

For personal use only



2021

ANNUAL REPORT

ACN 617 789 732

CORPORATE INFORMATION



Directors

Craig Farrow

NON-EXECUTIVE CHAIR

Duncan Chessell

MANAGING DIRECTOR

Andrew Shearer

NON-EXECUTIVE DIRECTOR

CFO/Company Secretary

Jaroslav (Jarek) Kopias

Registered & Principal Office

Level 4

29-31 King William Street

ADELAIDE SA 5000

Telephone +61 (0) 414 804 055

Postal Address

Level 4

29-31 King William Street

ADELAIDE SA 5000

Auditors

Grant Thornton Audit Pty Ltd

Level 3

170 Frome Road

ADELAIDE SA 5000

Solicitors

Piper Alderman Lawyers

Level 16

70 Franklin Street

ADELAIDE SA 5000

Home Stock Exchange

Australian Securities Exchange

20 Bridge Street,

SYDNEY NSW 2000

ASX Codes

RML – fully paid ordinary shares

RMLOA – quoted options exercise

price \$0.10 and expiry 30 June 2022

RMLOB – quoted options exercise

price \$0.12 and expiry 30 September 2023

Share Registry

Automic

GPO Box 5193

SYDNEY NSW 2001

CONTENTS

Corporate Information	2
Chair's Letter	4
Operation Highlights 2020–2021	5
Review of Operations	6
Mineral Resource Statement	14
Tenement Schedule	16
Directors' Report	17
Auditor's Independence Declaration	29
Statement of Profit or Loss and Other Comprehensive Income	30
Statement of Financial Position	31
Statement of Changes in Equity	32
Statement of Cash Flows	33
Notes to the Financial Statements	34
Directors' Declaration	50
Independent Audit Report	51
ASX Additional Information	55

Resolution Minerals Ltd ACN 617 789 732

This Annual Report covers Resolution Minerals Ltd ("Resolution Minerals", "Resolution", "RML" or the "Company"). The financial report is presented in the Australian currency.

The Company is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Resolution Minerals Ltd

Level 4
29-31 King William Street
ADELAIDE SA 5000

CHAIR'S LETTER



I am pleased to report to shareholders that despite difficult operating conditions over the past year, Resolution Minerals has been very active across all three of our major projects in Australia and the USA. The continuing high gold and copper price, as well as the rising uranium price have put the company in an excellent position to continue our hunt for big targets in big country.

This year has seen a marked increase in activity on Resolution's Northern Territory Projects. These projects give shareholders exposure to the growing suite of battery metals that will underpin the world's transition to renewable energy.

At the Wollgorang Project, we executed a new exploration strategy and saw immediate results. An extensive VTEM survey identified 40 new conductors and led to a major farm-in agreement with Oz Minerals (ASX: OZL). We believe that this deal is a fantastic outcome for shareholders as it gives Resolution Minerals long-term funding, as well as access to additional technical and mining expertise that will help progress the project over the next five years without requiring further dilution to current shareholders.

Resolution also significantly expanded its footprint in the Northern Territory with the acquisition of the Benmara Project from Strategic Energy Resources Limited (ASX: SER), as well as the adjoining tenements from Cedar Resources, giving Resolution a commanding ground position in the emerging South Nicholson Basin. At the time of writing, we have commenced a 2,500m drilling program on two compelling shallow targets that were derived from Resolution's VTEM geophysics survey and new Geoscience Australia research.

At the 64North Gold Project in Alaska, which surrounds Northern Star's world-class high-grade operating Pogo Gold Mine, we commenced testing high priority targets which were generated by regional fieldwork and a project-wide review undertaken in 2020. We completed three drill programs, including a first pass shallow drill program at East Pogo and identified a high-priority target zone for follow up diamond core drilling in 2022.

We also drill tested the Sunrise Prospect on the western side of the project and identified a 280m wide mineralised corridor. Importantly, the results revealed the potential of the 64North Project to host a mineralisation style similar to the Fort Knox Gold Mine. We have now completed a trenching program at the nearby Tourmaline Ridge Prospect and are now in a position to hit the ground running next year.

On the corporate side, the high gold price and the growing interest in battery metals have seen well supported capital raises. When combined with the Oz Minerals agreement, this puts the company in a strong financial position to continue our commitment to 'boots on the ground' exploration and provide investors with consistent news flow over the next year.

On behalf of the Resolution team, I want to thank you for your support and I look forward to keeping you updated on the progress over the next year.

Craig Farrow
Chair
Resolution Minerals Ltd

OPERATIONS HIGHLIGHTS 2020–2021

July 2020	64North	Core drilling Aurora prospect hole #4 (1093m)
	Capital Raise	Geophysics surveys West Pogo Block ZTEM and magnetic Placement \$3.6m + \$1.5m SPP (closed early oversubscribed)
Aug 2020	64North	Core drilling Echo prospect holes #5 (321m)
	64North	Geophysics surveys E1 and LMSX – Magnetics
	64North	Geophysics surveys Boundary prospects – CSAMT and ZTEM
	64North	Core drilling Reflection prospect holes #6 (553m)
Sept 2020	64North	Core drilling continues Aurora prospect holes #7 (712m)
Oct 2020	64North	Trenching Sunrise and E1 prospects
Nov 2020	64North	Core drilling continues Aurora prospect holes #8 (596m)
Dec 2020	64North	Core drilling concludes Aurora prospect holes #9 (360m)
	Corporate	Added new claims to East Pogo Block, 64North Project
	Corporate	New Benmara copper project acquisition, Northern Territory
Jan 2021	Corporate	30% interest earned into the 64North Project
Feb 2021	Corporate	Revised JV agreement for 64North Project
	Capital Raise	Placement \$3.25m
Mar 2021	64North	RAB drilling program Sunrise prospect (27 holes)
April 2021	Wollogorang	Geophysics survey – VTEM
May 2021	Benmara	Geophysics survey – VTEM
June 2021	64North	Heli-RC drilling program East Pogo prospect (12 holes)
	Wollogorang	Ground truthing VTEM targets
Aug 2021	Corporate	Significant \$5m JV with OZ Minerals Wollogorang project
	Corporate	Divest the Snettisham project, Alaska
Sep 2021	Capital Raise	Placement \$1.7m + SPP (open – seeking \$1.5m)
	Corporate	New tenements acquired Benmara project
	64North	Trenching Tourmaline Ridge prospect
	Benmara	RC drilling program commenced (2,500m planned)

REVIEW OF OPERATIONS

PROJECT NAME: WOLLOGORANG

Country: Australia
 Location: 17°S, 137°E
 Key Commodity: Copper, Cobalt
 Ownership: JV with OZ Minerals

PROJECT NAME: BENMARA

Country: Australia
 Location: 18°S, 136°E
 Key Commodity: Copper, Uranium
 Ownership: Option to buy 100%

PROJECT NAME: 64NORTH

Country: USA
 Location: 64°N, 144°W
 Key Commodity: Gold
 Ownership: 30% interest, earning in 80%

Global uncertainty and volatility retain gold's attractiveness

The voracious appetite for copper, cobalt, nickel, aluminum and other battery metals required to convert the world from fossil fuels to green electrical alternatives is now a short, medium and long term reality

Assets all in the top 20 ranked mining jurisdictions



Figure 1 Resolution's projects 27 September 2021.

OVERVIEW

2020/21 has been the most active year in Resolution's history. We have been active on three projects in two countries hunting for big deposits in big country – for gold and copper in Alaska and Northern Australia. Transactions were completed to acquire the battery metal-uranium Benmara Project in the Northern Territory and divest the non-core vanadium-magnetite Snettisham Project in southern Alaska. The team managed to navigate around COVID-19 issues and get the work done with minimal impact to operations.

In post 30 June 2021 events, a significant JV agreement was reached with Australia's third-largest copper producer OZ Minerals to farm-in to the Wollogorang Copper Project in the NT, spending close to \$5m to earn a 51% interest. This is a major milestone for Resolution, validating our exploration strategy for the project by using modern geophysics to identify large scale potential sediment hosted targets. Resolution will operate the project with technical collaboration from the OZ Minerals team, with extensive drilling planned for 2022.

At the time of writing Resolution field crews are engaged in drilling in the heat at the Benmara Project in the Northern Territory and completing a chilly trenching program on the Tourmaline Ridge Prospect in Alaska. This demonstrates the capacity of Resolution's geology team to get boots on the ground and hunt for big deposits in all conditions in multiple mineral systems across two continents.

64NORTH GOLD PROJECT, ALASKA USA

On 17 October 2019, Resolution entered into a binding term sheet with Millrock Resources Inc (Millrock TSXV: MRO) to acquire, via joint venture earn-in, up to 80% in the 64North Project in Alaska. The project surrounds Northern Star's Pogo Gold Mine (Figure 2), a world-class high-grade mine which has a total endowment of over 11 million ounces of gold. The 64North Project lies in the highly prospective Tintina Gold Province, which hosts over 100 Moz of gold across a 2,000km east-west arc from the Yukon to the west coast of Alaska.

Resolution has earned a 30% interest in the 64North Project and completed year 1 requirements (to 31 January 2021) by spending US\$5m. The focus in 2020/21 was drilling deep core holes targeting Pogo-style gold prospects west of, and immediately adjacent to, the Pogo Gold Mine and Good Paster Discovery (which is undergoing a \$21m resource drill out literally on the project boundary at West Pogo). The 64North Project has a dominant 357km² land package, which is prospective for Pogo-style and Fort Knox style gold as well as copper-gold porphyry deposits. Resolution has exceeded the year 2 earn-in exploration expenditure to earn a 42% interest ahead

of the 31 January 2022 anniversary date. Overspend from 2021 carries towards year 3 requirements, and Resolution can elect to earn a 51% interest by 31 January 2023, as set out in Table 1.

During 2020/21 Resolution also built a strong pipeline of regional prospects including the East Pogo Prospect, acquired new geophysical data sets and built jurisdictional expertise while completing extensive deep diamond core drilling at the West Pogo Block – Aurora Prospect and surrounds.

In February 2021, Resolution assumed operational control of the 64North Project before commencing the first of four significant programs for the 2021 season as outlined below. In early September 2021, Resolution reduced tenements to focus on 20 best prospects and reduce carrying costs.



Figure 2 Deposit sizes stated as Endowment (Resources & Reserves + Historic Production)
* sourced from Company websites.

REVIEW OF OPERATIONS, continued

64NORTH GOLD PROJECT, ALASKA USA, continued

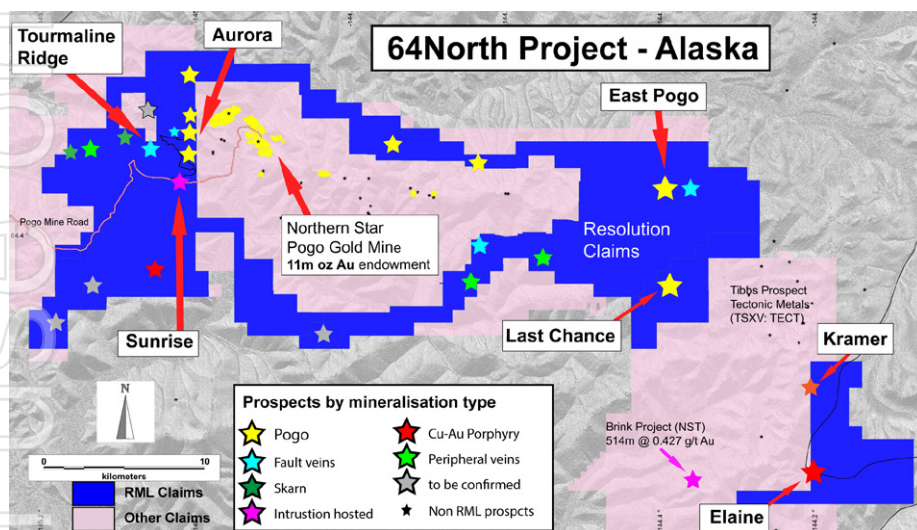


Figure 3 The 64North Project prospects map, 26 September 2021; RML claims in blue, others in pink, yellow polygons are surface projections of the Pogo Gold Mine Deposits.

Table 1 Terms of the sole funding earn-in agreement summary.

64NORTH PROJECT: 30% INTEREST					
STAGE	RML CASH SPEND US\$	% EARN-IN RML	RML SHARES TO MILLROCK	STAGE COMPLETION FEE US\$	DUE DATE*
Year 2	\$0.9m	42%	-	\$100,000	31/1/2022
Year 3	\$2.35m	51%	10m	\$100,000	31/1/2023
Right to form JV on co-funding basis or continue to earn-in					
Year 4	\$2.35m	60%	10m	\$100,000	31/1/2024

Key terms of the agreement

(updated terms RML announcement 9/2/21)

- Resolution can elect to form a JV at the end of any period and parties contribute by % ownership
- Pathway to 80% on one “best block” of nine blocks, by loan carrying vendor to first production.
- First right of refusal over vendor interest (Millrock Resources).
- Minor NSR royalties to historic prospectors range from 0% to maximum 1.5% with buy downs.
- One-off 6 month “grace period” can extend any one due date by 6 months.

Field activities July 2020 until 31 December 2020

- 1 Completion of West Pogo deep diamond core drilling program, nine holes over 2020:
 - Highlight was 7m thick Pogo-style quartz vein (weakly mineralised) from 488m in hole 20AU07 at the Aurora Prospect – along strike from Northern Star’s Goodpaster Prospect (RML announcement 29/9/20).
 - Fluid inclusion studies are ongoing for “near-miss analysis” of the Aurora Prospect.
- 2 Extensive regional programs of trenching, geophysics surveys, mapping and surface sampling to define drill targets for 2021 were undertaken spending over US\$1m regionally as required under the terms of the earn-in and JV agreement.

