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VALOR RESOURCES



ANNUAL REPORT 2021 ASX:VAL

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CORPORATE DIRECTORY
Directors

Mr. George Bauk (Executive Chairman)
 Mr. Brian McMaster (Non-Executive Director)
 Ms. Paula Smith (Non-Executive Director)
 Mr. Gary Billingsley (Non-Executive Director)

Company Secretary

Ms. Paula Smith

Principle Place of Business/Registered Office

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 PERTH, WA 6000
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 Facsimile: +61 8 9227 6390
 Website: www.valorresources.com.au

Share Registry

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 Level 2, 267 St Georges Terrace
 PERTH, WA 6000
 Telephone: + 61 8 9324 2099
 Facsimile: + 61 8 9321 2337

Auditors

BDO Audit (WA) Pty Ltd
 38 Station Street
 SUBIACO, WA 6008

Stock Exchange

Australian Securities Exchange Limited
 (Home Exchange: Perth, WA)
 ASX Code: VAL, VALOB

DIRECTORS' REPORT

The Directors present their report for Valor Resources Limited and its subsidiaries ("Valor" or "the Group") for the year ended 30 June 2021.

DIRECTORS

The names, qualifications and experience of the Group's Directors in office at any time during the year are as follows. Directors were in office for this entire year unless otherwise stated.

MR. GEORGE BAUK (Appointed 21 October 2020)

Executive Chairman

Mr Bauk is an experienced company director with over 15 years' experience as a listed company director in Australia with the resources industry in both production and exploration with assets in Western Australia and internationally. He is an experienced executive, with 30 years' experience in the resources industry. Mr Bauk holds a Bachelor of Business (Accounting and Finance) from Edith Cowan University, is a Fellow of the CPA and has an MBA from the University of New England. Mr Bauk has held global operational and corporate roles with WMC Resources and Western Metals. Mr Bauk has a strong background in strategic management, business planning, building teams, finance and capital/debt raising, and experience with a variety of commodities in particular rare earths, gold and industrial minerals. During his time as Managing Director of Northern Minerals, he led its rapid development from greenfields heavy rare earth explorer to one of a few global producers of high value dysprosium outside of China. Mr Bauk is a passionate member of the WA resources industry having previously held a number of senior governing positions with the Chamber of Minerals and Energy including Vice President.

Mr Bauk is currently a director of BlackEarth Minerals NL (appointed 17 March 2016), Gascoyne Resources Limited (appointed 7 August 2020), Lithium Australia NL (appointed 17 July 2015) and PVW Resources Limited (appointed 1 February 2021).

Mr Bauk was previously a director of Northern Minerals Limited (appointed 1 March 2010, resigned 7 June 2020). He has not held any other listed directorships in the past three years.

MR. GARY BILLINGSLEY (Appointed 21 October 2020)

Non-Executive Director

Mr Billingsley has over 37 years' experience as a listed company director in Canada in the resources industry from exploration through to production in both oil and gas and mining. He has global experience having worked on projects located in Canada, the US and Africa. With 48 years' experience in the resources industry, Mr Billingsley has held several operational and corporate roles from Chief Mine Geologist to President and CEO of both small and large public companies. Besides a technical background, he has experience on the corporate financial side including fund raising and serving on board committees including Audit, Compensation, Corporate Governance and Environment, Health and Safety committees. His public company experience covers commodities including oil and gas, base metals, gold, diamonds, uranium, potash and rare earths. Mr Billingsley's career includes leading the team that put Saskatchewan's largest gold mine into production, discovering several diamond-bearing kimberlites in Saskatchewan, one of which has now completed final feasibility and playing an instrumental role in taking a potash company public that was subsequently purchased by BHP.

Mr Billingsley is currently a director of TSX-V listed Aurex Energy Corp. (appointed November 2011), and Wescan Goldfields Inc. (appointed April 2005). He has not held any other listed directorships in the past three years.

MR. BRIAN MCMASTER**Non-Executive Director**

Mr McMaster is a Chartered Accountant and has over 25 years' experience in the areas of venture capital and project financing, corporate reconstruction and turnaround/performance improvement. Mr McMaster is the principal of Garrison Capital a boutique venture capital firm and formerly was a partner of the restructuring firm KordaMentha and prior to that was a partner at Ernst & Young. His experience includes significant working periods in the United States, South America, Asia and India.

Mr McMaster is currently a director of AIM traded Harvest Minerals Limited (appointed 1 April 2014), AIM traded Jangada Mines plc (appointed 30 June 2015), AIM quoted Arc Minerals Limited (appointed 1 August 2017).

Mr McMaster was previously a director of LSE quoted Contango Holdings Limited (appointed 26 October 2017, resigned 30 June 2020). He has not held any other listed directorships in the past three years.

MS. PAULA SMITH**Non-Executive Director & Company Secretary**

Ms. Smith is a finance professional with over 17 years' experience and is presently a director of a consulting and secretarial advisory firm specialising in business advisory, consulting and back office support (finance and secretarial) to SMEs and ASX listed entities. Prior to that Ms. Smith held senior roles in advisory firms KordaMentha and Ernst & Young. Ms. Smith holds a Bachelor of Commerce/Law (Hons), is a qualified Chartered Accountant and a Graduate of the Australian Institute of Company Directors.

She has not held any other listed directorships over the past three years.

DR. NICHOLAS LINDSAY (Resigned 21 October 2020)**Chief Executive Officer and Executive Director – Technical**

Dr. Lindsay has over 30 years' experience in the global mining industry with strong exposure in South America. He has held senior roles in Chile and Australia, and managed ASX junior mining and exploration companies operating in South America. Dr. Lindsay has a BSc Honours degree in geology and an MBA from the University of Otago (New Zealand), and a PhD (Metallurgy & Materials Engineering) from the University of the Witwatersrand (South Africa). Dr Lindsay is also a member of the AusIMM and the Australian Institute of Geoscientists.

Dr Lindsay is currently a director of Lake Resources NL (appointed 18 July 2017), Manuka Resources Limited (appointed 7 June 2019) and Daura Capital Corp. (appointed 29 March 2018). He has not held any other directorships in the past three years.

INTERESTS IN THE SECURITIES OF THE GROUP

As at the date of this report, the interests of the Directors in the securities of Valor Resources Limited are:

Director	Ordinary Shares	Listed Options exercisable at \$0.015 each, on or before 31/12/2021	Performance Rights
Mr. George Bauk	42,333,333	-	120,000,000
Mr. Gary Billingsley	-	-	60,000,000
Mr. Brian McMaster	204,030,143	10,000,000	-
Ms. Paula Smith	58,474,091	5,000,000	-

RESULTS OF OPERATIONS

The Group's net loss after taxation attributable to the members of Valor Resources Limited for the year ended 30 June 2021 was \$2,428,452 (2020: \$3,094,431).

DIVIDENDS

No dividend was paid or declared by the Group during the year and up to the date of this report (2020: Nil).

CORPORATE STRUCTURE

Valor Resources Limited is a company limited by shares which is incorporated and domiciled in Australia.

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activities of companies within the Group during the financial year were mineral exploration and examination of new resource opportunities.

REVIEW OF OPERATIONS

PICHA AND CORONA PROJECTS - PERU

Valor holds the rights to the Picha and Corona Projects located in the Moquegua Department of Peru through its 100% owned Peruvian subsidiary, Kiwanda SAC.

Valor is focused on developing the exploration potential of its 100% owned Picha and Corona Projects. During the period, field programs were completed at both projects with the main focus being on five main exploration target areas at the Picha Project. Rock samples were taken from each target area which delivered outstanding results with 12 out of the 20 samples taken returning assays greater than 1% Cu and up to 6% Cu. Field evidence indicates that the Picha mineralisation is similar to other copper-silver stratabound deposits in Peru and Chile. (Refer to ASX Announcement dated 2 June 2021 titled “Peru Project Initial Assays Deliver High Grade Results”).

Multiple significant channel and rock chip sample results were returned including:

- ▶ **563 g/t Ag, 1.11% Cu and > 20% Pb** - Channel
- ▶ **444 g/t Ag, 2.84% Cu and 0.9% Pb** - Rock chip
- ▶ **89.7 g/t Ag and 6.04% Cu** - Channel
- ▶ **65.6 g/t Ag and 4.97% Cu** - Channel



Figure 1: Picha Project – **Cobremani target**: measuring sample area

Following receipt of the Picha assay results the Company expanded its landholding in prospective areas surrounding the Company's existing mining concessions. Applications were submitted for an additional 14 mining concessions and an option agreement was executed for an additional 2 mining concessions, which in total cover an area of 200km² (Refer to ASX Announcement dated 10 June 2021 titled "Peruvian Picha Project Landholding Expanded").

