is the parent entity. Tribune Resources Limited is the ultimate parent entity and holds 44.19% of shares in Rand and consolidates Rand for financial reporting purposes.

Subsidiaries
Interests in subsidiaries are set out in note 30.

Joint operations
Interests in joint operations are set out in note 31.

Key management personnel
Disclosures relating to key management personnel are set out in note 24 and the remuneration report included in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Group 30 Jun 2021 $	30 Jun 2020 $
Other income:		
Interest received on loans to Tribune Resources Ltd *	803	-
Payment for other expenses:		
Payment of royalties to Lake Grace Exploration Pty Ltd *	-	15,613
Payment for executive accommodation fees to Lake Grace Exploration Pty Ltd *	-	27,000
Payment of management fees to Tribune Resources Ltd *	289,374	-
Payment of rent, rates and levies for office to Melville Parade Pty Ltd *	10,448	125,495
Reimbursement of operating expenses to Iron Resources Liberia Ltd *	394,233	413,973

* An entity in which Anthony Billis is a director.

Note 28. Related party transactions (continued)

Receivable from and payable to related parties
There were no trade receivables from related parties at the current and previous reporting date.

A current trade payable of $14,208 to Iron Resources Liberia Ltd was outstanding as at 30 June 2021 (30 June 2020: $8,872).

A management fee payable of $66,192 to Tribune Resources Ltd was accrued for as at 30 June 2021.

Advances from related parties
During the financial year, advances of $1,300,000 (30 June 2020: $22,000,000) were made between Rand Mining Limited and Tribune Resources Limited. These amounts were repaid prior to the reporting date. As disclosed above, there were no receivables from related parties at 30 June 2021. Anthony Billis, Gordon Sklenka and Otakar Demis are directors of Tribune Resources Limited.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 29. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

		Parent
	30 Jun 2021 $	30 Jun 2020 $
Loss after income tax	(200,851)	(235,155)
Total comprehensive income	(200,851)	(235,155)

Statement of financial position

		Parent
	30 Jun 2021 $	30 Jun 2020 $
Total current assets	-	-
Total assets	550,313	547,218
Total current liabilities	3,001,994	77,934
Total liabilities	94,098,470	82,892,526
Equity		
Issued capital	11,707,036	16,694,186
Accumulated losses	(105,255,193)	(99,039,494)
Total deficiency in equity	(93,548,157)	(82,345,308)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2021 and 30 June 2020.

Note 29. Parent entity information (continued)

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2021 and 30 June 2020.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021 and 30 June 2020.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 30. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

		Ownership interest	
Name	Principal place of business / Country of incorporation	30 Jun 2021 %	30 Jun 2020 %
Rand Exploration N.L.	Australia	100.00%	100.00%
Mount Manning Resources Pty Ltd*	Australia	50.00%	50.00%

* This is a dormant entity, there was no balances or transactions as at 30 June 2021 and 30 June 2020.

Note 31. Interests in joint operations

The Group has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications. Information relating to joint operations that are material to the Group are set out below:

		Ownership interest	
Name	Principal place of business / Country of incorporation	30 Jun 2021 %	30 Jun 2020 %
East Kundana Joint Venture	Australia	12.25%	12.25%

Note 32. Cash flow information

Reconciliation of profit/(loss) after income tax to net cash from/(used in) operating activities

	Group 30 Jun 2021 $	30 Jun 2020 $
Profit/(loss) after income tax (expense)/benefit for the year	15,201,512	(1,536,490)
Adjustments for:		
Depreciation and amortisation	4,395,094	4,685,568
Net loss on disposal of property, plant and equipment	135,343	219,783
Non-operating right-of-use	(27,155)	-
Impairment of mine development	1,302,591	-
Unwind of discount	2,549	-
Gain on revaluation of equity instruments at fair value through profit or loss	(61,467)	(323,011)
Net loss on loss of significant influence at fair value through profit or loss	-	181,380
Impairment of exploration and evaluation	663,235	1,047,195
Non-operating expenses	(5,378)	(53,472)
Non-operating dividend income	-	(227,000)
Receivables relating to sale of investment at 30 June 2019	-	(3,062,935)
Non-operating payables movement	2,688	(142,009)
Change in operating assets and liabilities:		
Decrease in trade and other receivables	61,081	3,187,310
Increase in inventories	(12,402,274)	(25,465,939)
Increase in deferred tax assets	(659,574)	(54,839)
Decrease in trade and other payables	(409,062)	(1,735,195)
Increase/(decrease) in provision for income tax	2,913,743	(16,784,949)
Increase/(decrease) in deferred tax liabilities	1,350,500	(997,397)
Increase/(decrease) in employee benefits	10,317	(39,484)
Increase in other provisions	165,351	19,705
Net cash from/(used in) operating activities	12,639,094	(41,081,779)

Non-cash investing and financing activities

	Group 30 Jun 2021 $	30 Jun 2020 $
Acquisition of plant and equipment by means of leases	65,291	1,855,716

Note 32. Cash flow information (continued)