64NORTH GOLD PROJECT, ALASKA USA, continued

Field activities January 2021 until September 2021

- 1 Drill testing (RAB) Sunrise Prospect (27 holes) proving a 280m wide low-grade Fort Knox style gold mineral system (RML announcement 17/5/21).
- 2 Drill testing (RC) East Pogo Prospect (12 holes) striking numerous weakly gold mineralised quartz veins. The program defined follow up high value drill targets for potential Pogo-style gold mineralisation on the 'Pogo Trend' for summer 2022 using pathfinder element vectors (RML announcement 6/8/21).
- 3 Regional programs (ongoing at the time of writing – results pending) to prioritise the prospect pipeline, define drill targets for 2022 and investigate the porphyry potential of the Elaine Prospect and gold potential of the Kramer and Last Chance Prospects.
- 4 Trenching program (ongoing at the time of writing – results pending) at the Tourmaline Ridge Prospect.



Figure 4 Drill core from 2020 hole#7 (20AU07) 7m thick Quartz vein from 488m with fuchsite and sulphides – arsenopyrite, pyrite, pyrrhotite; part of broader 22m zone of quartz veins. Currently the subject of near-miss analysis using fluid inclusion analysis.

BATTERY METAL PROJECTS, NORTHERN TERRITORY, AUSTRALIA

Regional geology

In 2020 a Geoscience Australia research team identified a 170km deep continent scale feature. Empirical data suggests >90% of the world's large scale (often blind) sediment hosted base metal deposits occur on this line (Figure 5 and 6; Hoggard *et al.*, 2020). This feature is known as the “170km LAB” short for Lithosphere-Asthenosphere Boundary or more commonly called “base metal corridor” and it runs underneath Resolution's Wollogorang Project (Figure 5). It is possible that the LAB is linked to anomalous copper found on Resolution's Wollogorang tenements and that modern-day explorers have only scratched the surface of a potential larger scale copper system.

Further investigation of this new concept will be undertaken and incorporated into future exploration planning. The base metal corridor is newly defined concept using complex algorithms and it is possible a wider zone should be considered which could incorporate the Benmara Project.

Companies exploring in the region include BHP, Rio Tinto, Newcrest and South32

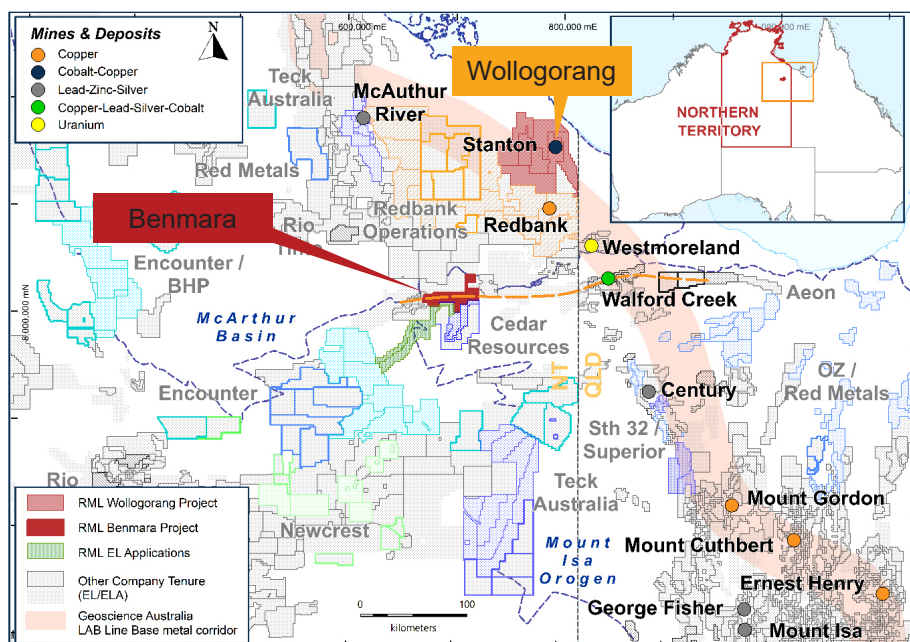


Figure 5 Location map of Resolution Minerals Wollogorang and Benmara Projects, Northern Territory.

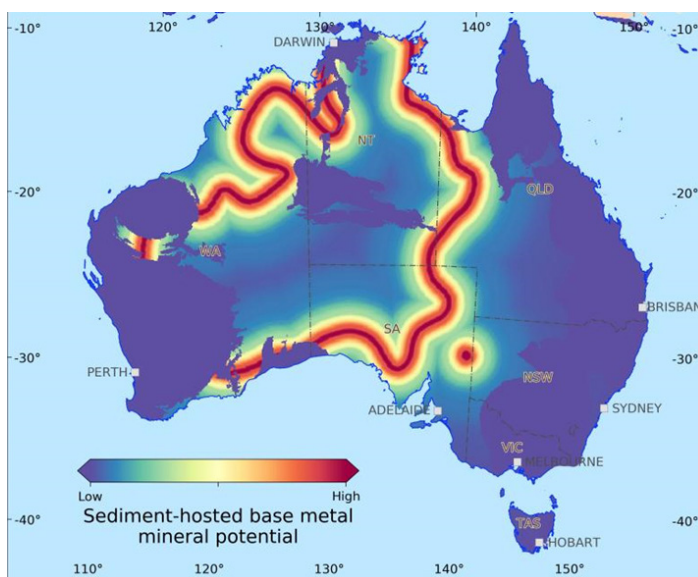


Figure 6 The 170km “LAB line” or “base metal corridor” empirical data collected by Geoscience Australia suggest 90% of the world's large-scale sediment hosted base metal deposits sit on the 170km LAB line – which includes Resolution's Wollogorang Project.

BATTERY METAL PROJECTS, NORTHERN TERRITORY, AUSTRALIA, continued

Benmara Project

(Cu-Ag-Pb-Zn-Co and U)

Key highlights

- Prospective for sediment hosted battery metals and unconformity style uranium.
- Covering 2,230km² on the margin of the Nicholson Basin – Murphy Inlier – McArthur Basin.
- Along strike on the Fish River Fault west of the Walford Creek Deposit 40.9Mt @ 2.03% Cu Eq (Aeon Metals www.aeonmetals.com.au and ASX announcement 17/12/19 “Substantial Walford Creek Resource Upgrade”, Aeon Metals Ltd ASX code AML).
- Two large scale drill targets (4km and 2km strike) identified by VTEM survey.
- The Benmara Project and Wollogorang Project are part of Resolution’s strategy to explore for battery metals in Northern Australia.
- 2,500m RC drilling program currently underway.

Project ownership details

The Benmara Project consists of five (5) exploration tenements. Resolution has the right to purchase EL32228 outright for A\$250k cash or shares until 14/12/21 from Strategic Energy Resources (*RML announcement 15/12/20*). Furthermore, Resolution has the right to purchase EL32229 and EL31287 outright for A\$250k cash or shares until 25/09/22 from Cedar Resources Pty Ltd (*RML announcement 27/09/21*). Two recent tenements, in application stage, are held 100% by a Resolution subsidiary (*RML announcement 27/09/21*).

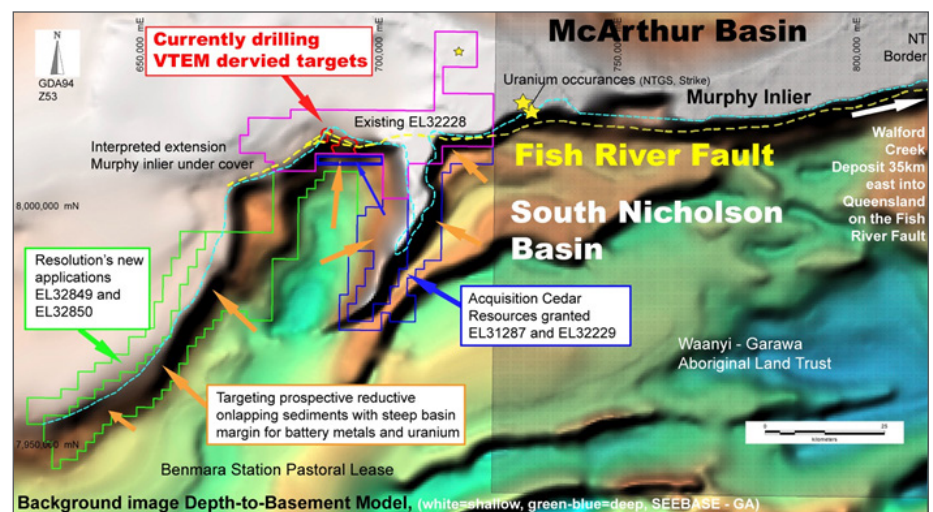


Figure 7 Benmara Battery Metal Project, new tenements overlain on depth to basement model.

BATTERY METAL PROJECTS, NORTHERN TERRITORY, AUSTRALIA, continued

Wollogorang Project

(Cu, Co, U)

Subject to OZ Minerals Farm-in Agreement

Wollogorang was the original flagship project at the time of the Company's listing on the ASX in 2017. It is prospective for sediment hosted stratiform base metals and uranium with multiple copper occurrences on the property.

During 2017 and 2018 the Company undertook extensive exploration activities aiming to define additional cobalt resources in the vicinity of the known Stanton Cobalt Deposit. The Company was seeking further breccia pipe-style cobalt deposits. However sufficient additional resources were not discovered to warrant a stand-alone mining operation or further exploration at the time. Cobalt prices fell significantly during late 2018 and in 2019 subdued cobalt and copper prices instigated a change in focus to other projects.

The 2020 pandemic closed access to remote areas of the NT and despite rising copper prices from May 2020, no field work was able to be undertaken. In late 2020, a VTEM survey was designed over the eastern half of the project targeting large scale structures and prospective reductive rock units close to the surface. The survey was eventually able to be flown in April 2021 and the results of the successful geophysics survey are discussed below. The ensuing strong attention from multiple parties ultimately led to the significant farm-in agreement with copper producer OZ Minerals.

Key highlights

- Covers 3,825km² in the McArthur Basin, prospective for sedimentary hosted battery metals: copper, cobalt and hard rock uranium.
- Wollogorang is positioned on Geoscience Australia's newly identified base metal corridor – on which 90% of world's largest sediment hosted base metal deposits reside (Hoggard *et al.*, 2020).
- Proven mineralisation with the Stanton Cobalt Deposit: 942kt @ 0.13% Co, 0.06% Ni, 0.12% Cu (*RML announcement 9/4/18*) and multiple other copper prospects in the tenement package.
- Forty conductors identified in recent VTEM geophysical survey highlighting the sediment hosted copper potential of the project. 37 of 40 of the conductors are untested by historic drilling.
- VTEM surveys can detect sub-surface conductive bodies to 400m depth, such as massive base metal sulfides and other potential trap sites for base metals.

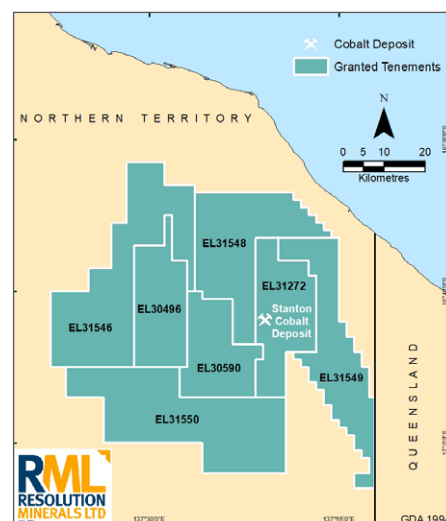


Figure 8 Tenement map showing 3,825km² of granted exploration tenements.

- Drill targets at the Gregjo Copper Prospect to test the chargeable IP geophysical anomaly that underlies the copper mineralisation intersected in shallow RAB drilling – up to 4% Cu (*RML announcement 22/1/19*).
- In August 2021 a significant farm-in agreement was signed with OZ Minerals Ltd (ASX: OZL; *RML announcement 24/8/21*).
- High priority drill targets have been identified and a significant drilling campaign will be conducted in 2022 after heritage surveys and new track construction is completed.

REVIEW OF OPERATIONS, continued

BATTERY METAL PROJECTS, NORTHERN TERRITORY, AUSTRALIA, continued

Wollogorang Project Farm-in Agreement with OZ Minerals (ASX: OZL)

- OZL can earn a 51% interest by spending ~\$4.9m over 5 years.
- RML may retain 49% interest by electing to participate from year 6.
- If RML elects not to participate, OZL has the option to earn a 75% interest, by sole-funding and delivering a Positive Final Investment Decision to Mine (at a minimum spend of \$1m/year OZL has a further 5 years to complete) (RML announcement 24/8/21).

TIMELINE		% RML OWNERSHIP
60 days	Establish the tenements are in good standing	100%
Due diligence	(due 24/10/21)	
2 Years	\$1.6m minimum spend	100%
Initial period	Reimburse \$300k VTEM to begin Stage 1	
3 Years	\$3.0m spend, then a JV is formed and RML has right to participate	49%
Stage 1		
5 Years	\$1.0m/year until deliver positive final investment decision to mine	25%
Stage 2		

MINERAL RESOURCE STATEMENT

30 June 2020 and 30 June 2021 (unchanged)

STANTON COBALT MINERAL RESOURCE, NORTHERN TERRITORY

WEATHERING	TONNAGE [Tonnes]	COBALT [ppm]	NICKEL [ppm]	COPPER [ppm]
Inferred				
Oxide	8,000	500	300	2,100
Transition	242,000	800	400	800
Indicated				
Oxide	406,000	1,200	500	1,600
Transition	286,000	1,800	900	900
TOTAL	942,000	1,300	600	1,200

The information in this release that relates to the Estimation and Reporting of Mineral Resources at 30 June 2020 and 30 June 2021 is based on, and fairly represents, information and supporting documentation compiled by Dr Graeme McDonald. Dr McDonald acts as an independent consultant to Resolution Minerals Ltd on the Stanton Deposit Mineral Resource estimation. Dr McDonald is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience with the style of mineralisation, deposit type under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Dr McDonald consents to the inclusion in this report of the contained technical information relating to the Mineral Resource Estimation in the form and context in which it appears.