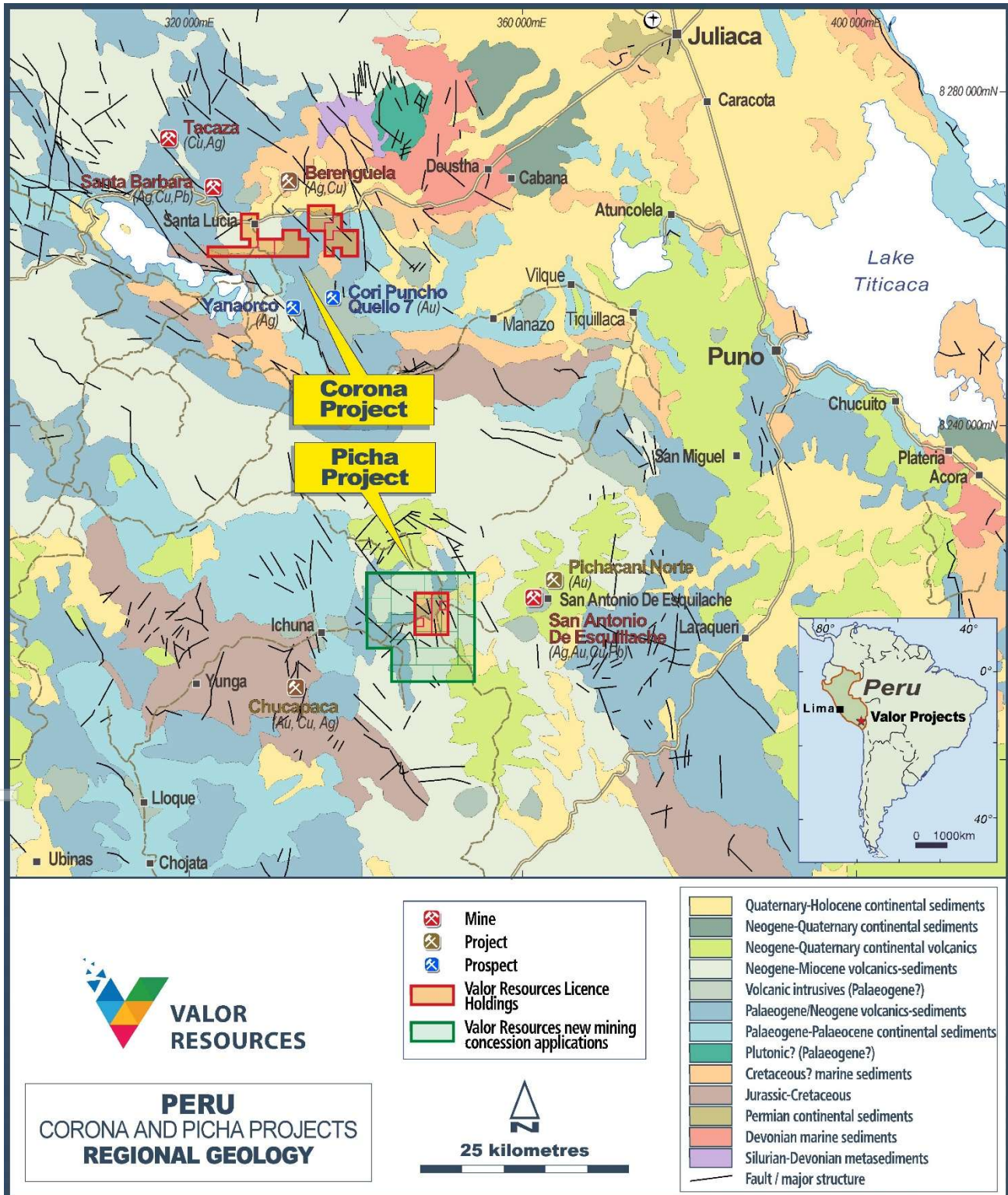


Figure 2: Peru Project Locations

CANADIAN URANIUM PROJECTS – ATHABASCA BASIN

As announced to the ASX on 22 October 2020 and 9 December 2020, Valor entered into agreements ('Transaction') to acquire 100% of the issued capital of Pitchblende Energy Pty Ltd ('Pitchblende') which holds the following interests in two uranium projects located in Saskatchewan, Canada:

- ▶ right to earn an 80% working interest in the Hook Lake Uranium Project located 60km east of the Key Lake Uranium Mine in northern Saskatchewan. Covering 25,846 hectares, the 16 contiguous mineral claims host several prospective areas of uranium mineralisation; and
- ▶ 100% equity interest in 19 contiguous mineral claims covering 62,232 hectares in northern Saskatchewan. The property is located 7km east of the former-producing Cluff Lake Uranium Mine and much of the project area is located within the Carswell geological complex that hosts the Cluff Lake Mine.

In conjunction with the Transaction, Valor announced the appointment of Mr George Bauk as Executive Chairman and Mr Gary Billingsley as Non-Executive Director and the resignation of Dr Nicholas Lindsay as Executive Director – Technical. The Transaction was subject to various conditions precedent including shareholder approvals as detailed in the Notice of Annual General Meeting lodged with the ASX on 23 December 2020.



Figure 3: Canada Project Locations

As reported to the ASX on 29 January 2021, shareholders approved all the resolutions tabled at the Annual General Meeting including the resolutions to give effect to the Pitchblende Transaction which settled on 11 February 2021 and the following securities were issued:

- ▶ Issued 566,666,666 ordinary fully paid shares and 333,333,333 Performance Rights which are subject to the achievement of performance milestones to the vendors of the Transaction;
- ▶ Issued 266,666,667 ordinary fully paid shares to participants of a Placement to raise \$800,000 (before costs);
- ▶ Issued 75,650,000 ordinary fully paid shares to certain creditors and directors in lieu of cash payments for outstanding fees;
- ▶ Issued 180,000,000 Unlisted Options to certain Directors and Advisors for services to be provided; and
- ▶ Issued 180,000,000 Performance Rights which are subject to the achievement of performance milestones) to certain Directors for services to be provided.

The Performance Rights for Vendors will vest, and be convertible into shares, on the achievement of the following performance milestones and in the following amounts:

- ▶ 166,666,667 performance rights vesting on the achievement of significant mineralised intersections of not less than 10m @ >0.5% U₃O₈ or equivalent (e.g. 5m @ > 1.0% U₃O₈) within 2 years after completion; and
- ▶ 166,666,666 performance rights vesting on the identification of a mineral resource of at least 10 million pounds U₃O₈ at a cut-off grade of 0.5%.

During the year, there were no changes to the vesting of Performance Rights for Vendors.

Following completion of the acquisition of the Uranium Assets in February 2021 to the date of this report, the Company has undertaken the following work on its Canadian assets:

- ▶ completed the acquisition of five highly prospective uranium projects within the Athabasca Basin Canada to increase the Company's total landholding in the Athabasca Basin to 98,600 hectares (Refer to ASX Announcements dated 7 July 2021 titled "Extensive Ground Consolidation of Uranium Properties" and dated 23 July 2021 titled "Completion of Acquisition & Issue of Performance Rights");
- ▶ completed an airborne geophysical survey over the Hook Lake project and announced that additional targets have been identified which require immediate follow up. (Refer to ASX Announcement dated 22 July 2021 titled "Airborne Survey Highlights Targets at Hook Lake Project");
- ▶ completed a high-resolution airborne radiometric survey which highlighted several new targets on the Hook Lake Project. (Refer to ASX Announcement dated 5 August 2021 titled "Radiometrics reveal new anomalies at Hook Lake");
- ▶ On-ground field program completed at Hook Lake Project focused on validating and developing the geological understanding of the historic uranium occurrences, such as the Hook Lake (or Zone S) and West Way prospects and to follow-up on new targets generated from the airborne surveys. (Refer to ASX Announcement dated 31 August 2021 titled "High-Grade Hook Lake Uranium-Rare Earth-Silver-Lead Results");

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HOOK LAKE PROJECT

A total of 57 samples were taken from across the Hook Lake Project during the on-round field program completed in August 2021 (see Figure 4).

A total of seven rock chip samples were taken from a historical trench located at the Hook Lake prospect, with four of these samples returning high-grade uranium, rare earths, silver and lead assays. These samples were taken from in-situ uraninite mineralisation within a biotite or psammitic gneiss. A boulder sample located approximately 300m east of the Hook Lake trench also returned high-grade uranium and rare earths with 59.2% U_3O_8 and 5.05% TREO*.

Sampling results from the Hook Lake (Zone S) prospect returned:

- ▶ **59.2% U_3O_8 , 499g/t Ag, 5.05% TREO, 14.4% Pb** (Float)
 - ▷ TREO includes **11,797ppm Nd_2O_3 + Pr_6O_{11}** and **1,825ppm Dy_2O_3**
- ▶ **57.4% U_3O_8 , 507g/t Ag, 3.68% TREO, 14.5% Pb** (Rock Chip)
 - ▷ TREO includes **8,562ppm Nd_2O_3 + Pr_6O_{11}** and **1,676ppm Dy_2O_3**
- ▶ **46.1% U_3O_8 , 435g/t Ag, 2.88% TREO, 8.8% Pb** (Rock Chip)
 - ▷ TREO includes **7,054ppm Nd_2O_3 + Pr_6O_{11}** and **1,139ppm Dy_2O_3**
- ▶ **6.92% U_3O_8 , 0.81% TREO, 2% Pb** (Rock Chip)
- ▶ **6.42% U_3O_8 , 1.17% TREO, 1.8% Pb** (Rock Chip)

The Hook Lake high-grade uranium (and rare earth) mineralisation is interpreted to be located at a dilational trap/jog which has formed at the intersection of a northeast-southwest trending shear zone and a possible north-south trending structure (potentially a re-activated Tabbernor fault structure). This interpretation highlights the potential significance of the north-south trending Tabbernor fault system structures, several of which are interpreted to transect the project area. Besides the down-dip/down-plunge potential of the immediate Hook Lake target, there is potential for further structural targets of this nature along strike to the northeast and southwest from the Hook Lake prospect. This will be further investigated during on-ground follow-up work programs.