Changes in liabilities arising from financing activities

Group	Lease liability $
Balance at 1 July 2019	1,420,820
Net cash used in financing activities	(1,234,492)
Acquisition of plant and equipment by means of leases	1,855,716
Other changes	(152,015)
Balance at 30 June 2020	1,890,029
Net cash used in financing activities	(1,113,383)
Acquisition of plant and equipment by means of leases	65,291
Other changes	(13,106)
Balance at 30 June 2021	828,831

Note 33. Earnings per share

	Group 30 Jun 2021 $	30 Jun 2020 $
Profit/(loss) after income tax attributable to the owners of Rand Mining Limited	15,201,512	(1,536,490)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	59,581,477	60,148,475
Weighted average number of ordinary shares used in calculating diluted earnings per share	59,581,477	60,148,475
	Cents	**Cents**
Basic earnings per share	25.51	(2.55)
Diluted earnings per share	25.51	(2.55)

Note 34. Events after the reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not significantly impacted the Group up to date, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

The legal proceeding against the Northern Star Resources Group of Companies previously announced by the Company was heard in the Supreme Court of Western Australia in October 2020. The Company is awaiting the Court’s decision.

On 20 August 2020, the Northern Star entities discontinued the counter claim for the payment of and increase to the fixed rate for processing ore under the Ore Treatment Agreement.

On 18 August 2021, Evolution Mining Ltd (ASX:EVN) acquired Northern Star Resources Ltd (ASX:NST) 51% interest in the East Kundana Joint Venture. As a result of this transaction, the 51% joint venture ownership and joint venture management is now owned by Evolution Mining Ltd.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Directors' declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

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

On behalf of the directors

____
Anthony Billis
Director

17 September 2021 Perth

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

RAND MINING LIMITED

Report on the Financial Report

Opinion

We have audited the accompanying financial report of Rand Mining Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' Declaration of the Company and the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

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

i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code)* that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

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

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1 - Inventory valuation and existence

Why significant	How our audit addressed the key audit matter
At 30 June 2021, the consolidated entity held inventories of $71,770,167 (2020: $59,367,894), as disclosed in Note 10. As described in the Note 2, inventories are carried at the lower of the cost and net realisable value. Cost is determined using the average method and comprises direct production and purchase costs and an appropriate portion of fixed and variable costs. The Consolidated entity has significant balance of Inventory at the balance date and significant management judgements and estimates are involved in the valuation and therefore this is considered to be a key audit matter.	Our work included, but was not limited to, the following procedures: • Third party confirmation of the quantities held at 30 June 2021, • Reviewing stock valuation calculations and assessing management assumptions, • Testing inventory to ensure they were held at the lower of cost and net realisable value, and evaluating management judgement with regards to AASB102 Inventories.

2 - Carrying value of mine development assets

Why significant	How our audit addressed the key audit matter
At 30 June 2021 the carrying value of mine development assets was $10,137,656 (2020: $11,956,048), as disclosed in Note 15. Each year management is required to assess whether there are any indicators that the total project may be impaired in accordance with AASB 136 Impairment of Assets. Management's impairment assessment indicated that no impairment was required. This assessment was based on several facts such as: • Large reserves and production estimates, • Gold price at 30 June 2021 is AUD$2,344.83, • Market interest rates have reduced, with likely effect on discount rate, • No obsolescence or physical damage noted other than the impairment recognised for the Raleigh mine development (Cash Generated Unit (CGU)).	Our work included, but was not limited to, the following procedures: • Reviewing the component auditor working papers, • Reviewing management's assessment of impairment of the CGUs, • Reviewing competent persons report on the mineable reserves and valuation, it's congruence with management's assessment and the competence/ independence of the author, • Ensuring valid mining licenses held and consider impairment of assets for which no license is now held, • Ensure that disclosures within the financial statements are accurate and that all estimates and judgements made by management are included therein.

Why significant	How our audit addressed the key audit matter
As the impairment assessment requires significant estimates and judgments, we have identified this as a key audit matter. Raleigh CGU had been placed into care and maintenance, due to the seismic activity noted early in the prior year, and no amounts have been budgeted for the next year for the mine site. Raleigh is not expected to be mined until November 2022 according to the budget prepared, therefore, management decided to fully impair this CGU by the amount of $1,302,591.	

3 - Carrying value of capitalised exploration expenditure

Why significant	How our audit addressed the key audit matter

As at 30 June 2021 the carrying value of exploration and evaluation assets was $1,869,136 (2020: $ 1,039,806), as disclosed in Note 14.
 	
The consolidated entity's accounting policy in respect of exploration and evaluation expenditure is outlined in Note 2. Estimates and judgments in relation to capitalised exploration and evaluation expenditure is detailed at Note 3.
 	