The information in this report that relates to Exploration Results is based on information compiled by Mr Duncan Chessell who is a member of the Australasian Institute of Mining and Metallurgy and Australian Institute of Geoscientists. Mr Chessell is a Director and full-time employee of the company. Mr Chessell holds Shares, Options and Performance Rights in the Company as has been previously disclosed. Mr Chessell has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Duncan Chessell consents to the inclusion in the report of the matters based on his information in the form in which it is appears and confirms that the data reported as foreign estimates are an accurate representation of the available data and studies of the material mining project. The Company is not aware of any new information or data that materially affects the information as cross referenced in this report.

Additional details including JORC 2012 reporting tables, where applicable can be found in the following relevant announcements lodged with the ASX and the Company is not aware of any new data or information that materially affects the information included in this announcements as listed in this Annual Report and that all material assumptions and technical parameters underpinning the resource estimate continue to apply and have not materially changed.

Project ownership structures

64North Project

RML holds a 30% Interest and is earning to a 60% interest from Vendor Millrock Resources with a pathway to earn up to 80% on a “best block” (see *RML announcement 9/2/21*).

Benmara Project

The Benmara Project consists of five (5) exploration tenements. Resolution has the right to purchase EL32228 outright for A\$250k cash or shares until 14/12/21 from Strategic Energy Resources (*RML announcement 15/12/20*). Furthermore, Resolution has the right to purchase EL32229 and EL31287 outright for A\$250k cash or shares until 25/09/22 from Cedar Resources Pty Ltd (*RML announcement 27/09/21*). Two recent tenements, in application stage, are held 100% by a Resolution subsidiary (*RML announcement 27/09/21*).

Wollogorang Project

100% interest with Farm-in Agreement with OZL to earn-in (see *RML announcement 24/8/21*).

Snettisham Project

100% interest at 30 June 2021; subsequently disposed to Millrock Resource (see *RML announcement 7/9/21*). Current 0% direct interest (30% share of proceeds agreement with Millrock Resources until 31 August 2022).

Australian Projects Location Map (figure 5)

Source of data Geoscience Australia (LAB 170km Depth Corridor – Hoggard et al 2020), Northern Territory Government of Australia (STRIKE Tenure and Geoscience Information, Queensland Government (Open Data Portal Queensland Mining and Exploration Tenure Series).

Tintina Province Map (Alaska) (figure 2)

Source of data: Kensington (Coeur Mining, www.coeur.com), Pebble (Northern Dynasty, www.northerndynastyminerals.com), Pogo (Northern Star Resources, www.nsrltd.com), Fort Knox (Kinross, www.kinross.com), Donlin Creek (NovaGold, www.novagold.com), Livengood (International Tower Hill Mines, www.ithmines.com), Eagle & Dublin Gulch (Victoria Gold Corp, www.vgcx.com), Brewery Creek (Golden Predator, www.goldenpredator.com), White Gold (White Gold Corp, whitegoldcorp.ca), Coffee (Newmont, www.newmont.com) and Sharman et al, 2020 – Canadian Institute of Mining, Metallurgy and Petroleum.

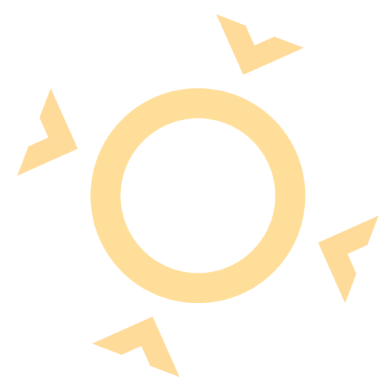
The Stanton Project Mineral Resource Estimate at 30 June 2020 has remained unchanged as at 30 June 2021. The information related to the Stanton Project Mineral Resource Estimate at 30 June 2020 and 30 June 2021 was detailed in the market announcement released as “Stanton Resource Upgrade Increases Contained Cobalt” on 9 April 2018. Resolution Minerals confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. Resolution Minerals relies on drilling results from accredited laboratories in providing assay results used to estimate Mineral Resources.

The Company ensures that all Mineral Resource estimates are subject to appropriate levels of governance and internal controls. Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management. Mineral Resource estimates are prepared by qualified independent Competent Persons. If there is a material change in the estimate of a Mineral Resource, the estimate and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons. The Company reports its Mineral Resources on an annual basis in accordance with JORC Code 2012.

TENEMENT SCHEDULE

At 30 June 2021

TENEMENT NAME	TENEMENT NUMBER	STATUS	EQUITY
Australia, Northern Territory			
Wollogorang			
Karns	EL30496	Granted	100%
Selby	EL30590	Granted	100%
Stanton / Running Creek	EL31272	Granted	100%
Calvert	EL31546	Granted	100%
Sandy Creek	EL31548	Granted	100%
Camel Creek	EL31549	Granted	100%
Madulgina Creek	EL31550	Granted	100%
USA, Alaska			
Snettisham			
Snettisham	AKAA 095408 to AKAA 095455	Granted	100%
64North			
64North Project	Resolution is earning into to a 60% interest the 64North Project which is owned by Millrock Resources (TSXV:MRO) the details of which were announced 17 October 2019 by the Company and updated 9 February 2021.		



DIRECTORS' REPORT



The Directors of Resolution Minerals Ltd have pleasure in submitting their report on the Group for the year ended 30 June 2021.

DIRECTORS

The names and details of Directors in office at any time during the reporting period are:

CRAIG FARROW

FCA, B.Ec, FAICD

Non-executive Chair

(appointed 17 August 2020)

EXPERIENCE AND EXPERTISE

Mr Farrow brings to Resolution a strong commercial background spanning multiple industry sectors over a 30 plus year career as a Chartered Accountant and Company Director.

Mr Farrow was a founding director of telecommunications business M2 Group, Chair since 2006, was instrumental in the merger between Vocus Communications and M2 Group Ltd in 2016 and continuing as Deputy Chair of Vocus until February 2018 (ASX:VOC). He has also served as Chair of ASX listed Companies

Bulletproof Group (ASX:BPF) and Murray River Organics (ASX:MRG) and multiple unlisted board roles as both a non-executive Director and Chair.

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES

None

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS

Bulletproof Group (ASX:BPF) and Murray River Organics (ASX:MRG)

INTEREST IN SHARES

2,054,286 Ordinary Shares held directly and by an entity in which Mr Farrow has a beneficial interest.

INTEREST IN OPTIONS AND RIGHTS

214,286 quoted options with exercise price of \$0.12 and expiry of 30 September 2023 (RMLOB).

750,000 unquoted options with exercise price of \$0.042 and expiry of 15 April 2022.

500,000 unquoted unvested performance rights expiring on 31 December 2025.

DUNCAN CHESSELL

BSc, GAICD, MAusIMM, MAIG

Managing Director

(appointed 6 March 2017) (appointed as Managing Director on 14 October 2019)

EXPERIENCE AND EXPERTISE

Mr Chessell is a geologist with over 20 years' experience in business and in oil, gas and mineral exploration. He was Managing Director of Endeavour Group from 2010 to 2016 making new gold discoveries in the Gawler Craton, conducting precious and base metals exploration in South Australia and project generation in Papua New Guinea.

He is a Graduate of the Australian Institute of Company Directors, Member of the Australian Institute of Mining & Metallurgy and Member of Australian Institute of Geoscientists. He was co-founder and Chair of project generator Coolabah Group, the project vendor of the Wollongorang Project (Northern Territory) on which Resolution Minerals undertook its IPO in 2017 (as Northern Cobalt Limited). He is currently non-executive Director of The Outdoor Education Group Ltd, the largest outdoor education provider across Australia. He was the founding

DIRECTORS' REPORT, continued

Chair of the Himalayan Development Foundation Australia Inc, a not-for-profit entity delivering assistance to the people of Nepal.

Mr Chessell also has a decade of international business experience in adventure tourism in New Zealand, Australia, Papua New Guinea and the Himalaya. He is also a triple Mt Everest summiteer and leader of numerous adventures including 'world firsts' in Antarctica and has guided the "Seven Summits" – the highest peak on each continent.

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES

None

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS

None

INTEREST IN SHARES

1,535,005 Ordinary Shares held directly and by entities in which Mr Chessell has a beneficial interest.

INTEREST IN OPTIONS, RIGHTS AND PERFORMANCE SHARES

35,715 quoted options with exercise price of \$0.12 and expiry of 30 September 2023 (RMLOB).

89,285 unquoted options with exercise price of \$0.042 and expiry of 15 April 2022.

1,800,000 class A performance shares subject to exploration based performance hurdles expiring on 6 September 2022.

658,125 class B performance shares subject to exploration based performance hurdles expiring on 6 September 2022.

500,000 unquoted vested performance rights expiring on 31 December 2024 and 500,000 unquoted unvested performance rights expiring on 31 December 2025.

4,800,000 unquoted performance rights subject to KPI based vesting conditions and various expiry dates.

ANDREW SHEARER

BSc (Geology), Hons (Geophysics), MBA

Non-executive Director

(appointed 6 March 2017)

EXPERIENCE AND EXPERTISE

Mr Shearer holds a BSc degree in geology with Honours in geophysics and an MBA. He has been involved in the mining and finance industries for more than 25 years.

Establishing his career in the resources industry as a geologist and geophysicist, in technical and senior management roles with the South Australian Government, Mount Isa Mines Limited, and Glengarry Resources Limited. Andrew then moved to the corporate and finance sectors in Resource Analyst roles with PAC Partners Pty Ltd, Phillip Capital, Austock and Taylor Collison. Where he covered small to mid-cap resource stocks across a broad suite of commodities.

Andrew provides Resolution with experience in the financial services industry combined with his technical experience and understanding of capital markets. Andrew is also a Non-executive Director for Andromeda Metals (ASX:ADN) and Investigator Resources (ASX:IVR).

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES

Andromeda Metals Limited (ASX:ADN) from 27 October 2017.

Investigator Resources Limited (ASX:IVR) from 14 July 2020.

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS

Okapi Resources Limited (ASX:OKR).

INTEREST IN SHARES

1,339,412 Ordinary Shares held directly and by an entity in which Mr Shearer has a beneficial interest.

INTEREST IN OPTIONS, RIGHTS AND PERFORMANCE SHARES

50,000 quoted options with exercise price of \$0.10 and expiry of 30 June 2022 (RMLOA).

42,270 quoted options with exercise price of \$0.12 and expiry of 30 September 2023 (RMLOB).

178,571 unquoted options with exercise price of \$0.042 and expiry of 15 April 2022.

800,000 class A performance shares subject to exploration based performance hurdles expiring on 6 September 2022.

325,000 class B performance shares subject to exploration based performance hurdles expiring on 6 September 2022.

500,000 unquoted vested performance rights expiring on 31 December 2024 and 500,000 unquoted unvested performance rights expiring on 31 December 2025.

COMPANY SECRETARY

JAROSLAW (JAREK) KOPIAS

BCom, CPA, AGIA, ACG (CS, CGP)

Company Secretary / Chief Financial Officer (appointed 6 March 2017)

Mr Kopias is a Certified Practising Accountant and Chartered Secretary. Mr Kopias has 25 years' industry experience in a wide range of financial and secretarial roles within the resources industry. As an accountant, Mr Kopias worked in numerous financial roles for companies, specialising in the resource sector – including 5 years at WMC Resources Limited's (now BHP) Olympic Dam operations, 5 years at Newmont Mining Corporation – Australia's corporate office and 5 years at oil and gas producer and explorer, Stuart Petroleum Limited (prior to its merger with Senex Energy Limited).

DIRECTORS' REPORT, continued

He is currently the Company Secretary of Core Lithium Ltd (ASX: CXO) and Iron Road Ltd (ASX: IRD). Mr Kopias has held similar roles with other ASX entities in the past and has other business interests with numerous unlisted public and private entities.

PRINCIPAL ACTIVITIES

Resolution Minerals' ongoing principal activities are the exploration for gold in Alaska (USA), copper, cobalt and other battery metals in the Northern Territory and gold, vanadium and iron ore in Alaska (USA).

OPERATING AND FINANCIAL REVIEW

The net loss of the Group for the year after providing for income tax amounted to \$983,485 (2020: \$1,281,967) primarily due to reduced impairment expense, increased labour recoveries driven by managed exploration activity and lower broker relations expenditure.

During the year, the Group raised a further \$5.5 million primarily through share placements and a share purchase plan to progress its existing and newly acquired exploration tenements.

The risks associated with the projects listed below are those common to exploration activities generally. Exploration targets are conceptual in nature such that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

The main environmental and sustainability risks that Resolution Minerals currently faces are through ground disturbance when undertaking drilling or sampling

activities. The Group's approach to exploration through environmental, heritage and other clearances allows these risks to be minimised.

The financial impact of the projects listed below is a requirement for further expenditure where successful exploration leads to follow-up activities. All exploration activities may be funded by the Group's own cash reserves or through joint venture arrangements.

Further technical detail on each of the prospects listed below is in the Review of Operation in the Annual Report.

The 64North Project in Alaska has been the focus of exploration efforts since October 2019 when the company entered into a binding agreement to earn-in to the project. The 64North Project surrounds the world-class high-grade operating Pogo Gold Mine, owned by Northern Star Resources Ltd (ASX: NST) in the highly prospective Tintina Gold Province in Alaska. Resolution has earned a 30% interest in the 64North Project and completed year 1 requirements by spending US\$5m. In February 2021 Resolution assumed operational control of the project and subsequently reduced tenements to focus on the 20 best prospects and reduce carrying costs.

The future strategy at the 64North Project is to continue exploration activities on the most prospective targets on the tenement portfolio.

During the year, the Group acquired the Benmara Project (EL32228) in the Northern Territory and commenced exploration drilling in September 2021 following a successful VTEM survey during the year. Additionally, in September 2021 additional tenements were acquired and applications lodged to expand the project area.

The future strategy at the Benmara project is for Resolution to continue current exploration drilling and follow up any success with further drilling and field programs.