At the West Way prospect, located approximately 6.5km north of the Hook Lake prospect, five grab samples of outcrop or subcrop were taken with three of the samples returning anomalous uranium assay results including up to 0.64% U_3O_8 from a quartz vein. Interestingly, two of these three samples returned high-grade molybdenum with assays of 3.4% and 1.9% Mo.

The controls on mineralisation at West Way are currently uncertain and more field work is required to improve the geological understanding and develop drill targets. However, the airborne magnetics suggest a spatial association with a N-S structural feature, and there are potential repeats of this structural setting along strike to the northeast and southwest of West Way. Again, this will be further investigated during on-ground follow-up work programs, in addition to following-up on the elevated Mo assays.

Another 44 samples were taken from across the project area, including 9 samples from the Nob Hill prospect. Results from Nob Hill were highlighted by one grab sample of pegmatite that returned an assay of 280ppm U and 1.01% TREO*.

A follow-up program is currently underway to finalise and prioritise drill targets. Drilling is expected to take place during the winter 2021/22.

*TREO = Total Rare Earth Oxides = La_2O_3 , CeO_2 , Pr_6O_{11} , Nd_2O_3 , Sm_2O_3 , Eu_2O_3 , Gd_2O_3 , Tb_4O_7 , Dy_2O_3 , Ho_2O_3 , Er_2O_3 , Yb_2O_3 , Y_2O_3 .

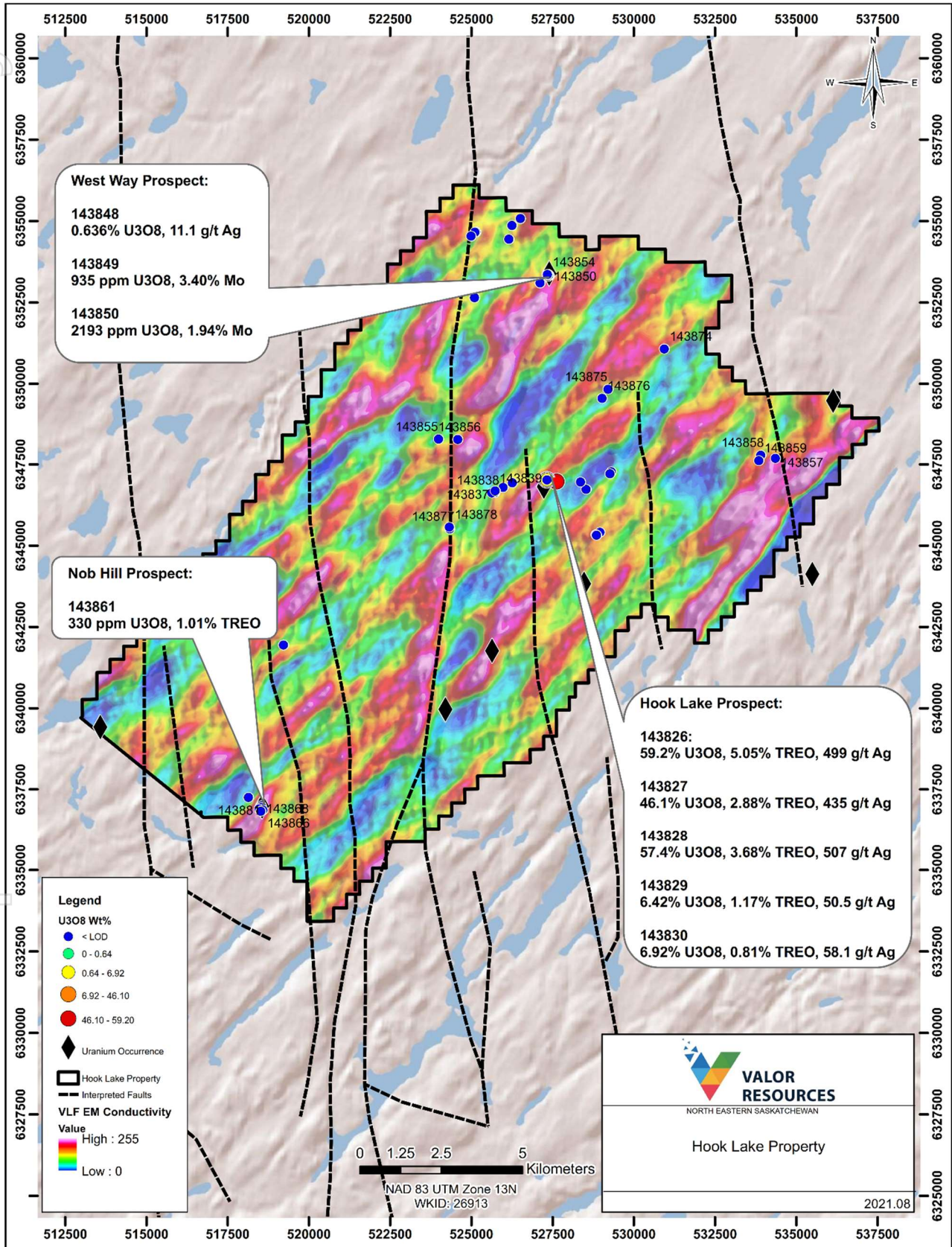


Figure 4: Hook Lake Project - Sample Locations

CLUFF LAKE PROJECT

Exploration targeting was conducted at the Cluff Lake Project using all available geological and geophysical datasets which identified multiple priority uranium targets for on-ground reconnaissance to be completed. (Refer to ASX Announcement dated 26 August 2021 titled “Evaluation reveals priority uranium targets at Cluff Lake”).

Through the modelling and processing of geophysics, the area of the Cluff Lake Uranium Mine was initially evaluated to provide a targeting signature which was used to compare and contrast with the geophysical responses across Valor’s Cluff Lake Project. The Cluff Lake Mine operated between 1980 and 2002, producing 62.5 million pounds of U₃O₈ (Saskatchewan Mining Association, Uranium in Saskatchewan Facts on the Industry for 2016).

Numerous targets were identified within two discrete areas with geological settings analogous to that of Cluff Lake Mine. These targets were assessed and ranked in terms of uranium channel radiometric response, presence of radioactive boulders, EM anomalies and proximity to northeast trending structures.

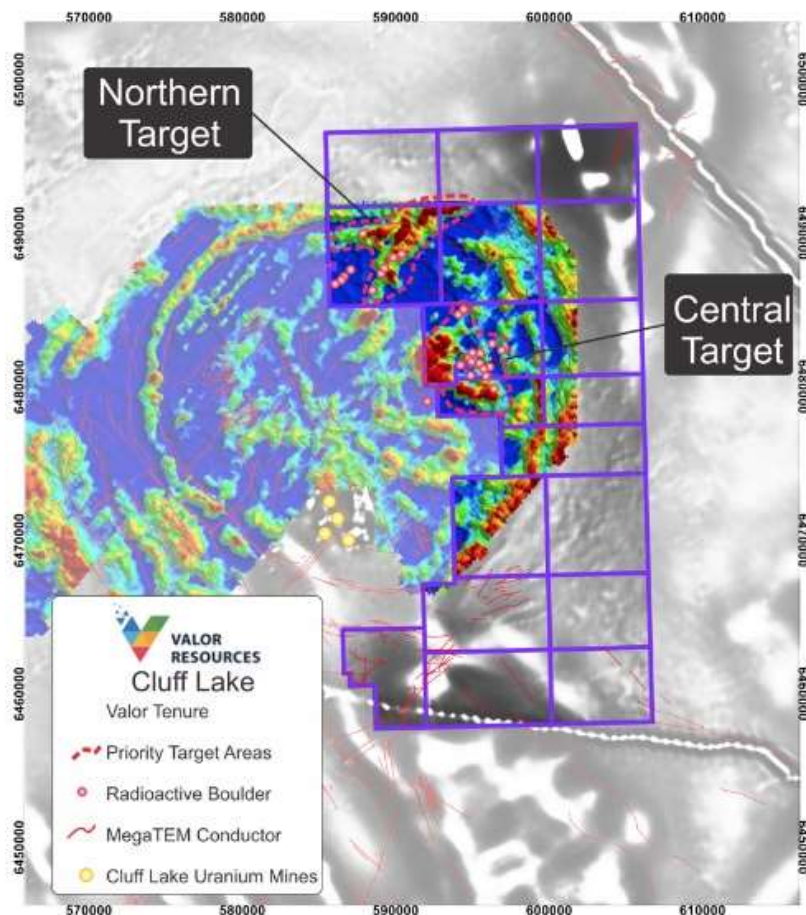


Figure 5: Cluff Lake Project - map illustrating magnetics, tenure, radioactive boulders, location of Cluff Lake mine, NE structures, prospect areas

SURPRISE CREEK PROJECT

Valor has recently staked 3 claims to create the Surprise Creek Project. The project is located approximately 25km northwest of Uranium City and just to the west of the Beaverlodge Uranium district. The claims cover an area of 2,370 hectares (23.7km²) and cover several reported uranium and copper occurrences including the Surprise Creek uranium showing¹. Historical exploration from the 1960s and 1970s reported radioactive

¹ Saskatchewan Mineral Deposit Index - SMDI 1463



occurrences along a zone 600m long and 60m wide associated with the Surprise Creek Fault. Trenching and drilling was completed, with the last on-ground exploration reported from 1979.