Significant judgement is required:
 	
• in determining whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources ("AASB 6"); and
• in determining the treatment of exploration and evaluation expenditure in accordance with AASB 6, and the consolidated entity's accounting policy. In particular:
  ○ whether the particular areas of interest meet the recognition conditions for an asset; and
	Our work included, but was not limited to, the following procedures:
	
	• Reviewing the component auditor working papers,
	• Conducting a detailed review of management's assessment of impairment trigger events prepared in accordance with AASB 6 including:
	  ○ assessing whether the rights to tenure of the areas of interest remained current at reporting date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future;
	  ○ holding discussions with the Directors and management as to the status of ongoing exploration programmes for the areas of interest, as well as assessing if there was evidence that a decision had been made to discontinue activities in any specific areas of interest; and
	  ○ obtaining and assessing evidence of the consolidated entity's future intention for the areas of interest, including reviewing future

Why significant	How our audit addressed the key audit matter
○ which elements of exploration and evaluation expenditures qualify for capitalisation for each area of interest.	budgeted expenditure and related work programmes; • considering whether exploration activities for the areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • assessing the appropriateness of the related disclosures in Note 2, 3 and 14.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the consolidated entity's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

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

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 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 consolidated entity'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 consolidated entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the consolidated entity to express an opinion on the consolidated entity financial report. We are responsible for the direction, supervision and performance of the consolidated entity audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the Directors' Report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Rand Mining Limited for the year ended 20 June 2021, 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.

PKF Perth

PKF PERTH

SIMON FERMANIS
PARTNER

17 September 2021
WEST PERTH,
WESTERN AUSTRALIA

Shareholder information

The shareholder information set out below was applicable as at 3 September 2021.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares Number of holders	Ordinary shares % of total shares issued
1 to 1,000	126,277	0.22
1,001 to 5,000	568,693	1.00
5,001 to 10,000	512,522	0.90
10,001 to 100,000	2,661,887	4.68
100,001 and over	53,006,582	93.20
	56,875,961	100.00
Holding less than a marketable parcel	106	0.04

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares Number held	Ordinary shares % of total shares issued
Tribune Resources Limited	26,576,764	46.73
Trans Global Capital Ltd	7,899,584	13.89
Northern Star Resources Limited	2,925,360	5.14
Lake Grace Exploration Pty Ltd	2,917,000	5.13
HSBC Custody Nominees (Australia) Ltd	2,129,177	3.74
Sierra Gold Ltd	2,100,000	3.69
Citicorp Nominees Pty Limited	2,047,595	3.60
BNP Paribas Nominees Pty Ltd	1,871,921	3.29
Resource Capital Limited	1,604,500	2.82
Raypoint Pty Ltd	530,000	0.93
Mrs Phanachakorn Wichaikul	510,000	0.90
Berne No 132 Nominees Pty Ltd	306,600	0.54
Halkin Pty Ltd	303,946	0.53
Mr Francis William Regan + Mrs Fariba Regan	274,992	0.48
Mr Fank Bozic	250,000	0.44
Starwall Pty Ltd	200,000	0.35
Southern Investments 2003 Pty Ltd	200,000	0.35
Nimby WA Pty Ltd	143,453	0.25
Zels Super Pty Ltd	133,000	0.23
Elixir Enterprices Pty Ltd	117,627	0.21
	53,041,519	93.24

Unquoted equity securities
There are no unquoted equity securities.

Substantial holders
Substantial holders in the Company are set out below:

	Number held	Ordinary shares % of total shares issued
Tribune Resources Limited	26,576,764	46.73
Trans Global Capital Ltd	7,899,584	13.89
Northern Star Resources Limited	2,925,360	5.14
Lake Grace Exploration Pty Ltd	2,917,000	5.13

Voting rights
The voting rights attached to ordinary shares are set out below:

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

There are no other classes of equity securities.

Tenements

Description	Tenement number	Interest owned %
Western Australia, Australia		
Kundana	M15/1413	12.25
Kundana	M15/993	12.25
Kundana	M16/181	12.25
Kundana	M16/182	12.25
Kundana	M16/308	12.25
Kundana	M16/309	12.25
Kundana	M16/325	12.25
Kundana	M16/326	12.25
Kundana	M16/421	12.25
Kundana	M16/428	12.25
Kundana	M24/924	12.25
Seven Mile Hill	E15/1664	50.00
Seven Mile Hill	M15/1233	50.00
Seven Mile Hill	M15/1234	50.00
Seven Mile Hill	M15/1291	50.00
Seven Mile Hill	M15/1388	50.00
Seven Mile Hill	M15/1394	50.00
Seven Mile Hill	M15/1409	50.00
Seven Mile Hill	M15/1743	50.00
Seven Mile Hill	M26/563	50.00
Seven Mile Hill	P15/6370	50.00
Seven Mile Hill	P15/6398	50.00
Seven Mile Hill	P15/6399	50.00
Seven Mile Hill	P15/6400	50.00
Seven Mile Hill	P15/6401	50.00
Seven Mile Hill	P15/6433	50.00
Seven Mile Hill	P15/6434	50.00
Seven Mile Hill	P26/4173	50.00
Yikari	P26/4476	50.00
Yikari	P26/4477	50.00
West Kimberley *	E04/2548	100.00

* Under application