The Wologorang copper and cobalt project covers 3,824 km² of pastoral land in the north-eastern corner of the Northern Territory – NT Exploration Licences EL30496, EL30590, EL31272, EL31546, EL31548, EL31549 and EL31550. Subsequent to the end of the year, Resolution executed a farm-in agreement with OZ Minerals Limited (ASX:OZL). The agreement allows OZL to earn a 51% interest in Wologorang by spending approximately \$4.9 million over 5 years.

The future strategy at the Wologorang copper and cobalt project is for Resolution to continue exploration at the project with its project partner.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group that occurred during the reporting period that have not otherwise been disclosed in this report or the financial statements.

DIVIDENDS

There were no dividends paid or declared during the reporting period or to the date of this report.

EVENTS ARISING SINCE THE END OF THE REPORTING YEAR

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years other than those described below.

On 24 August 2021, the Company announced the execution of a farm-in agreement with OZ Minerals Limited (OZL) in relation to the Wollongorang Project. The agreement allows OZL to earn a 51% interest in Wollongorang by spending approximately \$4.9 million over 5 years and, at Resolution's election, OZL has the option to earn a 75% interest, by sole-funding and delivering a Positive Final Investment Decision to Mine (at a minimum spend of \$1m/year, OZL has a further 5 years to complete).

Subsequent to the end of the financial year, the Group relinquished the Snettisham Project via sale to Millrock Resources for nominal consideration. The disposal entitles the Group to participate in 30% of any future benefit derived from a transaction related to the Snettisham project by Millrock for a period of 12 months.

On 22 September 2021 the Company issued 84,418,223 shares under a placement to raise \$1.7 million (before costs) followed by an SPP, targeting a further raise of \$1.5 million.

On 27 September 2021 the Company announced an agreement to acquire 100% of two tenements surrounding the Benmara project, adding 541km², and lodgement of two new tenement applications adding a further 1,025km² to the project area.

LIKELY DEVELOPMENTS

The Group continues its exploration program focussed on gold and battery metals and will assess other complementary projects.

DIRECTORS' MEETINGS

The number of Directors' meetings held during the reporting period and the number of meetings attended by each Director is as follows:

	BOARD MEETINGS		AUDIT AND RISK COMMITTEE MEETINGS		REMUNERATION COMMITTEE MEETINGS	
Directors	A	E	A	E	A	E
CL Farrow	17	17	2	2	3	3
DC Chessell	22	22	2	2	3	3
AN Shearer	22	22	2	2	3	3
LA Dean	10	10	1	1	0	0

A = Attended E = Entitled to attend

UNISSUED SHARES UNDER OPTION

Unissued ordinary Shares of Resolution Minerals under option at the date of this report are:

DATE OPTIONS GRANTED	EXPIRY DATE	EXERCISE PRICE OF OPTIONS	NUMBER UNDER OPTION
27 November 2019*	30 November 2022	\$0.06	13,400,000
15 April 2021	15 April 2022	\$0.042	59,053,569
Total unquoted options			72,453,569
25 June 2019	30 June 2022	\$0.10	6,096,558
21 September 2020**	30 September 2023	\$0.12	74,634,643
Total quoted options			80,731,201
Total options on issue			153,184,770

* Exercise price \$0.08 if exercised on or before 30 November 2021 and \$0.10 if exercised on or before 30 November 2022. Expiry 30 November 2022.

** Options were subsequently issued on 16 October 2020, 27 November 2020 and 23 December 2020.

During the year, 59,053,569 unquoted options were issued to participants in a share placement undertaken by the Company.

A further 74,634,643 quoted options were issued to participants in a share placement and SPP undertaken by the Company – of this amount 5,000,000 were issued to brokers as remuneration.

These options do not entitle the holders to participate in any share issue of the Company or any other body corporate.

PERFORMANCE RIGHTS

Unissued ordinary Shares of Resolution Minerals subject to vesting and exercise of performance rights at the date of this report are:

DATE RIGHTS GRANTED	KPI VESTING	EXPIRY DATE	NUMBER OF RIGHTS
28 September 2018	Vested	31 December 2024	2,000,000
27 November 2019	31 December 2022	31 December 2025	2,000,000
27 November 2019	31 December 2024	31 December 2027	2,000,000
13 February 2020	31 March 2022	31 December 2024	500,000
23 March 2020	31 January 2021	31 January 2024	125,000
23 March 2020	31 March 2022	31 December 2024	125,000
27 November 2020	31 December 2022	31 December 2025	2,000,000
1 February 2021	31 January 2022	31 January 2024	1,350,000
1 February 2021	31 December 2022	31 December 2025	500,000
15 April 2021	31 December 2021	31 December 2024	800,000
Total rights on issue			11,400,000

During the year, unquoted performance rights with performance based vesting conditions were issued as remuneration under the Company's Performance Share Plan as follows:

- 2,000,000 rights to officers of the Company
- 800,000 rights to the Managing Director
- 600,000 rights to the Exploration Manager
- 1,000,000 rights to the VP Exploration Alaska
- 350,000 rights to consultants

These rights do not entitle the holders to participate in any share issue of the Company or any other body corporate.

PERFORMANCE SHARES

The Company has on issue 13,175,000 class A and class B performance shares as detailed in the table below:

CLASS OF PERFORMANCE SHARES	GRANT DATE	EXPIRY DATE	EXERCISE PRICE OF SHARES	NUMBER ON ISSUE
Class A	4 September 2017	4 September 2022	\$Nil	9,600,000
Class B	4 September 2017	4 September 2022	\$Nil	3,575,000
Total performance shares				13,175,000

There were no performance shares converted or cancelled during the reporting period and no vesting conditions were met during the reporting period.

REMUNERATION REPORT (AUDITED)

The Directors of Resolution Minerals Ltd present the Remuneration Report in accordance with the *Corporations Act 2001* (Cth) and the *Corporations Regulations 2001* (Cth).

The Remuneration Report is set out under the following main headings:

- A Principles used to determine the nature and amount of remuneration
- B Details of remuneration
- C Service agreements
- D Share-based remuneration
- E Other information.

A PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

The Group's remuneration policy has been designed to align objectives of key management personnel with objectives of shareholders and the business, by providing a fixed remuneration component and offering specific long-term incentives through the issue of options and / or performance rights. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel and Directors to run and manage the Group. The key management personnel of the Group are the Board of Directors, Company Secretary and Executive Officers.

The Board's policy for determining the nature and amount of remuneration for its members and key management personnel of the Group is as follows:

- The remuneration policy, setting the terms and conditions for the key management personnel, was developed by the Board. All

key management personnel are remunerated on a consultancy or salary basis based on services provided by each person. The Board annually reviews the packages of key management personnel by reference to the Group's performance and comparable information from industry sectors and other listed companies in similar industries.

- The Board may exercise discretion in relation to approving incentives, bonuses, options and performance rights. The policy is designed to attract the highest calibre of key management personnel and reward them for performance that results in long-term growth in shareholder wealth.
- Key management personnel are also entitled to participate in the Company's Share Option Plan and Performance Share Plan as disclosed to shareholders in the Company's 2020 Annual General Meeting and announced to the ASX.
- The Board policy is to remunerate non-executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by shareholders (currently \$400,000). Fees for non-executive Directors are not linked to the performance of the Group, except in relation to exploration based KPI performance shares

issued as part of the IPO process and share price based performance rights. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in the Company's Share Option Plan and Performance Share Plan, which may exist from time to time.

During the reporting period, performance reviews of senior executives were not conducted. There were no remuneration consultants used by the Group during the period.

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Board will have regard to a number of key performance metrics such as profitability, shareholders' equity and the Company's share price.

Performance based remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and other key management personnel. Currently, this is facilitated through the issue of options and/or performance rights to key management personnel to encourage the alignment of personal and shareholder interests. The Group believes this policy will be effective in increasing shareholder wealth.

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

Resolution Minerals received 98.6% "yes" votes on its remuneration report for the 2020 financial year. The Group did not receive any specific feedback at the AGM on its remuneration report.

DIRECTORS' REPORT, continued

REMUNERATION REPORT (AUDITED), continued

B DETAILS OF REMUNERATION

Details of the nature and amount of each element of the remuneration of the Group's key management personnel (KMP) are shown below:

All KMP were appointed on 6 March 2017 with the exception of Mr Craig Farrow who was appointed to the board 17 August 2020. Mr Chessell was issued with KPI based performance rights during the 2019/20 year and all directors were issued with KPI based performance rights during the 2020/21 year.

Director and other key management personnel remuneration

2021	SHORT TERM BENEFITS			POST-EMPLOYMENT BENEFITS	SHARE-BASED PAYMENTS		
	SALARY AND FEES \$	CONTRACT PAYMENTS \$	OTHER BENEFITS \$	SUPERANNUATION \$	OPTIONS / RIGHTS \$	TOTAL \$	AT RISK ¹ %
Non-executive directors							
C Farrow ²	46,835	-	-	-	4,583	51,418	9
L Dean ³	24,500	-	-	-	-	24,500	-
A Shearer	36,530	-	-	3,470	4,583	44,583	10
Executive directors							
D Chessell	209,285	-	-	19,882	10,094	239,261	4
Other key management personnel							
J Kopias ⁴	-	132,688	-	-	4,583	137,271	3
Total	317,150	132,688	-	23,352	23,843	497,033	

¹ Represents share based payments linked to performance conditions.

² Mr Farrow was appointed Director on 17 August 2020.

³ Mr Dean resigned as director on 27 November 2020.

⁴ Contract payments are made to Kopias Consulting – an entity associated with Mr Kopias.

2020	SHORT TERM BENEFITS			POST-EMPLOYMENT BENEFITS	SHARE-BASED PAYMENTS		
	SALARY AND FEES \$	CONTRACT PAYMENTS \$	OTHER BENEFITS \$	SUPERANNUATION \$	OPTIONS / RIGHTS \$	TOTAL \$	AT RISK ⁵ %
Non-executive directors							
L Dean	56,371	-	-	-	-	56,371	-
A Shearer	33,283	-	-	3,162	-	36,445	-
Executive directors							
D Chessell ⁶	157,682	-	-	14,980	-	172,662	-
M Schwarz ⁷	118,574	-	-	10,396	(22,057)	106,913	-
Other key management personnel							
J Kopias ⁸	-	127,365	-	-	-	127,365	-
Total	365,910	127,365	-	28,538	(22,057)	499,756	

⁵ Represents share based payments linked to performance conditions.

⁶ Mr Chessell was appointed Managing Director on 15 October 2019.

⁷ Mr Schwarz resigned as director on 26 August 2019 – salaries and fees includes a termination payment for M Schwarz.

⁸ Contract payments are made to Kopias Consulting – an entity associated with Mr Kopias.

DIRECTORS' REPORT, continued

REMUNERATION REPORT (AUDITED), continued

C SERVICE AGREEMENTS

Remuneration and other terms of employment for the Executive Directors and other KMP are formalised in service agreements. The major provisions of the agreements relating to remuneration are set out below:

NAME	BASE REMUNERATION	UNIT OF MEASURE	TERM OF AGREEMENT	NOTICE PERIOD	TERMINATION BENEFITS
D Chessell Managing Director	\$235,000	Salaried employee	Indefinite	Two months	Three months
J Kopias CFO & Company Secretary	Variable	Hourly rate contract	Unspecified	One month	None

D SHARE-BASED REMUNERATION

Details of performance rights convertible to ordinary shares in the Company that were granted as remuneration to each KMP during the year are set out below. All performance rights refer to a right to convert one right to one ordinary share in the Company, under the terms of the performance rights. Details of performance rights convertible to ordinary shares in the Company that were granted as remuneration to each KMP during the year are set out below:

2021 GRANTED	NUMBER GRANTED	GRANT DATE	FAIR VALUE AT GRANT DATE		FIRST VESTING DATE ¹	LAST VESTING DATE
			PER RIGHT	FULL VALUE \$		
C Farrow	500,000	27/11/2020	\$0.0327	16,369	Share price	31/12/2022
D Chessell	500,000	27/11/2020	\$0.0327	16,369	Share price	31/12/2022
A Shearer	500,000	27/11/2020	\$0.0327	16,369	Share price	31/12/2022
J Kopias	500,000	27/11/2020	\$0.0327	16,369	Share price	31/12/2022
D Chessell	800,000	15/04/2021	\$0.0202	12,123	Short term KPI's	31/12/2021
Total	2,800,000					

¹ Meeting criteria of the KPI listed below determines vesting of rights.

Share price KPI – 2,000,000 Officer Performance Rights

The vesting of Director Performance Rights under this KPI is tied to the Company's share price exceeding a VWAP equal to 140% of the 5 day VWAP prior to the 2020 AGM at any time in the period to 31 December 2022 for a period of at least 1 month. The vesting of this KPI must be determined by the Board by 31 March 2023 and, if vested, the Performance Rights will expire on 31 December 2025.

Short Term KPIs – 800,000 Managing Director Performance Rights

As determined by the board. The vesting of this KPI must be determined by the Board by 31 March 2022 and, if vested, the Performance Rights will expire on 31 December 2024.

DIRECTORS' REPORT, continued

REMUNERATION REPORT (AUDITED), continued

Share holdings of key management personnel

The number of ordinary shares of Resolution Minerals Ltd held, directly, indirectly or beneficially, by each Director and Company Secretary, including their personally-related entities as at reporting date:

DIRECTORS AND COMPANY SECRETARY	HELD AT 30 JUNE 2020	MOVEMENT DURING YEAR ¹	OPTIONS / RIGHTS EXERCISED	HELD AT 30 JUNE 2021
C Farrow ²	-	2,054,286	-	2,054,286
L Dean ³	454,478	(454,478)	-	-
D Chessell	1,320,719	214,286	-	1,535,005
A Shearer	940,000	399,412	-	1,339,412
J Kopias	440,000	357,143	-	797,143
Total	3,155,197	2,570,649	-	5,725,846

¹ Movement represents participation in share placement/s and/or share purchase plan.

² Movement includes shareholding on appointment as director of 554,286 shares.

³ Movement represents resignation as director.