The area is underlain by Archean gneisses, mylonites and migmatites and Proterozoic arkoses. The project is considered prospective for basement hosted unconformity-related or vein-type uranium deposits, similar to the Eldorado and Gunnar mines at the nearby Beaverlodge Uranium district.

A full review of historical data is currently underway to determine targets for immediate on-ground follow-up.

SMITTY URANIUM MINE

Valor has staked the claim covering the historic Smitty Uranium Mine, which is located 4km west of Uranium City. It was reported that disseminated pitchblende mineralisation was mined over a strike length of 150m, maximum width of 4.6m and to a depth of 230m between 1953 and 1960. Mineralisation occurs within a breccia mylonite zone along the northeast-trending Boom Lake Fault².

LORADO URANIUM MINE

Valor has staked the claim referred to as the historic Lorado Uranium Mine. The mine is located 10km south of Uranium City and was in production between 1954 and 1960. Underground mining of pitchblende and secondary uranium mineralisation associated with disseminated pyrite and chalcopyrite was conducted along a strike length of 200m to a depth of 213m³.

PENDLETON LAKE PROJECT

The Project comprises six claims which cover an area of 3,758 hectares (37.5km²). Four of the claims are positioned between the Janice Lake Sedimentary Copper Project currently being explored by Rio Tinto Exploration Canada. The other two claims are located along strike to the south of the Janice Lake Project. The Project is also located just 10km south of the Company's Hook Lake Project.

Rio Tinto Exploration Canada has entered into a \$30 million, seven-year, option agreement with Forum Energy Metals Corp. to acquire an 80 per cent stake in their Janice Lake property (TSX Venture:FMC News Release "Rio Tinto Exploration Canada enters into \$30 million option agreement with Forum Energy Metals to explore its Janice Lake Copper Project, Saskatchewan" dated May 9, 2019) which is in close proximity to the Pendleton Lake Project.

There are several historical uranium occurrences⁴ recorded within the northern part of the Project all of which lie along the Needle Falls shear zone, a major regional-scale shear zone which traverses the southeast margin of the Project. Limited exploration has been completed along this structure and no exploration has been reported since the late 1970s.

HIDDEN BAY PROJECT

Valor has staked the claim referred to as the Hidden Bay Project. The claim covers an area of 3,190 hectares (31.9km²) and is located 20km south-southwest of the Rabbit Lake Uranium Mine. The project is prospective for basement hosted unconformity-related uranium deposits being located at the unconformity between the Athabasca Basin Group sediments and the older underlying Archean-Lower Proterozoic basement rocks. An historical uranium occurrence⁵ is reported within the claim area with uranium mineralisation reportedly being intersected in drilling within a calc-silicate rock.

² Saskatchewan Mineral Deposit Index - SMDI 1413

³ Saskatchewan Mineral Deposit Index - SMDI 1228

⁴ Saskatchewan Mineral Deposit Index - SMDI 2015, 2013, 5042

⁵ Saskatchewan Mineral Deposit Index - SMDI 1887

BERENGUELA PROJECT - PERU

During the year, the Company completed the transfer of Sociedad Minera Berenguela S.A. and Fossoles Ltd, which held the rights to the Berenguela Project back to SSR Mining Limited (SSR) (or its nominee) on terms where the consideration for the transfer is the release and discharge of Valor's acquisition obligations including the release of outstanding amounts of USD \$10.8m owed to SSR and relevant security interests.

CORPORATE

During the year, the Company announced the appointment of Mr George Bauk and Mr Gary Billingsley, as Executive Chairman and Non-Executive Director respectively. These appointments were in conjunction with the acquisition of Pitchblende Energy Pty Ltd and its interest in its Canadian Uranium assets and bring significant skills and relevant experience to Valor Resources.

Furthermore, as part of the acquisition of the Canadian Uranium assets, the company completed a \$800,000 capital raising (before costs) managed by CPS Capital. The Company also announced that 60,000,000 Unlisted Options expiring 11 February 2024 have been exercised at \$0.0045 to raise \$270,000. Valor has utilised these funds to further its Peruvian and Canadian Projects and for working capital purposes. The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

IMPACT OF COVID-19

On 31 January 2020, the World Health Organisation ('WHO') announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (COVID-19 outbreak) and the risks to the international community as the virus spread globally beyond its point of origin. Because of the rapid increase in exposure globally, on 11 March 2020, the WHO classified the COVID-19 outbreak as a pandemic.

The full impact of the COVID-19 outbreak continues to evolve at the date of this report. Management is actively monitoring the global situation and its impact on the Group's financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Group continues to monitor the situation very closely, with a primary focus on the health, wellbeing and safety of all employees in Australia, Canada and Peru. The Group has implemented extensive business continuity procedures to ensure ongoing operations with minimal disruptions and has a director based in the province of the Canadian projects and a General Manager and Geologist based in Peru. To date there has been minimal impact to the Group.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than noted above, in the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

COMPETENT PERSON'S STATEMENT

The technical information in this report that relates to Exploration Results is based on data compiled and reviewed by Mr. Gary Billingsley, a Non-Executive Director of Valor, who is a member of The Association of Professional Engineers of Saskatchewan in Canada. Mr. Billingsley has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as Competent Persons under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Billingsley consents to the inclusion of the data in the form and context in which it appears. Mr. Billingsley has reviewed calculation of measured, indicated and inferred resources referenced according to the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information reported in the original market announcements and that all material assumptions and technical parameters underpinning the results in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 7 July 2021, the Company announced it had entered into a binding agreement for the acquisition of the Pendleton Lake uranium and copper project. The acquisition settled on 23 July 2021 with the Company paying the vendors \$5,407 in cash and 5,000,000 ordinary shares at an issue price of \$0.01 for 100% ownership of six tenements that comprise of the Pendleton Lake project.

On 30 July 2021, the Company announced that it had issued 40,000,000 Performance Rights to consultants which will vest, and be convertible into shares, on the achievement of certain milestones.

On 6 August 2021, the Company announced that 50,000,000 Unlisted Options expiring 11 February 2024 had been exercised at \$0.008 to raise \$400,000. On 14 September 2021, the Company announced that 10,000,000 Unlisted Options expiring 11 February 2024 had been exercised at \$0.008 to raise \$80,000. Furthermore, the Company announced that the milestone hurdle had been reached for Tranche 3 of 45,000,000 Performance Rights for the Directors.

On 17 September 2021, the Company announced that 39,416,667 Unlisted Options expiring 11 February 2024 had been exercised at \$0.015 to raise \$591,250.

There were no other known significant events from the end of the financial year up to the date of this report.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

In the opinion of the Directors, there is nothing else to report, except as outlined in the Directors' Report, which relates to likely developments in the operations of the Group and the expected results of those operations in financial years subsequent to 30 June 2021.

ENVIRONMENTAL REGULATIONS AND PERFORMANCE

The Group carries out operations that are subject to environmental regulations under legislation in Peru and Canada. The Group has formal procedures in place to ensure regulations are adhered to. The Group is not aware of any breaches in relation to environmental matters.

SHARES UNDER OPTION

As at the date of this report, there are 530,583,333 unissued ordinary shares under options. The details of the options at the date of this report are as follows:

Number	Exercise Price \$	Expiry Date
435,000,000	\$0.015	31/12/2021
50,000,000	\$0.015	30/04/2022
25,000,000	\$0.015	03/05/2023
20,583,333	\$0.015	11/02/2024

During the year, 60,000,000 Unlisted Options expiring 11 February 2024 were exercised at \$0.0045 to raise \$270,000. No options expired during the financial year. No option holder has any right under the options to participate in any other share issue of the Group or any other entity.

Subsequent to year-end, 60,000,000 Unlisted Options expiring 11 February 2024 had been exercised at \$0.008 and 39,416,667 Unlisted Options expiring 11 February 2024 had been exercised at \$0.015.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Group has made an agreement indemnifying all the Directors and officers of the Group against certain losses or liabilities incurred by each Director or officer in their capacity as Directors or officers of the Group to the extent permitted by the Corporation Act 2001. The indemnification specifically excludes willful acts of negligence and insolvency. The total amount of insurance premiums paid has not been disclosed due to confidentiality reasons.

DIRECTORS' MEETINGS

During the financial year, in addition to regular Board discussions, the number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

Director	Number of Meetings Eligible to Attend	Number of Meetings Attended
Mr. George Bauk (appointed 21 October 2020)	3	3
Mr. Gary Billingsley (appointed 21 October 2020)	3	3
Mr. Brian McMaster	4	4
Ms. Paula Smith	4	4
Dr. Nicholas Lindsay (resigned 21 October 2020)	1	1

In addition to the formal meetings of directors above, the Board has held numerous discussions throughout the year and passed circular resolutions on all material matters.