Option holdings of key management personnel

The number of quoted options over ordinary shares in Resolution Minerals Ltd held, directly, indirectly or beneficially, by each specified Director and KMP, including their personally-related entities as at reporting date, is as follows:

UNQUOTED OPTIONS – EXERCISE PRICE OF \$0.2493 AND EXPIRY OF 21 MARCH 2021						
DIRECTORS AND COMPANY SECRETARY	HELD AT 30 JUNE 2020	GRANTED DURING YEAR	DISPOSED / LAPSED DURING YEAR	EXERCISED	HELD AT 30 JUNE 2021	VESTED AND EXERCISABLE AT 30 JUNE 2021
L Dean ¹	1,000,000	-	(1,000,000)	-	-	-
D Chessell	697,500	-	(697,500)	-	-	-
A Shearer	450,000	-	(450,000)	-	-	-
J Kopias	450,000	-	(450,000)	-	-	-
Total	2,597,500	-	(2,597,500)	-	-	-

¹ Movement represents resignation as director.

UNQUOTED OPTIONS – EXERCISE PRICE OF \$0.042 AND EXPIRY OF 15 APRIL 2022						
DIRECTORS AND COMPANY SECRETARY	HELD AT 30 JUNE 2020	GRANTED DURING YEAR	DISPOSED DURING YEAR	EXERCISED	HELD AT 30 JUNE 2021	VESTED AND EXERCISABLE AT 30 JUNE 2021
C Farrow	-	750,000	-	-	750,000	750,000
D Chessell	-	89,285	-	-	89,285	89,285
A Shearer	-	178,571	-	-	178,571	178,571
Total	-	1,017,856	-	-	1,017,856	1,017,856

QUOTED OPTIONS – EXERCISE PRICE OF \$0.10 AND EXPIRY OF 30 JUNE 2022 (RML0A)						
DIRECTORS AND COMPANY SECRETARY	HELD AT 30 JUNE 2020	GRANTED DURING YEAR	DISPOSED DURING YEAR	EXERCISED	HELD AT 30 JUNE 2021	VESTED AND EXERCISABLE AT 30 JUNE 2021
L Dean ¹	48,810	-	(48,810)	-	-	-
A Shearer	50,000	-	-	-	50,000	50,000
J Kopias	20,000	-	-	-	20,000	20,000
Total	118,810	-	(48,810)	-	70,000	70,000

¹ Movement represents resignation as director.

DIRECTORS' REPORT, continued

REMUNERATION REPORT (AUDITED), continued

QUOTED OPTIONS – EXERCISE PRICE OF \$0.12 AND EXPIRY OF 30 SEPTEMBER 2023 (RMLOB)						
DIRECTORS AND COMPANY SECRETARY	HELD AT 30 JUNE 2020	GRANTED DURING YEAR ¹	DISPOSED DURING YEAR	EXERCISED	HELD AT 30 JUNE 2021	VESTED AND EXERCISABLE AT 30 JUNE 2021
C Farrow	-	214,286	-	-	214,286	214,286
D Chessell	-	35,715	-	-	35,715	35,715
A Shearer	-	42,270	-	-	42,270	42,270
Total	-	292,271	-	-	292,271	292,271

¹ Movement represents participation in the share purchase plan.

Performance rights holdings of key management personnel

The number of performance rights over ordinary shares in Resolution Minerals Ltd held, directly, indirectly or beneficially, by each specified Director and KMP, including their personally-related entities as at reporting date, is as follows:

KEY MANAGEMENT PERSONNEL	HELD AT 30 JUNE 2020	ACQUIRED DURING YEAR ²	DISPOSED DURING YEAR	EXERCISED	HELD AT 30 JUNE 2021	VESTED AND EXERCISABLE AT 30 JUNE 2021
C Farrow	-	500,000	-	-	500,000	-
L Dean ¹	500,000	-	(500,000)	-	-	-
D Chessell	4,500,000	1,300,000	-	-	5,800,000	500,000
A Shearer	500,000	500,000	-	-	1,000,000	500,000
J Kopias	500,000	500,000	-	-	1,000,000	500,000
Total	6,000,000	2,800,000	(500,000)	-	8,300,000	1,500,000

¹ Movement represents resignation as director.

² Represents issue of performance rights as remuneration as approved at the 2020 AGM and 2021 General Meeting under the Company's Performance Share Plan.

Performance Share holdings of key management personnel

The number of performance shares over ordinary shares in Resolution Minerals Ltd held, directly, indirectly or beneficially, by each specified Director and KMP, including their personally-related entities as at reporting date, is as follows:

DIRECTORS	HELD AT 30 JUNE 2020	ACQUIRED DURING YEAR	DISPOSED DURING YEAR	EXERCISED	HELD AT 30 JUNE 2021	VESTED AND EXERCISABLE AT 30 JUNE 2021
Class A						
D Chessell	1,800,000	-	-	-	1,800,000	-
A Shearer	800,000	-	-	-	800,000	-
Class B						
D Chessell	658,125	-	-	-	658,125	-
A Shearer	325,000	-	-	-	325,000	-
Total	3,583,125	-	-	-	3,583,125	-

E OTHER INFORMATION

Transactions with key management personnel

Transactions with key management personnel are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

Duncan Chessell

Resolution Minerals had sought the provision of vehicle hire services from Magill Consulting Pty Ltd. The services are on arms-length terms. During the period 1 July 2020 and 30 June 2021 \$5,978 + GST has been paid in relation to these services. The total amount of fees due to Magill Consulting Pty Ltd as at 30 June 2021 was \$Nil (2020: \$Nil).

Jarek Kopias

Kopias Consulting, a business of which Jarek Kopias is a Director, was paid consulting fees in relation to the year totalling \$132,688 (2020: \$127,365) and is disclosed in the remuneration report. The total amount of fees due to Kopias Consulting as at 30 June 2021 was \$9,450 (2020: \$7,500).

END OF AUDITED REMUNERATION REPORT

ENVIRONMENTAL LEGISLATION

The Directors believe that the Group has, in all material respects, complied with all particular and significant environmental regulations relevant to its operations.

The Group's operations are subject to various environmental regulations under the Commonwealth and State Laws of Australia and Alaska, USA. The majority of its activities involve low level disturbance associated with exploration drilling programs. Approvals, licences, hearings and other regulatory requirements are performed, as required, by the Group's management for each permit or lease in which the Group has an interest.

INDEMNITIES GIVEN AND INSURANCE PREMIUMS PAID TO AUDITORS AND OFFICERS

During the reporting year, the Company paid a premium to insure officers of the Company. The officers of the Company covered by the insurance policy include all officers.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company.

Details of the amount of the premium paid in respect of the insurance policies is not disclosed as such disclosure is prohibited under the terms of the contract.

The Company has not otherwise, during or since the end of the reporting period, except to the extent permitted by law, indemnified, or agreed to indemnify any current or former officer or auditor of the Company against a liability incurred as such by an officer or auditor.

NON-AUDIT SERVICES

During the reporting period Grant Thornton performed certain other services in addition to its statutory duties.

The Board has considered the non-audit services provided during the reporting period by the auditor and is satisfied that the provision of those non-audit services is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* (Cth) for the following reasons:

The non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid to the auditors of the Group and its related practices for audit and non-audit services provided during the reporting period are set out in note 11 to the Financial Statements.

A copy of the Auditor's Independence Declaration as required under s307C of the *Corporations Act 2001* (Cth) is included on page 29 of this Financial Report and forms part of this Directors' Report.

ROUNDING OF AMOUNTS

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

PROCEEDINGS ON BEHALF OF THE COMPANY

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

CORPORATE GOVERNANCE

The Board has adopted the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations – 4th Edition (ASX Recommendations). The Board continually monitors and reviews its existing and required policies, charters and procedures with a view to ensuring its compliance with the ASX Recommendations to the extent deemed appropriate for the size of the Company and its development status.

A summary of the Company's ongoing corporate governance practices is set out annually in the Company's Corporate Governance Statement and can be found on the Company's website at www.resolutionminerals.com

Signed in accordance with a resolution of the Directors.



Craig Farrow

Chair

Adelaide

30 September 2021



AUDITOR'S INDEPENDENCE DECLARATION



Level 3, 170 Frome Street
Adelaide SA 5000

Correspondence to:
GPO Box 1270
Adelaide SA 5001

T +61 8 8372 6666

Auditor's Independence Declaration

To the Directors of Resolution Minerals Ltd

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Resolution Minerals Ltd for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

A stylized signature of the Grant Thornton firm, written in a cursive script.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A stylized signature of J S Kemp, written in a cursive script.

J S Kemp
Partner – Audit & Assurance

Adelaide, 30 September 2021

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

www.grantthornton.com.au

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

	NOTES	30 JUNE 2021 \$	30 JUNE 2020 \$
Interest income		408	890
Government grants		50,000	50,000
Other income		51,620	44,557
Broker and investor relations		(96,288)	(152,218)
Employee benefits expense		(293,869)	(373,382)
Share based payments		(5,085)	-
Exploration expense		(27,119)	(51,936)
Impairment expense	6	(244,015)	(332,424)
Depreciation		(20,056)	(15,316)
Loss on sale of assets		-	(7,868)
Other expenses	2	(399,081)	(444,270)
Loss before tax		(983,485)	(1,281,967)
Income tax (expense) / benefit	3	-	-
Loss for the year from continuing operations attributable to owners of the parent		(983,485)	(1,281,967)
Other comprehensive income attributable to owners of the parent		-	-
Total comprehensive loss for the year attributable to owners of the parent		(983,485)	(1,281,967)
Earnings per share from continuing operations			
Basic and diluted loss – cents per share	4	(0.30)	(1.02)

This statement should be read in conjunction with the notes to the financial statements.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	NOTES	30 JUNE 2021 \$	30 JUNE 2020 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	1,751,998	2,161,012
Other assets		41,643	24,499
Total current assets		1,793,641	2,185,511
Non-current assets			
Exploration and evaluation expenditure	6	19,261,092	10,536,621
Plant and equipment		126,272	75,706
Total non-current assets		19,387,364	10,612,327
TOTAL ASSETS		21,181,005	12,797,838
LIABILITIES			
Current liabilities			
Trade and other payables	7	1,037,859	540,423
Employee provisions		53,672	20,871
Derivative financial instruments		-	9,322
Total current liabilities		1,091,531	570,616
TOTAL LIABILITIES		1,091,531	570,616
NET ASSETS		20,089,474	12,227,222
EQUITY			
Issued capital	8	23,558,922	14,944,312
Reserves	9	1,527,122	1,353,852
Accumulated losses		(4,996,570)	(4,070,942)
TOTAL EQUITY		20,089,474	12,227,222

This statement should be read in conjunction with the notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year 30 June 2021

2021	ISSUED CAPITAL \$	SHARE BASED PAYMENTS RESERVE \$	FOREIGN CURRENCY RESERVE \$	ACCUMULATED LOSSES \$	TOTAL EQUITY \$
Opening balance	14,944,312	1,353,852		(4,070,942)	12,227,222
Share placements and SPP	8,519,598	-	-	-	8,519,598
Option exercise	167	-	-	-	167
Fair value of shares issued for project acquisition	860,000	-	-	-	860,000
Performance rights and options issued and lapsed	28,710	(36,350)	-	57,857	50,217
Issue costs	(793,865)	192,342	-	-	(601,523)
Foreign currency reserve	-	-	17,278	-	17,278
Transactions with owners	8,614,610	155,992	17,278	57,857	8,845,737
Comprehensive income:					
Total profit or loss for the reporting year	-	-	-	(983,485)	(983,485)
Total other comprehensive income for the reporting year	-	-	-	-	-
Balance 30 June 2021	23,558,922	1,509,844	17,278	(4,996,570)	20,089,474
2020	ISSUED CAPITAL \$	SHARE BASED PAYMENTS RESERVE \$		ACCUMULATED LOSSES \$	TOTAL EQUITY \$
Opening balance		9,520,723	831,143	(2,788,975)	7,562,891
Share placements		6,048,337	-	-	6,048,337
Option exercise		96,000	-	-	96,000
Fair value of shares issued for project acquisition		245,000	-	-	245,000
Exercise of unquoted options		63,296	(63,296)	-	-
KMP performance rights issued and lapsed		-	(7,398)	-	(7,398)
Issue costs		(1,029,044)	593,403	-	(435,641)
Transactions with owners		5,423,589	522,709	-	5,946,298
Comprehensive income:					
Total profit or loss for the reporting year		-	-	(1,281,967)	(1,281,967)
Total other comprehensive income for the reporting year		-	-	-	-
Balance 30 June 2020		14,944,312	1,353,852	(4,070,942)	12,227,222

This statement should be read in conjunction with the notes to the financial statements.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

	NOTES	30 JUNE 2021 \$	30 JUNE 2020 \$
Operating activities			
Interest received		408	890
Government grants		50,000	50,000
Other receipts		51,620	44,557
Payments to suppliers and employees		(752,685)	(935,324)
Net cash used in operating activities	10	(650,657)	(839,877)
Investing activities			
Payments for capitalised exploration expenditure		(7,585,787)	(3,424,765)
Payments for plant and equipment		(90,812)	(15,003)
Proceeds from sale of plant and equipment		-	5,491
Net cash used in investing activities		(7,676,599)	(3,434,277)
Financing activities			
Proceeds from issue of share capital		8,519,598	6,048,337
Proceeds from exercise of options		167	96,000
Payments for capital raising costs		(601,523)	(451,060)
Net cash from financing activities		7,918,242	5,693,277
Net change in cash and cash equivalents		(409,014)	1,419,123
Cash and cash equivalents, beginning of the year		2,161,012	741,889
Cash and cash equivalents, end of year	5 (a)	1,751,998	2,161,012

This statement should be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose financial statements of the Group have been prepared in accordance with the requirements of the *Corporations Act 2001* (Cth), Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Resolution Minerals Ltd is a listed public company, registered and domiciled in Australia. Resolution Minerals Ltd is a for profit entity for the purpose of preparing the financial statements.

The financial statements for the year ended 30 June 2021 were approved and authorised by the Board of Directors on 30 September 2021.

The Financial Report has been prepared on an accruals basis, and is based on historical costs, modified by the measurement at fair value of selected on-current assets, financial assets and financial liabilities.

COMPARATIVES

Comparative information for 2020 is for the full year commencing on 1 July 2019.

The significant policies which have been adopted in the preparation of this financial report are summarised below.

a) Principles of consolidation

Subsidiaries

The Group financial statements consolidate those of the parent company and all of its subsidiary undertakings drawn up to 30 June 2021. Subsidiaries are all entities (including structured entities) over which the Group control. The Group controls an 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 fully transferred to the Group. They are deconsolidated from the date that control ceases. All subsidiaries have a reporting date of 30 June.

A list of controlled entities is contained in note 15 to the Financial Statements.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted, where necessary, to ensure consistency with the accounting policies adopted by the Group.

Profit or loss of subsidiaries acquired or disposed of during the reporting period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

Joint arrangements

Under AASB11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group currently has a joint arrangement in relation to its 64North Project in Alaska, USA.

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated into the financial statements under the appropriate headings. Details of the joint operations are set out in note 6.

b) Operating segments

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the Board of Directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the Board.

The Group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in the nature of the minerals targeted.

Operating segments that meet the quantitative criteria, as prescribed by AASB 8, are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

The Directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the Board in allocating resources have determined that there are two separately identifiable segments based on the level of expenditure, namely the Group's US based operations and Australian based operations.

c) Finance income and expense

Finance income comprises interest income on funds invested, gains on disposal of financial assets and changes in fair value of financial assets held at fair value through profit or loss. Finance expenses comprise changes in the fair value of financial assets held at fair value through profit or loss and impairment losses on financial assets.

Interest income is recognised as it accrues in profit or loss, using the effective interest rate method. All income is stated net of goods and services tax (GST).

d) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that right of tenure is current and those costs are expected to be recouped through the successful development of the area (or, alternatively by its sale) or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and operations in relation to the area are continuing.

Accumulated costs, in relation to an abandoned area, are written off in full against profit in the period in which the decision to abandon the area is made.

e) Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

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

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

- » amortised cost
- » fair value through profit or loss (FVPL)
- » equity instruments at fair value through other comprehensive income (FVOCI)
- » debt instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- » The entities business model for managing the financial asset
- » The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

Subsequent measurement financial assets

FINANCIAL ASSETS AT AMORTISED COST

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

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

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

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

IMPAIRMENT OF FINANCIAL ASSETS

AASB 9's impairment requirements use more forward looking information to recognize expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- a) financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- b) financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
- c) 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.
- d) '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

CLASSIFICATION AND MEASUREMENT OF FINANCIAL LIABILITIES

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

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

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT OF HEDGE INSTRUMENTS

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- » Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- » Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- » There is 'an economic relationship' between the hedged item and the hedging instrument.
- » The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- » The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

FAIR VALUE HEDGES

The change in the fair value of a hedging instrument is recognised in the statement of profit or loss as other expense. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit or loss as other expense.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the effective interest rate method. The effective interest rate amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

f) Impairment of assets

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

Where it is not probable to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the reporting period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently amortised cost using the effective interest rate method.

Trade and other payables are stated at amortised cost.

h) Income tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (ATO) and other fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set-off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

The Company and its wholly-owned Australian resident subsidiaries have formed a tax-consolidated group. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

i) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of presentation in the statement of cash flows, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

j) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding 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 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 tax effect 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 the conversion of all dilutive potential ordinary shares.

k) Share-based payments

The Group has provided payment to related parties in the form of share-based compensation, whereby related parties render services in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value of share options is determined using a Black and Scholes methodology depending on the nature of the option terms. The fair value in relation to performance rights is calculated using a Monte Carlo simulation.

The Black and Scholes option pricing model takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The Monte Carlo simulation used in pricing the performance rights takes into account the target share price resulting from meeting the KPI, the term of the right, the share price at grant date and expected price volatility of the underlying share and the risk free interest rate for the term of the option.

The fair value of the options and performance rights granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options and performance rights that are expected to become exercisable / vested. At each reporting date, the entity revises its estimates of the number of options and performance rights that are expected to become exercisable / vested.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant parties become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at reporting date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

l) Employee benefits

Short-term employee benefits are current liabilities included in employee benefits, measured at the undiscounted amount that the Group expects to pay as a result on the unused entitlement. Annual leave is included in 'other long-term benefit' and discounted when calculating the leave liability as the Group does not expect all annual leave for all employees to be used wholly within 12 months of the end of the reporting period. Annual leave liability is still presented as a current liability for presentation purposes under AASB 101 Presentation of Financial Statements.

m) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

n) Critical accounting estimates and judgements

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

i) Key estimates – impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

ii) Key judgements – exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which this determination is made.

iii) Share-based payment transactions

The Group measures the cost of equity-settled transactions with management and other parties by reference to the fair value of the equity instruments at the date at which they are granted.

The fair value of share options is determined by the Board of Directors with reference to quoted market prices or using the Black-Scholes valuation method taking into account the terms and conditions upon which the equity instruments were granted. The fair value of performance rights is calculated using a Monte Carlo simulation. The assumptions in relation to the valuation of the equity instruments are detailed in note 11 and note 16. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

o) Adoption of the new and revised accounting standards

In the current year, there are no new and/or revised Standards and Interpretations adopted in these Financial Statements affecting presentation or disclosure and the reported result or financial position other than:

Amendments to AASB 3: Definition of a Business. The amendment to AASB 3 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the consolidated financial statements of the Group, but may impact future periods should the Group enter into any business combinations.

Amendments to AASB 1 and AASB 8 Definition of Material.

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

IFRIC Interpretation to AASB 138 Intangible Assets

Configuration or Customisation Costs in a Cloud Computing Arrangement. This interpretation in March 2021 provided further guidance on the accounting treatment of Cloud Computing Costs. As the Group does not have significant or complex systems the interpretation did not have an impact on the Group.

p) Recently issued accounting standards to be applied in future accounting periods

There are no accounting standards that have not been early adopted for the year ended 30 June 2021 but will be applicable to the Group in future reporting periods.

2 OTHER EXPENSES

	2021 \$	2020 \$
Compliance	90,311	79,159
Office expenses	70,868	123,696
Legal, insurance and registry	166,086	103,046
Loss on foreign currency	29,999	52,945
Other expenses	41,817	85,424
Total other expenses	399,081	444,270

3 INCOME TAX BENEFIT / (LOSS)

	2021 \$	2020 \$
a) The components of income tax expense comprise:		
Current income tax expense / (benefit)	-	-
b) The prima facie tax loss before income tax is reconciled to the income tax (benefit) / expense as follows:		
Net gain / (loss) for Resolution Minerals Ltd	(983,485)	(1,281,967)
Income tax rate	30%	30%
Prima facie tax benefit on loss from activities before income tax	(295,046)	(384,590)
Non-deductible amounts	4,519	1,202,521
Tax effect of temporary differences not brought to account as they do not meet the recognition criteria	(269,305)	(81,518)
Deferred tax asset not realised as recognition criteria not met	(559,832)	(736,413)
Subtotal	-	-
c) Deferred tax assets have not been recognised in respect of the following:		
Total tax losses	10,752,649	9,102,248
Deferred tax asset not recognised	3,225,795	2,730,674

A net deferred tax asset of \$3,225,795 (2020: \$2,730,674) has not been recognised as it is not probable that within the immediate future that taxable profits will be available against which temporary differences and tax losses can be utilised.

The Group is subject to income taxes in Australia. Significant judgement is required in determining the provision of income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group estimates its tax liabilities based on the Group's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

4 EARNINGS PER SHARE

The weighted average number of shares for the purpose of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	2021 #	2020 #
Weighted average number of shares used in basic earnings per share	328,239,769	126,243,296
Weighted average number of shares used in diluted earnings per share	328,239,769	126,243,296
 Profit / (loss) per share – basic and basic (cents)	 (0.30)	 (1.02)

There were 183,559,770 options, performance rights and performance shares outstanding at the end of the year (2020: 52,423,225) that have not been taken into account in calculating diluted EPS due to their effect being anti-dilutive.

5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following:

	2021 \$	2020 \$
Cash at bank and in hand	1,751,998	2,161,012
Cash and cash equivalents	1,751,998	2,161,012

a) Reconciliation of cash at the end of the period.

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

Cash and cash equivalents	1,751,998	953,412
Restricted cash held by joint operation partner	-	1,207,600

Restricted cash is not available for general use by the Group as this is held by the Millrock Resources, the operator of the 64North Project, for authorised exploration in the US.

6 EXPLORATION AND EVALUATION EXPENDITURE

	2021 \$	2020 \$
Opening balance	10,536,621	6,809,980
Expenditure on exploration during the year	8,108,486	3,064,891
Acquisition of projects	860,000	994,174
Exploration expenditure impaired	(244,015)	(332,424)
Closing balance	19,261,092	10,536,621

Expenditure is capitalised as follows:

Group owned assets	7,436,564	6,748,268
Joint operations	11,824,528	3,788,353
Total exploration and evaluation expenditure	19,261,092	10,536,621

The acquisition of projects includes the fair value of share based payments of \$760,000 being the value of 25,000,000 milestone shares as to Millrock Resources to earn-in to the 64North Project in Alaska, USA and \$100,000 as an option payment for the Benmara project via the issue of 2,500,000 shares.

Subsequent to the end of the financial year, the Group relinquished the Snettisham Project via sale to Millrock Resources for nominal consideration. The disposal entitles the Group to participate in 30% of any future benefit derived from a transaction related to the Snettisham project by Millrock for a period of 12 months.

The Group, through its US based subsidiary company, is currently in the process of incurring Stage 2 expenditure to earn a 42% interest by 31 January 2022.

64North Project – Entire Project Earn-in Summary

STAGE	RML% INTEREST	TRIGGER	EXPENDITURE REQUIREMENT US\$	RML SHARE MILESTONE	MILLROCK CASH PAYMENT US\$
Commence earn-in – commenced in September 2019	0%	Completed			
Stage 1 by 31 Jan 2021	30%	Completed			
Stage 2 within a further 12 months of electing to earn such further interest	42%	Undertake exploration	\$900,000	n/a	\$100,000
Stage 3 within a further 12 months of electing to earn such further interest	51%	Undertake exploration	\$2,350,000	10,000,000	\$100,000
Stage 4 within a further 12 months of electing to electing to earn such further interest	60%	Undertake exploration	\$2,350,000	10,000,000	\$100,000

64North Project Best Block Interest

STAGE	RML% INTEREST	TRIGGER	EXPENDITURE REQUIREMENT US\$	RML SHARE MILESTONE	MILLROCK PAYMENT US\$
Bankable feasibility study (BFS)	70%	Complete BFS	BFS expenditure	n/a	\$3,000,000
First production	80%	Commence production	Loan carry	n/a	n/a
Total	80%		Sole fund		\$3,000,000

The Group, through its US based subsidiary company, has earned a 30% interest (Stage 1) in the project during the year.

The earn-in terms were revised as summarised above and announced on the ASX on 9 February 2021.

7 TRADE AND OTHER PAYABLES

	2021 \$	2020 \$
Trade creditors	598,354	34,002
Payroll liabilities	17,102	13,701
Accrued expenses – 64North Project, Alaska	199,255	413,100
Accrued expenses – other	223,148	79,620
Total trade and other payables	1,037,859	540,423

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

8 ISSUED CAPITAL

	2021 \$	2020 \$
a) Issued and paid up capital		
Fully paid ordinary shares	23,558,922	14,944,312
	23,558,922	14,944,312
	NUMBER	\$
b) Movements in fully paid shares		
Balance as 30 June 2019	66,009,806	9,520,723
Fair value of shares issued for the acquisition of projects	5,000,000	245,000
Share placements and option exercise	133,823,882	6,048,337
Option exercise (including fair value of options exercised)	1,600,000	159,296
Capital raising costs	-	(1,029,044)
Balance at 30 June 2020	206,433,688	14,944,312
Fair value of shares issued for the acquisition of projects	27,500,000	860,000
Share placements, SPP and option exercise	213,145,926	8,519,765
Option exercise (including fair value of options exercised)	600,000	28,710
Capital raising costs	-	(793,865)
Balance at 30 June 2021	447,679,614	23,558,922

The share capital of Resolution Minerals Ltd consists only of fully paid ordinary shares. All shares are eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of Resolution Minerals Ltd.

The shares do not have a par value and the Company does not have a limited amount of authorised capital.

In the event of winding up the Company, ordinary shareholders rank after all creditors and are fully entitled to any proceeds of liquidation.

c) Capital management

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure accordingly. The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group's capital is shown as issued capital in the statement of financial position.

9 RESERVES

Share based payments are in line with the Resolution Minerals Ltd remuneration policy. Listed below are summaries of options and performance rights granted:

SHARE OPTION RESERVE	NUMBER OF OPTIONS	\$	WEIGHTED AVERAGE EXERCISE PRICE
Balance at 30 June 2019	24,671,562	720,858	\$0.20
Granted – broker remuneration	15,000,000	593,403	\$0.06
Exercised	(1,600,000)	(63,296)	\$0.06
Lapsed	(6,323,337)	-	\$0.20
Balance at 30 June 2020	31,748,225	1,250,965	\$0.14
Granted – broker remuneration	5,000,000	192,342	\$0.12
Granted – shareholders	128,688,212	-	\$0.06
Exercised	(1,667)	-	\$0.20
Lapsed	(6,450,000)	(57,857)	\$0.25
Balance at 30 June 2021	158,984,770	1,385,450	\$0.07

All options vested upon issue except as stated above.