PROCEEDINGS ON BEHALF OF GROUP

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

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behavior and accountability, the Board supports and has adhered to the principles of sound corporate governance. The Board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council and considers that Valor Resources Limited is in compliance with those guidelines to the extent possible, which are of importance to the commercial operation of a junior listed resources company. During the financial year ended, shareholders continued to receive the benefit of an efficient and cost-effective corporate governance policy for the Group. The Group's Corporate Governance Statement and disclosures can be downloaded from the Company's website at www.valorresources.com.au/CorporateGovernance.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

Section 307C of the Corporations Act 2001 requires the Group's auditors to provide the Board with an Independence Declaration in relation to the audit of the full year financial statements. A copy of that declaration is included in this report. There were no non audit services provided by the Group's auditor during the year ended 30 June 2021.

AUDITED REMUNERATION REPORT

This report outlines the remuneration arrangements in place for directors and executives of the Group in accordance with the requirements of the Corporation Act 2001 and its Regulations. For the purpose of this report, Key Management Personnel ("KMP") of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

Details of Key Management Personnel

Mr. George Bauk	Executive Chairman (Appointed 21 October 2020)
Mr. Gary Billingsley	Non-Executive Director (Appointed 21 October 2020)
Mr. Brian McMaster	Non-Executive Director
Ms. Paula Smith	Non-Executive Director and Company Secretary
Dr. Nicholas Lindsay	Chief Executive Officer and Executive Director – Technical (Resigned 21 October 2020)

Remuneration Policy and Link to Performance

The Board is responsible for determining remuneration policies applicable to Directors and Senior Executives of the Group. The Board policy is to ensure that remuneration properly reflects the individuals' duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people with appropriate skills and experience. At the time of determining remuneration consideration is given by the Board to the Group's financial performance.

The Board currently determines the nature and amount of remuneration for Board members and senior Executives of the Group. The policy is to align Director and Executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives such as options and performance shares.

The Board policy is to remunerate Non-Executive Directors at market rates based on comparable companies for time, commitment and responsibilities. The Board determines payments to Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. No independent external advice was sought during the year ended 30 June 2021.

Directors are entitled to draw Director's fees and receive reimbursement of reasonable expenses for attendance at meetings. The Group is required to disclose in its annual report details of remuneration to Directors. The maximum aggregate annual remuneration which may be paid to Non-Executive Directors is \$300,000. This amount cannot be increased without the approval of the Group's shareholders. Please refer below for the remuneration report within the Directors' Report for details regarding the remuneration structure of the Executive Director and senior management.

The table below shows the performance of the Group as measured by loss per share for the last 5 financial years:

As at 30 June	2021	2020	2019	2018	2017
Loss per share (cents)	(0.103)	(0.160)	(0.217)	(0.267)	(0.227)
Share Price	\$0.01	\$0.002	\$0.005	\$0.009	\$0.009

There is no link between the loss per share and remuneration.

Elements of Remuneration

Short-Term Incentives

Short-term incentives in regards to the current financial year include fees paid for services to Directors.

Long-Term Incentive

Shareholders approved the establishment of an Employee Share Plan ("ESP") at a general meeting on 30 November 2017. No securities have been issued under this plan in the current financial year to Directors of the Company. Furthermore, the ESP expired effective 30 November 2020. During the year, shareholders approved 180,000,000 Performance Rights to be issued to the Directors with various tranches and milestone hurdles.

Details of Remuneration

Details of the nature and amount of each element of the emolument of each Director and Executive of the Group for the financial year are as follows:

2021	Short term		Share based payments		Post-employment		Total	Perform- ance related
	Base Salary	Other	Perform- ance Rights	Options	Superann- uation	Benefits		
	\$	\$	\$	\$	\$	\$		
Executive Director								
Mr. George Bauk	76,290	-	789,000	-	-	-	865,290	91.2
Non- Executive Directors								
Mr. Gary Billingsley	29,129	-	394,500	-	-	-	423,629	93.1
Mr. Brian McMaster	84,000	-	-	133,620	-	-	217,620	61.4
Ms. Paula Smith	18,000	-	-	-	-	-	18,000	-
Dr. Nicholas Lindsay	11,000	-	-	-	-	-	11,000	-
	218,419	-	1,183,500	133,620	-	-	1,535,539	85.8

At 30 June 2021, director fees outstanding and unpaid to Mr. Bauk totalled \$18,333 (2020: \$nil), to Mr. Billingsley totalled \$3,500 (2020: \$nil), to Mr McMaster totalled \$nil (2020: \$56,000), to Ms. Smith totalled \$1,500 (2020: \$12,000), and to Dr Lindsay (resigned 21 October 2020) totalled \$nil (2020: \$51,150). There were no other executive officers of the Group during the financial year ended 30 June 2021.

Details of the nature and amount of each element of the emolument of each Director and Executive of the Group for the prior financial year are as follows:

2020	Short term		Share based payments		Post-employment		Total	Performance related
	Base Salary	Other	Shares (Debt for Equity)	Options	Superannuation	Benefits		
	\$	\$	\$	\$	\$	\$	\$	%
Executive Director								
Dr. Nicholas Lindsay	41,250	-	51,150	-	-	-	92,400	55.4
Non- Executive Directors								
Mr. Brian McMaster	21,000	-	56,000	-	-	-	77,000	72.7
Ms. Paula Smith	6,000	-	12,000	-	-	-	18,000	66.7
	68,250	-	119,150	-	-	-	187,400	63.6

Shareholdings of Directors

The number of fully paid ordinary shares in the Group held during the financial year held by each Director of the Group, including their personally related parties, is set out below.

2021	Balance at the start of the year	On appointment to the Board	On exercised of options	Other changes	On resignation from the Board	Balance at the end of the year
Mr. George Bauk	-	-	-	42,333,333 ¹	-	42,333,333
Mr. Gary Billingsley	-	-	-	-	-	-
Mr. Brian McMaster	102,030,143	-	10,000,000	72,000,000 ²	-	184,030,143
Ms. Paula Smith	5,007,425	-	-	53,466,666 ³	-	58,474,091
Dr. Nicholas Lindsay	-	-	-	17,050,000 ⁴	-	-

¹ 27,333,333 acquired from participation in placement and 15,000,000 acquired through special crossing trade.

² 33,333,333 acquired from participation in placement, 18,666,667 acquired for debt to equity swap for services previously provided to the Company and, 20,000,000 acquired through special crossing trade.

³ 33,333,333 acquired from participation in placement and 20,133,333 acquired for debt to equity swap for services previously provided to the Company.

⁴ Dr Lindsay ceased to be a Director of the Company on 21 October 2020. On 11 February 2021, 17,050,000 shares were issued pursuant to a debt for equity swap for services previously provided to the Company as a Director.

All equity transactions with key management personnel other than arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

Option Holdings of Directors

The numbers of options over ordinary shares in the Group held during the financial year by each Director of the Group, including their personally related parties, are set out below:

2021	Balance at the start of the year	Other changes during the year	Exercised during the year	Balance at the end of the year	Vested options		Unvested
					Exercisable	Un-exercisable	
Mr. George Bauk	-	-	-	-	-	-	-
Mr. Gary Billingsley	-	-	-	-	-	-	-
Mr. Brian McMaster	10,000,000	30,000,000 ¹	(10,000,000)	30,000,000	30,000,000	-	-
Ms. Paula Smith	5,000,000	-	-	5,000,000	5,000,000	-	-
Dr. Nicholas Lindsay	-	-	-	-	-	-	-

¹ 30,000,000 received as part of the Pitchblende Energy Pty Ltd acquisition approved by shareholders 29 January 2021. On 20 April 2021 10,000,000 were exercised at \$0.0045. The options fair were granted on 11 February 2021 and expire 3 years from the date of issue, and will enable the holder to subscribe for ordinary shares of the Company on a one for one basis, upon payment of the following exercise prices:

No. of Options	Grant Date	\$ Issue Price	\$ Exercise Price	Expiry Date	\$ Value
10,000,000	11/02/2021	0.007	0.0045	11/02/2024	51,707
10,000,000	11/02/2021	0.007	0.008	11/02/2024	45,196
10,000,000	11/02/2021	0.007	0.015	11/02/2024	36,716

The fair value of the options were determined using the Black-Scholes method using the following key inputs: dividend yield: 0%, volatility 110% and risk-free rate of 0.10%.

Performance Rights Holdings of Directors

As approved by shareholders on 29 January 2021, Mr Bauk and Mr Billingsley were issued the following performance rights in connection with their appointments to the Board of Directors:

- (a) Mr Bauk – 120 million performance rights comprised of four (4) equal tranches of 30 million performance rights
- (b) Mr Billingsley - 60 million performance rights comprised of four (4) equal tranches of 15 million performance rights

The performance milestones applying to the performance rights (“Milestones”) are as follows:

- i. Tranche 1 - Trading in shares achieves a 20-day VWAP of \$0.0045;
- ii. Tranche 2 - Trading in shares achieves a 20-day VWAP of \$0.008;
- iii. Tranche 3 - Trading in shares achieves a 20-day VWAP of \$0.015; and
- iv. Tranche 4 - VAL achieves a market capitalisation of \$15 million

During the year, the milestone hurdles for Tranche 1 and Tranche 2 relating to 90,000,000 Director Performance Rights were reached and the Performance Rights vested. On 14 September 2021, the Company announced that milestone hurdle for Tranche 3 relating to 45,000,000 Director Performance Rights vested. The milestone applying to Tranche 4 must be achieved between 1 year (11 February 2022) and 3 years (11 February 2024) for vesting to occur. Once performance conditions are satisfied, each right automatically converts into one ordinary share, irrespective of whether the Director remains in employment.

The fair value of the rights is determined using a hybrid up-and-in trinomial pricing model based on the market price of the company’s shares at grant date being \$0.007, a risk-free rate of 0.10% and a volatility of 110%.

The numbers of performance rights over ordinary shares in the Group held during the financial year by each Director of the Group, including their personally related parties, are set out below:

2021	Balance at the start of the year	Expired during the year	Granted during the year	Balance at the end of the year	Vested rights		Maximum value yet to vest ¹	Unvested
					Exercisable	Un-exercisable		
Mr. George Bauk	-	-	120,000,000	120,000,000	60,000,000	-	-	60,000,000
Mr. Gary Billingsley	-	-	60,000,000	60,000,000	30,000,000	-	-	30,000,000
Mr. Brian McMaster	-	-	-	-	-	-	-	-
Ms. Paula Smith	-	-	-	-	-	-	-	-
Dr. Nicholas Lindsay	-	-	-	-	-	-	-	-

¹ Full expense of \$1,183,500 was recognised on grant date due to no service conditions attached to the rights.

Other transactions with Key Management Personnel

PVW Resources Limited, a company of which Mr. Bauk is a director, provided the Group with a Serviced office and Administration Services totalling \$6,160 (2020: \$nil). \$nil (2020: \$nil) was outstanding at year-end.

Garrison Capital (UK) Limited, a company of which Mr. McMaster is a director, provided the Group with a Serviced office, IT, website and Administration Services totalling \$nil (2020: \$46,334). \$nil (2020: \$nil) was outstanding at year-end. During the year, the Company issued 18,666,667 shares to Mr. McMaster to settle the liabilities accrued to the value of \$56,000 (2020: \$nil) resulting in a loss of \$75,000 being recognised in the income statement.

Palisade Business Consulting Pty Ltd, a company of which Ms. Smith is a director, provided the Group with company secretary services and serviced office facilities including administration and information technology support totalling \$30,250 (2020: \$30,000) and accounting services totalling \$36,300 (2020: \$36,000). \$6,050 (2020: \$48,400) was outstanding at year-end. During the year, the Company issued 20,133,333 shares to Ms. Smith settle the liabilities accrued to the value of \$60,400 (2020: \$nil) resulting in a loss of \$80,533 being recognised in the income statement.

These transactions have been entered into on normal commercial terms.

Loans to Directors and Executives

There were no loans to Directors and Executives during the financial year ending 30 June 2021.

Non-Executive Directors

The Non-Executive Directors have not entered into service agreements with the Group. Their services may be terminated by either party at any time.

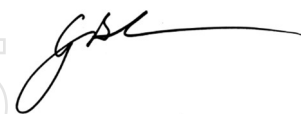
Valor Resources Limited have not engaged any remuneration consultants during the year.

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

Valor Resources Limited received more than 99.14% of "yes" votes on its remuneration report for the 2020 financial year. The Group did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

END OF AUDITED REMUNERATION REPORT

Signed on behalf of the Board in accordance with a resolution of the Directors.



Mr. George Bauk
Executive Chairman
30 September 2021
Perth, Western Australia

Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 30 June 2021

	Note	2021 \$	2020 \$
Interest revenue		5,269	804
Other income	4	290,106	246,513
Expenses			
Listing and share registry expenses		(76,456)	(57,211)
Legal fees		(180,405)	(151,786)
Consultants and directors fees	5(a)	(524,356)	(530,913)
Impairment of receivable	7	-	(464,056)
Travel and accommodation		-	(9,003)
Depreciation		(723)	(2,435)
Foreign exchange gain / (loss)		(31,847)	4,238
Impairment of exploration expenditure	14	-	(496,860)
Share based payment expense	25	(1,444,752)	-
Loss on settlement of liabilities expense	17	(302,600)	-
Wages & salaries		-	(90,579)
Disposal of subsidiaries		(80,000)	-
Other expenses	5(b)	(73,910)	(227,636)
Loss from continuing operations before finance costs & income tax		(2,419,674)	(1,778,924)
Finance costs		(8,778)	-
Fair value loss on deferred consideration liability	6	-	(1,315,507)
Loss from continuing operations before income tax		(2,428,452)	(3,094,431)
Income tax benefit	8	-	-
Loss from continuing operations for the year		(2,428,452)	(3,094,431)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation difference	18	288,402	(676,144)
Other comprehensive loss for the year, net of tax		288,402	(676,144)
Total comprehensive loss for the year		(2,140,050)	(3,770,575)
Loss per share attributable to owners of Valor Resources Limited			
Basic and diluted loss per share (cents per share)	21	(0.103)	(0.160)

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

Consolidated Statement of Financial Position
as at 30 June 2021

	Note	2021 \$	2020 \$
Current Assets			
Cash and cash equivalents	9	557,839	624,971
Trade and other receivables	10	39,786	59,798
Other current assets	12	25,879	15,041
		623,504	699,810
Assets held for sale	11	-	14,425,700
Total Current Assets		623,504	15,125,510
Non-Current Assets			
Property, plant and equipment	13	-	12,387
Deferred exploration and evaluation expenditure	14	6,429,897	815,177
Total Non-Current Assets		6,429,897	827,564
Total Assets		7,053,401	15,953,074
Current Liabilities			
Trade and other payables	15(a)	161,762	402,054
Liabilities associated with asset held for sale	16	-	14,425,700
Total Current Liabilities		161,762	14,827,754
Non-Current Liabilities			
Other payables	15(b)	369,000	105,342
Total Non-Current Liabilities		369,000	105,342
Total Liabilities		530,762	14,933,096
Net Assets		6,522,639	1,019,978
Equity			
Issued capital	17	57,390,563	51,849,714
Reserves	18	19,562,528	17,172,264
Accumulated losses	19	(70,430,452)	(68,002,000)
Total Equity		6,522,639	1,019,978

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

Consolidated Statement of Cash Flows
for the year ended 30 June 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Receipts from VAT refunds		290,106	-
Payments to suppliers and employees		(891,286)	(828,937)
Interest received		5,269	804
Interest paid		(8,778)	(5,120)
Net cash outflow from operating activities	9	(604,689)	(833,253)
Cash flows from investing activities			
Cash received on sale of interest in Radio Gold Mine		-	880,000
Expenditure on exploration		(408,526)	(2,860,563)
Payment to acquire Skyharbour option in Hook Lake Project – net of cash acquired		(40,502)	-
Payment to acquire investment		-	(711,503)
Net cash outflow from investing activities		(449,028)	(2,692,066)
Cash flows from financing activities			
Proceeds from issue of shares		800,000	-
Line of credit per Rio Tinto agreement		-	2,978,924
Proceeds from exercise of share options		270,000	-
Proceeds from options issue		1,800	-
Share issue costs		(53,368)	-
Net cash inflow from financing activities		1,018,432	2,978,924
Net decrease in cash held		(35,285)	(546,396)
Cash and cash equivalents at beginning of financial year		624,971	1,167,129
Net foreign exchange differences		(31,847)	4,238
Cash and cash equivalents at end of the financial year	9	557,839	624,971

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



Consolidated Statement of Changes in Equity
for the year ended 30 June 2021

	Issued Capital	Accumulated Losses	Option Reserves	Foreign Exchange Reserves	Share Based Payments Reserve	Performance Shares Reserve	Total
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2020	51,849,714	(68,002,000)	5,501,485	(52,475)	11,712,193	11,061	1,019,978
Loss for the year	-	(2,428,452)	-	-	-	-	(2,428,452)
<i>Other comprehensive income</i>							
Foreign currency translation difference	-	-	-	288,402	-	-	288,402
Total comprehensive loss for the year	-	(2,428,452)	-	288,402	-	-	(2,140,050)
<i>Transactions with owners in their capacity as owners</i>							
Shares issued as part of acquisition	3,966,667	-	-	-	-	-	3,966,667
Shares issued to settle liabilities	557,550	-	-	-	-	-	557,550
Shares issued as part of placements	800,000	-	-	-	-	-	800,000
Issue of options	-	-	919,524	-	-	-	919,524
Share issue costs	(53,368)	-	-	-	-	-	(53,368)
Exercise of options	270,000	-	-	-	-	-	270,000
Issue of performance rights	-	-	-	-	-	1,182,338	1,182,338
Balance at 30 June 2021	57,390,563	(70,430,452)	6,421,009	235,927	11,712,193	1,193,399	6,522,639
Balance at 1 July 2019	51,729,104	(64,907,569)	5,501,485	623,669	11,712,193	11,061	4,669,943
Loss for the year	-	(3,094,431)	-	-	-	-	(3,094,431)
<i>Other comprehensive income</i>							
Foreign currency translation difference	-	-	-	(676,144)	-	-	(676,144)
Total comprehensive loss for the year	-	(3,094,431)	-	(676,144)	-	-	(3,770,575)
<i>Transactions with owners in their capacity as owners</i>							
Shares issued as part of acquisition	80,000	-	-	-	-	-	80,000
Shares issued to settle liabilities	40,610	-	-	-	-	-	40,610
Balance at 30 June 2020	51,849,714	(68,002,000)	5,501,485	(52,475)	11,712,193	11,061	1,019,978

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

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

1. Corporate Information

The financial statements of Valor Resources Limited and its subsidiaries ("Valor" or "the Group") for the year ended 30 June 2021 were authorised for issue in accordance with a resolution of the Directors on 30 September 2021.