PERFORMANCE RIGHTS RESERVE	NUMBER OF RIGHTS	\$
Balance at 1 July 2019	2,500,000	110,285
Granted – KMP, employees and consultants	5,500,000	14,659
Forfeited	(500,000)	(22,057)
Balance at 30 June 2020	7,500,000	102,887
Granted – KMP, employees and consultants	4,750,000	55,150
Exercised	(600,000)	(28,710)
Forfeited	(250,000)	(4,933)
Balance at 30 June 2021	11,400,000	124,394

RECONCILIATION OF RESERVE MOVEMENTS	2021 \$	2020 \$
Rights issued to directors / employees / contractors	55,150	14,659
Options issued to brokers as remuneration	192,342	593,403
Options / rights exercised	(28,710)	(63,296)
Forfeited performance rights	(4,933)	(22,057)
Lapsed options	(57,857)	-
Total share based payments	155,992	522,709
Options / rights recognised in equity	163,001	530,107
Net share based payments recognised in statement of financial position	(35,719)	(7,398)
Share based payment classified as employee benefit expense in profit or loss	(12,094)	7,398
Net share based payment expense in profit or loss	5,085	-

During the 2020/21 year:

- 5,000,000 unquoted options were issued as broker remuneration. The unquoted options have an exercise price of \$0.12 and expiry of 30 September 2023. The fair value of the unquoted options is \$192,342;
- 1,667 quoted options were exercised;
- 6,450,000 unquoted options lapsed in accordance with the terms of those securities;
- 4,750,000 unquoted performance rights with KPI based vesting criteria were issued to KMP, employees and consultants;
- 250,000 unquoted performance rights were exercised; and
- 600,000 unquoted performance rights lapsed in accordance with the terms of those securities.

During the 2019/20 year:

- 15,000,000 unquoted options were issued as broker remuneration. The unquoted options have an exercise price of \$0.06 if exercised on or before 30 November 2020, \$0.08 if exercised on or before 30 November 2021 and \$0.10 if exercised on or before 30 November 2022 and expiry of 30 November 2022. The fair value fair of the unquoted options is \$593,403;
- 1,600,000 unquoted options were exercised;
- 6,323,337 quoted options lapsed in accordance with the terms of those securities;
- 5,500,000 unquoted performance rights with KPI based vesting criteria were issued to KMP, employees and consultants; and
- 500,000 unquoted performance rights lapsed in accordance with the terms of those securities.

Valuation assumptions	Broker options
Valuation methodology	Black-Scholes option pricing model
Share price at grant date	\$0.053
Historic volatility	121.92%
Risk free interest rate	0.21%
Expected life of securities (years)	3.0

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of subsidiaries which do not have a functional currency of Australian Dollars. The reserve is also used to record exchange gains and losses on hedges of the net investment in foreign operations.

Nature and purpose of reserves

The share option reserve and performance rights reserve is used to recognise the fair value of all options and performance rights. The foreign currency reserves recognises gains and losses on revaluation of monetary and non-monetary assets and liabilities.

10 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES

OPERATING ACTIVITIES	2021 \$	2020 \$
Loss after tax	(983,485)	(1,281,967)
Share based payments	50,217	(7,398)
Depreciation	20,056	15,316
Exploration costs expensed	27,119	51,936
Impairment expense	244,015	332,424
Net change in working capital	(8,579)	49,812
Net cash used in operating activities	(650,657)	(839,877)

11 AUDITOR REMUNERATION

	2021 \$	2020 \$
Audit services		
Auditors of Resolution Minerals Ltd – Grant Thornton		
Audit and review of Financial Reports	33,250	31,000
Audit services remuneration	33,250	31,000
Other services		
Auditors of Resolution Minerals Ltd – Grant Thornton		
Taxation compliance	4,700	5,700
Total other services remuneration	4,700	5,700
Total remuneration received by Grant Thornton	37,950	36,700

12 COMMITMENTS AND CONTINGENCIES

Exploration commitments

In order to maintain rights of tenure to exploration permits, the Group has certain obligations to perform minimum exploration work and expend minimum amounts of money.

The Group's exploration licence tenements are renewable on an annual basis at various renewal dates throughout the year and the amount of each expenditure covenant is set by the relevant state's Minister at the time of each renewal grant.

	2021 \$	2020 \$
Within one year	23,000	13,000
Within two years to five years	-	-
	<u>23,000</u>	<u>13,000</u>

Commitments related to the 64North Project are further detailed in the Note 7.

Not meeting the expenditure commitments detailed does not mean that the relevant tenements will require relinquishment.

13 RELATED PARTY TRANSACTIONS

The Company's related party transactions include its key management personnel.

a) Transactions with key management personnel

Key management personnel remuneration includes the following as disclosed in detail in the remuneration report:

	2021 \$	2020 \$
Short-term benefits	449,838	493,275
Post-employment benefits	23,352	28,538
Share based payments	23,843	(22,057)
Total remuneration	<u>497,033</u>	<u>499,756</u>

The following transactions occurred with KMP:

Payment for professional services to entities associated with KMP as listed below.	130,738	343,615
Payables for professional services at reporting date	9,450	7,500

Transactions with key management personnel are made at normal at market rates. Outstanding balances are unsecured and are repayable in cash.

Duncan Chessell

Resolution Minerals had sought the provision of vehicle hire services from Magill Consulting Pty Ltd. The services are on arms-length terms. During the period 1 July 2020 and 30 June 2021 \$5,978 + GST has been paid in relation to these services. The total amount of fees due to Magill Consulting Pty Ltd as at 30 June 2021 was \$Nil (2020: \$Nil).

Jarek Kopias

Kopias Consulting, a business of which Jarek Kopias is a Director, was paid consulting fees in relation to the year totalling \$132,688 (2020: \$127,365) and is disclosed in the remuneration report. The total amount of fees due to Kopias Consulting as at 30 June 2021 was \$9,450 (2020: \$7,500).

14 EMPLOYEE REMUNERATION

	2021 \$	2020 \$
a) Employee benefits expense		
Expenses recognised for employee benefits are analysed below:		
Salaries / contract payments for directors and employees	882,727	589,243
Share based payments – director and employee options	45,132	(7,398)
Defined contribution superannuation expense	46,838	32,560
Other employee expenses	10,578	24,994
Less: Transfer to exploration assets	(691,406)	(266,017)
	<u>293,869</u>	<u>373,382</u>

b) Share based employee remuneration

As at 30 June 2021 the Group maintained a share option plan and performance share plan for employee and director remuneration. During the year there were 4,750,000 performance rights granted as KMP, employee and consultant remuneration.

The table below outlines the inputs used in the Monte Carlo fair value calculation for the performance rights:

	RANGE OF VALUES
Exercise price	Nil
Right life	3.8 years to 5.1 years
Underlying share price	\$0.027 to \$0.04
Expected share price volatility	141.8% to 159.7%
Risk free interest rate	0.07% to 0.09%
Weighted average fair value per right	\$0.027
Weighted average contractual life	4.6 years

Details of rights issued to KMP are provided in the remuneration report.

	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE (\$)
Share options and weighted average exercise prices are as follows:		
Opening balance as at 30 June 2019 and 2020 - remuneration options	5,350,000	0.25
Lapsed during the year	(5,350,000)	0.25
Outstanding as at 30 June 2021	<u>-</u>	<u>-</u>

Fair value of options granted

The fair value at grant date of the Director options has been determined using a Black and Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Fair value of performance rights granted

The fair value at grant date of the Director, KMP and employee performance rights has been determined using a Monte Carlo pricing model that takes into account the term of the right, the impact of dilution, the impact of the KPI on the underlying share price, the non-tradeable nature of the right, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the right.

15 INVESTMENTS IN CONTROLLED ENTITIES

Controlled entities

The Company has the following subsidiaries:

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	CLASS OF SHARES	PERCENTAGE HELD 2020	PERCENTAGE HELD 2021
Mangrove Resources Pty Ltd	Australia	Ordinary	100%	100%
Xavier Resources Pty Ltd	Australia	Ordinary	100%	100%
Resolution Minerals Gold LLC	USA	Ordinary	100%	100%
N23 LLC	USA	Ordinary	100%	100%
Resolution Minerals Alaska Inc	USA	Ordinary	100%	100%

16 FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The total for each category of financial instruments are as follows:

	NOTE	2021 \$	2020 \$
Financial assets			
Cash and cash equivalents	5	1,751,998	2,161,012
Other assets	6	41,643	24,499
		1,793,641	2,185,511
Financial liabilities			
Trade payables	9	1,037,859	47,703
		1,037,859	47,703

Financial risk management policy

Risk management is carried out by the Managing Director under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate and credit risk.

a) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained for the coming months. Upcoming capital needs and the timing of raisings are assessed by the board.

Financial liabilities are expected to be settled within 12 months.

b) Interest rate risk

The Group's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result in changes in market interest rates.

Cash is the only asset affected by interest rate risk as cash is the Group's only financial asset exposed to fluctuating interest rates.

The Group is exposed to interest rate risk on cash balances and term deposits held in interest bearing accounts. The Board constantly monitors its interest rate exposure and attempts to maximise interest income by using a mixture of fixed and variable interest rates, whilst ensuring sufficient funds are available for the Group's operating activities. The Group's net exposure to interest rate risk at 30 June 2021 approximates the value of cash and cash equivalents.

c) Sensitivity analysis

INTEREST RATE

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk at reporting date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

2021	SENSITIVITY*	EFFECT ON: PROFIT \$	EFFECT ON: EQUITY \$
Interest rate	+ 1.65%	+39,422	+39,422
	- 1.65%	-39,422	-39,422
2020	SENSITIVITY*	EFFECT ON: PROFIT \$	EFFECT ON: EQUITY \$
Interest rate	+ 1.30%	+17,768	+17,768
	- 1.30%	-17,768	-17,768

* The method used to arrive at the possible change of 165 basis points (2020: 130 basis points) was based on the analysis of the absolute nominal change of the Reserve Bank of Australia (RBA) monthly issued cash rate. Historical rates indicate that for the past five financial years, interest rate movements ranged between 0 to 165 basis points. It is considered that 165 basis points a 'reasonably possible' estimate as it accommodates for the maximum variations inherent in the interest rate movement over the past five years.

The fair values of all financial assets and liabilities of the Group approximate their carrying values.

d) Net fair values of financial assets and financial liabilities

Fair value represents 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.

The net fair values of financial assets and liabilities are determined by the Group based on the following:

- Monetary financial assets and financial liabilities not readily traded in an organised financial market are carried at book value.
- Non-monetary financial assets and financial liabilities are recognised at their carrying values recognised in the statement of financial position.

The carrying amount of financial assets and liabilities is equivalent to fair value at reporting date.

17 PARENT ENTITY INFORMATION

Information relating to Resolution Minerals Ltd (the parent entity).

	2021 \$	2020 \$
Statement of financial position		
Current assets	1,723,081	2,185,512
Total assets	20,041,416	12,388,237
Current and total liabilities	395,431	570,616
Issued capital	23,558,922	14,944,312
Retained losses	5,422,781	4,480,543
Share based payments reserve	1,509,844	1,353,852
Statement of profit of loss and other comprehensive income		
Loss for the year	1,000,094	1,281,967
Total comprehensive loss for the year	1,000,094	1,281,967

All contingent liabilities and contractual commitments disclosed elsewhere in this report are entered into by the parent entity.

There are no guarantees entered into in relation to debts of subsidiaries.

18 SEGMENT PARENT ENTITY INFORMATION

This is the first year that the Group has commenced reporting on segments that have been established due to significant exploration activities in Alaska. Contributions by business segment based on geographical location are:

1. Wollgorang Project, Australia – copper and cobalt exploration.
2. 64North and Snettisham Projects in Alaska, USA – predominantly gold exploration, includes vanadium and iron.
3. Unallocated corporate expenditure.

2021	EXPLORATION AUSTRALIA \$	EXPLORATION USA \$	UNALLOCATED \$	TOTAL \$
Income				
Interest income	-	-	408	408
Other income	-	-	101,620	101,620
Expenses				
Exploration expense	(27,166)	47	-	(27,119)
Impairment expense	(244,015)	-	-	(244,015)
Total expenses	-	-	(814,379)	(814,379)
Profit / (Loss) before tax	(271,181)	47	(712,351)	(973,485)

Balance sheet

Exploration and evaluation	7,436,564	11,824,828	-	19,261,092
All other assets	-	-	1,919,913	1,919,913
Total assets	7,436,564	11,824,828	1,919,913	21,181,005
Total liabilities	253,129	696,099	142,303	1,091,531
Net assets	7,183,435	11,128,429	1,777,610	20,089,474

2020	EXPLORATION AUSTRALIA \$	EXPLORATION USA \$	UNALLOCATED \$	TOTAL \$
Income				
Interest income	-	-	890	890
Other income	-	-	94,557	94,557
Expenses				
Exploration expense	(51,936)	-	-	(51,936)
Impairment expense	(332,424)	-	-	(332,424)
Loss on sale of assets	-	-	(15,316)	(15,316)
Total expenses	-	-	(977,739)	(977,738)
Profit / (Loss) before tax	(384,360)	-	(897,608)	(1,281,967)

Balance sheet

Restricted cash	-	1,207,600	-	1,207,600
Exploration and evaluation	6,520,821	4,015,800	-	10,536,621
All other assets	-	-	1,053,617	1,053,617
Total assets	6,520,821	5,223,400	1,053,617	12,797,838
Total liabilities	51,600	419,620	99,396	570,616
Net assets	6,469,221	3,596,180	2,161,821	12,227,222

19 PERFORMANCE SHARES

The following disclosure is a condition of the Company's admission to ASX. On 4 September 2017 the Company issued 13,175,000 class A and class B performance shares as detailed in the table below:

CLASS OF PERFORMANCE SHARES	GRANT DATE	EXPIRY DATE	EXERCISE PRICE OF SHARES	NUMBER ON ISSUE
Class A	4 September 2017	4 September 2022	\$Nil	9,600,000
Class B	4 September 2017	4 September 2022	\$Nil	3,575,000
Total performance shares				13,175,000

There were no performance shares converted or cancelled during the reporting period and no vesting conditions were met during the reporting period. Each performance share is convertible into one ordinary share upon vesting.

The milestones associated with each class of Performance Share are listed below.