Valor Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and the principal activities of the Group are described in the Directors' Report.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board and Australian Accounting interpretations. Valor Resources Limited is a for-profit entity for the purpose of preparing the financial statements. The financial statements have also been prepared on a historical cost basis. The presentation currency is Australian dollars.

Going Concern

This financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The Group has incurred a loss for the year ended 30 June 2021 of \$2,428,452 (30 June 2020: \$3,094,431) and net cash outflows from operating activities of \$604,689 (2020: \$833,253). At 30 June 2021, the Group had \$557,839 of cash and cash equivalents.

The World Health Organisation announced that the coronavirus (COVID-19) had become a pandemic on 11 March 2020. The full impact of the COVID-19 outbreak continues to evolve at the date of this report. Management is actively monitoring the global situation and its impact on the Group's financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Group continues to monitor the situation very closely, with a primary focus on the health, wellbeing and safety of all persons associated with its operations in Australia, Canada and Peru. The Group has implemented extensive business continuity procedures to ensure ongoing operations with minimal disruptions. To date there has been minimal impact to the Group.

As the Group is expected to incur net cash outflows in the foreseeable future as a result of continued exploration expenditures, the ability of the Group to continue as a going concern is dependent on securing additional funding, most likely through an issuance of new equity. These conditions indicate the existence of a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors believe the Group will continue as a going concern, after consideration of the following factors:

- the level of expenditure can be managed;
- the Directors are confident that the Group will be able to source sufficient future funding from equity raises and/or option exercises when further funding is required;
- the Company has historically been successful in raising further capital when required

The directors plan to continue the Group's operations on the basis outlined above and believe there will be sufficient funds for the Group to meet its obligations and liabilities for at least twelve months from the date of this report.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern and meet its debts as and when they become due and payable.

(b) Compliance Statement

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

2. Summary of Significant Accounting Policies (Continued)

(c) Basis of Consolidation

The consolidated financial statements comprise the financial statements of Valor Resources Limited and its subsidiaries as at 30 June each year ("the Group").

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition.

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

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Statement of Profit or Loss and Other Comprehensive Income and Consolidated Statement of Financial Position respectively.

(d) New and Amended Accounting Standards

Changes in accounting policies

In the year ended 30 June 2021, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for the current reporting period.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2021. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to the Group accounting policies.

New and amended accounting standards and interpretations have been published but are not mandatory. The Group has decided against early adoptions of these standards, and has determined the potential impact on the financial statements from the adoption of these standards and interpretations is not material to the Group.

(e) Foreign Currency Translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional and presentation currency of Valor Resources Limited is Australian dollars. The functional currencies of the overseas subsidiaries are Peruvian Soles, United States Dollars and Canadian Dollars.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(iii) Group entities

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

2. Summary of Significant Accounting Policies (Continued)

(e) Foreign Currency Translation (continued)

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each Statement of Profit or Loss and Other Comprehensive Income are translated at average exchange rates (unless this is not a reasonable approximation of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are taken to shareholders' equity.

When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the Statement of Profit or Loss and Other Comprehensive Income, as part of the gain or loss on sale where applicable.

(f) Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance expenditure is charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which it is incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Plant and Equipment	10-25 %

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

Derecognition

Carrying amounts of plant and equipment are derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(g) Impairment of Non Financial Assets Other than Goodwill

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group and the asset's value in use cannot be estimated. In such cases the asset is tested for impairment as part of the cash generating unit to which it belongs.

When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

2. Summary of Significant Accounting Policies (Continued)

(g) Impairment of Non Financial Assets Other than Goodwill (continued)

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(h) Exploration Expenditure

Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure, but does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest.

Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation.

Exploration and evaluation expenditure for each area of interest is carried forward as an asset provided that one of the following conditions is met:

- such costs are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing.

Expenditure which fails to meet the conditions outlined above is written off, furthermore, the directors regularly review the carrying value of exploration and evaluation expenditure and make write downs if the values are not expected to be recoverable.

Identifiable exploration assets acquired are recognised as assets at their cost of acquisition. Exploration assets acquired are reassessed on a regular basis and these costs are carried forward provided that at least one of the conditions referred to above is met.

Exploration and evaluation expenditure incurred subsequent to acquisition in respect of an exploration asset acquired, is accounted for in accordance with the policy outlined above for exploration expenditure incurred by or on behalf of the entity.

When an area of interest is abandoned, any expenditure carried forward in respect of that area is written off. Expenditure is not carried forward in respect of any area of interest unless the Group's right of tenure to that area of interest is current.

(i) Trade and Other Receivables

Trade and other receivables, which generally have 30 day terms, are recognised initially at fair value and subsequently at amortised cost less an allowance for any expected credit loss. Bad debts are written off when identified. Intercompany loans are impaired based on the ability of the subsidiaries to generate future cash flows to repay the loans.

(j) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown as current liabilities in the statement of financial position. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as described above and bank overdrafts.

2. Summary of Significant Accounting Policies (Continued)

(k) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit or Loss and Other Comprehensive Income net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(l) Trade and Other Payables

Liabilities for trade creditors and other amounts are recognised initially at fair value and subsequently at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received that are unpaid, whether or not billed to the Group.

(m) Income Tax

The income tax expense for the period is based on the profit/loss for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates for each jurisdiction that have been enacted or are substantially enacted by the reporting date.

Deferred income tax is provided for on all temporary differences at reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. No deferred income tax will be recognised from the initial recognition of goodwill or of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and only recognised to the extent that sufficient future assessable income is expected to be obtained.

No deferred income tax liabilities or assets will be recognised in respect of temporary differences between the carrying value and tax bases of investments in controlled entities if the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the near future. Current and deferred income taxes relating to items recognised directly in equity are recognised in equity and not in the Statement of Profit or Loss and Other Comprehensive Income.

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

(n) Issued Capital

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

(o) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue is capable of being reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

2. Summary of Significant Accounting Policies (Continued)

(p) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Valor Resources Limited.

(q) Investments in Controlled Entities

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. Subsequent to the initial measurement, investments in controlled entities are carried at cost less accumulated impairment losses.

(r) Earnings per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the result attributable to equity holders of the Group, excluding any costs of servicing equity other than dividends, by the weighted average number of ordinary shares, adjusted for any bonus elements.

Diluted earnings per share

Diluted earnings per share is calculated as net result attributable to members of the Group, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus elements.

(s) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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. The net amount of GST recoverable from, or payable to, the Australian Tax Office is included as part of receivables or payables in the statement of financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which is receivable from or payable to the ATO, are disclosed as operating cash flows.

(t) Share Based Payment Transactions

The group provides benefits to individuals acting as, and providing services similar to employees (including Directors) of the group in the form of share based payment transactions, whereby individuals render services in exchange for shares or rights over shares ('equity settled transactions').

Shareholders approved the establishment of an Employee Share Plan ("ESP") at a general meeting on 30 November 2017. No securities have been issued under this plan in the current financial year to Directors of the Company. Furthermore, the ESP expired effective 30 November 2020.

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using the Black Scholes formula taking into account the terms and conditions upon which the instruments were granted.

In valuing equity settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Valor ('market conditions').

The cost of the 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 employees become fully entitled to the award ('vesting date').

2. Summary of Significant Accounting Policies (Continued)

(t) Share Based Payment Transactions (continued)

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 balance date. No adjustment is made for the likelihood of the market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The Statement of Profit or Loss and Other Comprehensive Income charge or credit for a period represents the movement in cumulative expense recognised at the beginning and end of the period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition. 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 the modification.

Where an equity settled award is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The cost of equity-settled transactions with non-employees is measured by reference to the fair value of goods and services received unless this cannot be measured reliably, in which case the cost is measured by reference to the fair value of the equity instruments granted. The dilutive effect, if any, of outstanding options is reflected in the computation of loss per share (see note 25).

(u) Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

(v) Asset Acquisitions

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset.

(w) Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control in accordance with AASB 11.

2. Summary of Significant Accounting Policies (Continued)

(w) Interests in joint operations (continued)

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interests a joint operation:

- Its assets, including its share of any assets held jointly;
- Its liabilities, including its share of any liabilities incurred jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its share of the revenue from the sale of the output by the joint operation; and
- Its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with AASBs applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

(x) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Capitalised 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 which could impact the future recoverability include the level of proved, probable and inferred mineral 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, this will reduce profits and net assets 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 which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent that it is determined in the future that this capitalised expenditure should be written off, this will reduce profits and net assets in the period in which this determination is made.

Share based payment transactions

The Group measures the cost of equity settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. For options the fair value is determined by using the Black Scholes formula taking into account the terms, conditions and probability upon which the instruments were granted. For shares the fair value is determined by reference to the share price on the Australian Securities Exchange at the time of issue. For performance rights the fair value is determined by using the Trinomial model taking into account the terms, conditions and probability upon which the instruments were granted.