[Conversion on achievement of Class A Milestone]

Each Class A Performance Share will convert into a Share on a one for one basis upon the earlier of:

- the Company announcing to ASX the delineation of an Inferred (or higher category) Mineral Resource in accordance with the JORC Code containing at least 6,000 tonnes Cobalt equivalent, at a grade of 0.12% Cobalt equivalent or greater (reported in accordance with clause 50 of the JORC Code), on the Tenements (**Class A Resource Estimate Milestone**); or
- the Company selling or transferring (directly or indirectly) for value of at least \$5 million to a third party (being any person or entity other than a wholly-owned subsidiary of the Company) 100% of the shares of Mangrove, or 100% of the Company's legal or beneficial interest in the Tenements (**Class A Disposal Milestone**),

within 5 years after Completion (each a **Class A Milestone**).

[Conversion on achievement of Class B Milestone]

Each Class B Performance Share will convert into a Share on a one for one basis upon the earlier of:

- the Company announcing to ASX the delineation of an Inferred (or higher category) Mineral Resource in accordance with the JORC Code containing at least 15,000 tonnes Cobalt equivalent, at a grade of 0.12% Cobalt equivalent or higher (reported in accordance with clause 50 of the JORC Code), on the Tenements (**Class B Resource Milestone**); or
- the Company selling or transferring (directly or indirectly) for value of at least \$20 million to a third party (being any person or entity other than a wholly-owned subsidiary of the Company) 100% of the shares of Mangrove, or 100% of the Company's legal or beneficial interest in the Tenements, (**Class B Disposal Milestone**),

within 5 years after Completion (each a **Class B Milestone**).

20 GOING CONCERN BASIS OF ACCOUNTING

The financial report has been prepared on the basis of a going concern. During the year ended 30 June 2021 the Group recorded a net cash outflow from operating and investing activities of \$8,327,256 and an operating loss of \$983,485. These conditions give rise to a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern.

The ability of the Group to continue to pay its debts as and when they fall due is dependent upon the entity successfully continuing the development of its exploration assets and raising additional funds which may be from a variety of means inclusive of, but not limited to issue of new equity, debt, asset sales or entering into joint venture arrangements on mineral properties.

The Directors believe it is appropriate to prepare these accounts on a going concern basis because Directors will not commit to expenditure unless sufficient funding has been sourced.

The Group has been successful in raising \$1.7 million subsequent to the end of the reporting period as detailed in Note 21 below.

If additional capital is not obtained, the going concern basis may not be appropriate, with the result that the group may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in the interim financial report.

No allowance for such circumstances has been made in the interim financial report.

21 EVENTS ARISING SINCE THE END OF THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years other than those described below.

On 24 August 2021, the Company announced the execution of a farm-in agreement with OZ Minerals Limited (OZL) in relation to the Wollogorang Project. The agreement allows OZL to earn a 51% interest in Wollogorang by spending approximately \$4.9 million over 5 years and, at Resolution's election, OZL has the option to earn a 75% interest, by sole-funding and delivering a Positive Final Investment Decision to Mine (at a minimum spend of \$1m/year, OZL has a further 5 years to complete).

Subsequent to the end of the financial year, the Group relinquished the Snettisham Project via sale to Millrock Resources for nominal consideration. The disposal entitles the Group to participate in 30% of any future benefit derived from a transaction related to the Snettisham project by Millrock for a period of 12 months.

On 22 September 2021 the Company issued 84,418,223 shares under a placement to raise \$1.7 million (before costs) followed by an SPP, targeting a further raise of \$1.5 million.

On 27 September 2021 the Company announced an agreement to acquire 100% of two tenements surrounding the Benmara project, adding 541km², and lodgement of two new tenement applications adding a further 1,025km² to the project area.

DIRECTORS' DECLARATION

In the opinion of the Directors of Resolution Minerals Ltd:

- a) the consolidated financial statements and notes of Resolution Minerals Ltd are in accordance with the *Corporations Act 2001* (Cth), including:
 - i) giving a true and fair view of its financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
 - ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001* (Cth); and
- b) there are reasonable grounds to believe that Resolution Minerals Ltd will be able to pay its debts when they become due and payable.

Note 1 confirms that the consolidated financial statements comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:



Craig Farrow
Chair

Adelaide

30 September 2021

INDEPENDENT AUDIT REPORT



Grant Thornton

Level 3, 170 Frome Street
Adelaide SA 5000

Correspondence to:
GPO Box 1270
Adelaide SA 5001

T +61 8 8372 6666

Independent Auditor's Report

To the Members of Resolution Minerals Ltd

Report on the audit of the financial report

Opinion

We have audited the financial report of Resolution Minerals Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

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

- a giving a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

Material uncertainty related to going concern

We draw attention to Note 20 in the financial statements, which indicates that the Group incurred a net loss of \$983,485 during the year ended 30 June 2021, and as of that date, the Group's recorded a net cash outflow from operating and investing activities of \$8,327,256. As stated in Note 20, these events or conditions, along with other matters as set forth in Note 20, indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

www.grantthornton.com.au

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation.



Key audit matters

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

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Exploration and evaluation assets - Notes 6</p> <p>At 30 June 2021 the carrying value of exploration and evaluation assets was \$19,261,092.</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value.</p> <p>The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement.</p> <p>This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> obtaining the management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger; reviewing management's area of interest considerations against AASB 6; conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including: <ul style="list-style-type: none"> tracing projects to statutory registers, exploration licenses and third party confirmations to determine whether a right of tenure existed; enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure; understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale; assessing the accuracy of impairment recorded for the year as it pertained to exploration interests; evaluating the competence, capabilities and objectivity of management's experts in the evaluation of potential impairment triggers; and assessing the appropriateness of the related financial statement disclosures.

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

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the 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 we do not express any form of assurance conclusion thereon.

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

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



Grant Thornton

Responsibilities of the Directors' for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Resolution Minerals Limited, for the year ended 30 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.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J S Kemp
Partner – Audit & Assurance

Adelaide, 30 September 2021



ASX ADDITIONAL INFORMATION

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 31 August 2021.

The Company is listed on the Australian Securities Exchange.

There are no restricted securities or securities subject to voluntary escrow as at 31 August 2021.

There is no current on-market buy-back.

SUBSTANTIAL SHAREHOLDERS

There are no substantial shareholders of the Company at 31 August 2021.

VOTING RIGHTS

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.

Performance Shares – Class A and B

No voting rights.

Performance Rights

No voting rights.

Options

No voting rights.

DISTRIBUTION OF EQUITY BY SECURITY HOLDERS

HOLDING	QUOTED						UNQUOTED			
	ORDINARY SHARES RML		OPTIONS 30 JUN 22 \$0.10 RMLQA		OPTIONS 30 SEP 23 \$0.12 RMLQB		PERFORMANCE SHARES CLASS A	PERFORMANCE SHARES CLASS B	PERFORMANCE RIGHTS	OPTIONS
	#	%	#	%	#	%				
1 – 1,000	120	0.01	33	0.21	1	0.00	-	-	-	-
1,001 – 5,000	335	0.21	41	1.68	1	0.00	-	-	-	-
5,001 – 10,000	242	0.46	9	0.90	0	0.00	-	-	-	-
10,001 – 100,000	1,098	10.64	29	18.65	93	6.77	-	1	-	8
100,001 and over	606	88.68	10	78.56	109	93.23	7	6	9	105
Number of Holders	2,401 ¹		122		204		7	7	9	113
Securities on issue	447,679,614	100.00	6,096,558	100.00	74,634,643	100.00	9,600,000 ²	3,575,000 ³	11,400,000 ⁴	78,253,569 ⁵

¹ There were 1,037 holders of less than a marketable parcel of ordinary shares (\$500 amounts to 22,727 shares at \$0.022).

² Ms Michelle Braham holds 2,600,000 Class A Performance shares.

³ Ms Michelle Braham holds 950,625 Class B Performance shares.

⁴ Performance Rights were issued under the Company's Performance Share Plan.

⁵ Unquoted options:

- » 5,800,000 unquoted options with an exercise price of 24.993 cents each and expiry of 6 September 2021 – 4,400,000 held by PAC Partners Pty Ltd.
- » 13,400,000 unquoted options with various exercise prices and expiry of 30 November 2022 – 5,900,000 held by Taycol Nominees Pty Ltd <211 A/C>.

TWENTY LARGEST HOLDERS OF ORDINARY SHARES – RML

		NO. OF SHARES HELD	% HELD
1	Millrock Resources Inc	23,100,000	5.16
2	BNP Paribas Nominees Pty Ltd ACF Clearstream	21,157,024	4.73
3	Acuity Capital Investment Management Pty Ltd <Acuity Investments A/C>	13,626,971	3.04
4	Strut Pty Ltd <Adel Medical Clinic S/F A/C>	10,000,000	2.23
5	Citicorp Nominees Pty Limited	7,520,549	1.68
6	BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient DRP>	6,582,102	1.47
7	Leet Investments Pty Limited <Leet Investments PL SF A/C>	5,300,000	1.18
8	Leet Investments Pty Limited	4,900,000	1.09
9	Mr David John Rawlings	4,787,322	1.07
10	DJ Coughlan Drilling Pty Ltd	4,021,960	0.90
11	Mr Graham Stewart Campbell & Mrs Heather Roslyn Campbell <GS & HR Campbell S/F A/C>	4,000,000	0.89
12	ASB Nominees Limited <123619 A/C>	3,758,175	0.84
13	Emerging Equities Pty Ltd	3,514,286	0.79
14	Sandsoft Pty Ltd	3,500,000	0.78
15	Mr David Kennedy	3,500,000	0.78
16	Mr Arjun Plathottathil	3,361,163	0.75
17	Ms Xiaodan Wu	3,360,720	0.75
18	M & K Korkidas Pty Ltd <M&K Korkidas P/L S/Fund A/C>	3,133,329	0.70
19	3-29 KWS P/L <3-29 KWS Unit A/C>	3,004,465	0.67
20	Nelson Enterprises Pty Ltd <Cavan Street A/C>	2,898,572	0.65
		135,026,638	30.15
Total ordinary shares on issue		447,679,614	100.00

TWENTY LARGEST HOLDERS OF QUOTED OPTIONS – RML0A (\$0.10 / 30 JUNE 2022)

		NO. OF OPTIONS HELD	% HELD
1	Mr Nicholas Dermott McDonald	1,887,737	30.96
2	National Nominees Limited <DB A/C>	1,000,000	16.40
3	PAC Partners Pty Ltd	762,500	12.51
4	Serlett Pty Ltd <Diligent Inv Superfund A/C>	250,000	4.10
5	Mr Tri Hung Lam	200,000	3.28
6	Rivacre Investments Pty Ltd <Colin Marland Fam #2 Dis A/C>	200,000	3.28
7	Mr Eli Ekman	150,000	2.46
8	Mr Sean Donahugh Vanderfield Foley	125,000	2.05
9	Bell Potter Nominees Ltd <2272984 A/C>	111,336	1.83
10	Mr Feisal Ahmed Paruk & Mrs Fathima Yonoos Ahmed <The F Z Paruk Famil S/F A/C>	103,334	1.69
11	Mr Maxwell Guy Harvey & Mrs Alice Harvey & Mr Julian Graeme Harvey <Vibes Super Fund A/C>	100,000	1.64
12	Mr Simon John Spinks	100,000	1.64
13	Mr Robert Hall	100,000	1.64
14	Max Gorbach Pty Ltd <Gorbach Family SF A/C>	83,334	1.37
15	Mr Jeffrey Philip Cockrem	70,000	1.15
16	Mr Peter George Benson & Mrs Karn Lesley Benson	68,334	1.12
17	Valas Investments Pty Ltd <Valas Investments A/C>	50,000	0.82
18	Mrs Anne-Marie Fett	50,000	0.82
19	Lacasuper Pty Ltd <LA & CA Dean Super Fund A/C>	48,810	0.80
20	Mr Craig Russell Stranger	46,667	0.77
		5,507,052	90.33
	Total quoted options on issue	6,096,558	100.00

TWENTY LARGEST HOLDERS OF QUOTED OPTIONS – RMLB (\$0.12 / 30 SEPTEMBER 2023)

		NO. OF OPTIONS HELD	% HELD
1	Palisades Goldcorp Ltd	12,428,571	16.65
2	CS Third Nominees Pty Limited <HSBC Cust Nom AU Ltd 13 A/C>	7,857,143	10.53
3	Mr Peter Hendry	5,000,000	6.70
4	Mr Graham Stewart Campbell & Mrs Heather Roslyn Campbell <GS & HR Campbell S/F A/C>	3,000,000	4.02
5	Strut Pty Ltd <Adel Medical Clinic S/F A/C>	2,500,000	3.35
6	M & K Korkidas Pty Ltd <M&K Korkidas P/L S/Fund A/C>	1,999,067	2.68
7	Taycol Nominees Pty Ltd <211 A/C>	1,950,000	2.61
8	Prosperity Fund Pty Ltd <Prosperity Superfund A/C>	1,688,363	2.26
9	Ms Susan Lavertu	1,677,143	2.25
10	Coldaw Pty Ltd <Superannuation Fund A/C>	1,625,000	2.18
11	Mrs Maria Rontziokos & Mr Fotios Rontziokos	1,500,000	2.01
12	Mr Bill Rontziokos & Miss Georgina Vardakas	850,000	1.14
13	Bell Potter Nominees Ltd <2272984 A/C>	800,000	1.07
14	Mr Edwin Charles Laurence Parker & Ms Christine Melissa Ireland <Parker Ireland S/F A/C>	784,539	1.05
15	Mr Alan Conigrave	753,617	1.01
16	Mr Sean Anthony Faherty	750,000	1.00
17	Mr David Kennedy	703,746	0.94
18	PAC Partners Securities Pty Ltd	675,000	0.90
19	Mr Gary Mark Colman	631,390	0.85
20	Mr Craig Russell Stranger	625,000	0.84
		47,798,579	64.04
Total quoted options on issue		74,634,643	100.00

For personal use only