2. Summary of Significant Accounting Policies (Continued)

(x) Critical Accounting Estimates and Judgements (continued)

For asset acquisitions settled via share based payment arrangements, the Group measures the cost of the asset at the fair value of the asset acquired, or if this cannot be determined, at the fair value of the equity instruments. During the year the Group acquired the Pitchblende project via the issue of equity and as such the transaction is a share-based payment arrangement under AASB 2. Given the nature of the assets acquired, the fair value of the assets was unable to be determined and the transaction was recorded at the fair value of the equity instruments granted. The fair value of the Performance Shares that may be issued under the arrangement was deemed to be nil as the probability of conditions being met was assessed at 0% on acquisition date.

Treatment of Acquisitions

Valor has determined that the acquisitions take the form of an asset acquisition and not a business combination in accordance with AASB 3. In making this decision, Valor determined that the nature of the exploration and evaluation activities by Pitchblende Energy Pty Ltd did not constitute an integrated set of activities and assets that are capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants.

Furthermore, Valor has judged that given the stage of development of the Hook Lake Project and the Cluff Lake Project, the acquired set of assets and processes were not capable at the time of acquisition of producing intended output, namely the production of uranium in a saleable form.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that COVID-19 has had or may have on the Group based on known information. This consideration extends to the nature of products and services offered, customers, supply-chain, staffing and geographic regions in which the Group operates.

Other than as addressed in the Directors' Report and in specific notes, there does not currently appear to be any material impact on the financial statements with respect to events or conditions which may impact the Group unfavourably as at the reporting date.

(y) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost. Financial liabilities in the former category include contingent consideration payable on business combinations, financial liabilities in the latter category include trade payables.

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

Fair value is determined based on the value of the entity's equity instruments when the related business combination takes place.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are subsequently measured, at each reporting date, at the fair value of the amount estimated to settle the liability. The increase or decrease in the value of the liability, other than movements in the value of the liability which arise through part settlement of the liability is recognised in the profit or loss.

Financial liabilities at amortised cost

Trade and other payables are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the entity. Trade accounts payable are normally settled within 60 days.

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

3. Segment Information

Management has determined the operating segments based on the reports reviewed by the Board of directors that are used to make strategic decisions. The entity does not have any operating segments with discrete financial information.

The Board of Directors review internal management reports on a monthly basis that is consistent with the information provided in the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position and Statement of Cash Flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

4. Other Income

	2021	2020
	\$	\$
(a) Other income associated with sale of Radio Gold Project		
Consideration received	-	880,000
Payments prior to acquisition	-	(711,503)
Gain on sale of asset disposal	-	168,497
(b)		
Fuel tax credits	-	12,855
Loan payable write-down	-	65,161
Peruvian value added tax receipt	287,396	-
Other income	2,710	-
	290,106	246,513

During the prior year, Bullfinch One, a subsidiary of Valor, sold their interest in the Radio Gold project resulting in a recognition of \$168,497 gain on sale income.

5. Expenses

	2021	2020
	\$	\$
(a) Consultants and Directors' Fees		
Accounting, audit and tax fees	93,316	81,957
Company secretary costs	30,000	30,000
Consulting fees	182,621	224,291
Director fees	218,419	194,665
	524,356	530,913
(b) Other Expenses		
	2021	2020
	\$	\$
Advertising and promotion	5,750	-
Dewatering expenses	-	57,179
Insurance	25,716	22,265
Rent & Outgoings	3,736	6,143
Administrative services / other	38,708	142,049
	73,910	227,636

6. Finance costs

A finance cost of \$nil (2020: \$1,315,507) has been incurred during the year. This cost relates to the unwinding of the discount applied to the deferred consideration liability incurred upon acquisition of the Berenguela Project. Valor and SSR reached an agreement for SSR to accept a transfer of the Shares in the entities which hold the Berenguela Project from Valor to SSR on terms where the consideration for the transfer is the discharge of Valor's obligations under the Share Sale and Purchase Agreement including the outstanding debt of USD \$10.8m and relevant security interests. The transaction completed during the year on 9 November 2020 and the Company has no further interests in the Berenguela Project.

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

7. Impairment of receivables

The Company incurred impairment of receivable of \$nil (2020: \$464,056) relating to Value Added Tax (VAT) in Peru as the timing and quantum of receipt from Peruvian subsidiary was previously determined to be uncertain. During the period, the Company received \$287,396 for VAT claims from the Peruvian government that had previously been impaired.

8. Income Tax

	2021 \$	2020 \$
(a) Income tax expense		
<i>Major component of tax expense for the year:</i>		
Current tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>
(b) Numerical reconciliation between aggregate tax expense recognised in the Statement of Profit or Loss and Other Comprehensive Income and tax expense calculated per the statutory income tax rate		
<i>A reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Group's applicable tax rate is as follows:</i>		
Loss from operations before income tax expense	(2,428,452)	(3,094,431)
Tax at the Australian rate of 30% (2020: 30%)	(728,536)	(928,329)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	(728,536)	(928,329)
Income tax expense	(728,536)	(928,329)
Movement in unrecognised temporary differences		
Accruals	135,266	390,098
Impairment - EE	-	149,058
Impairment - Receivable	-	139,217
Forex (Unrealised)	-	78,707
Tax effect of current year tax losses for which no deferred tax asset has been recognised	593,270	171,249
Income tax expense	<u>-</u>	<u>-</u>
(c) unrecognised temporary differences		
Deferred Tax Assets (at 30%)		
<i>On Income Tax Account</i>		
Carry forward tax losses	3,999,367	4,678,260
Commercial debt forgiveness	-	(893,677)
Share issue costs deductible over five years	175,292	237,734
Other	135,266	757,080
	4,309,925	4,779,397
<i>Deferred Tax Liabilities (at 30%)</i>	<u>-</u>	<u>-</u>

Deferred income tax assets have not been recognised as it is not probable that future profit will be available against which deductible temporary differences can be utilised.

In addition to the above Australian estimated future income tax benefits the consolidated entity has incurred significant expenditure in Peru, some of which should give rise to taxable deductions. At this stage the company is unable to reliably estimate the quantity of such future tax benefits.

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

9. Cash and Cash Equivalents

	2021	2020
	\$	\$
Reconciliation of Cash		
Cash comprises of:		
Cash at bank	557,839	624,971
Reconciliation of operating loss after tax to net cash flows from operations		
Loss after tax	(2,428,452)	(3,094,431)
Non cash items		
Foreign exchange loss	31,847	(4,238)
Depreciation	723	2,435
Finance Costs	8,778	1,315,507
Non-cash impairments and other write-offs	-	960,916
Share based payments	1,444,752	-
Loss on settlement of liabilities expense	302,600	-
Loss on disposal of subsidiary	80,000	-
Change in assets and liabilities		
(Decrease) / increase in trade and other receivables	(21,571)	430
Increase / (decrease) in trade and other payables	(23,366)	(13,872)
Net cash outflow from operating activities	(604,689)	(833,253)
Non-cash investing and financing activities		
Acquisition of Radio Gold Tenement	-	80,000
Acquisition of Pitchblende Energy Pty Ltd via share-based payment	4,634,766	-
Total non-cash investing and financing activities	4,634,766	80,000

10. Trade and Other Receivables

	2021	2020
	\$	\$
Other Receivables	-	38,290
GST Receivable	39,786	21,508
	39,786	59,798

11. Current assets – non-current assets classified as held for sale

	2021	2020
	\$	\$
Berenguela project	-	14,425,700
	-	14,425,700

During the prior year, Valor and SSR reached an agreement for SSR to accept a transfer of the Shares in the entities which hold the Berenguela Project from Valor to SSR on terms where the consideration for the transfer is the discharge of Valor's obligations under the Share Sale and Purchase Agreement including the outstanding debt of USD \$10.8m and relevant security interests. The sale of the Berenguela Project settled on 9 November 2020.

12. Other current assets

	2021	2020
	\$	\$
Prepayments	25,879	15,041
	25,879	15,041

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

13. Plant and Equipment

	2021	2020
	\$	\$
Opening balance	12,387	15,359
Additions	-	-
Disposals	-	-
Net exchange differences on translation	(11,664)	(537)
Depreciation charge for the year	(723)	(2,435)
Closing balance	-	12,387

14. Deferred Exploration and Evaluation Expenditure

	2021	2020
	\$	\$
Opening balance	815,177	16,823,171
Exploration expenditure incurred during the year	337,538	2,590,440
Acquisition of Pitchblende Energy Pty Ltd ¹	5,045,687	-
Acquisition of Radio Gold Mine Project ²	-	711,503
Sale of Radio Gold Mine Project (refer to note 4)	-	(711,503)
Transfer to assets held for sale ³	-	(14,425,700)
Line of credit per Rio Tinto agreement ⁴	-	(2,978,924)
Impairment ⁵	-	(496,860)
Net exchange differences on translation	231,495	(696,950)
Closing balance	6,429,897	815,177

¹ On 22 October 2020, Valor announced a binding terms sheet of Agreement to acquire 100% of the issued capital in Pitchblende Energy Pty Ltd, which held an 100% interest in the Cluff Lake project and an option to earn an 80% interest into the Hook Lake project. Refer to note 26.

² On 4 September 2019, Valor announced a binding Heads of Agreement to earn up to a 75% interest in the Radio Gold Mine through its subsidiary Bullfinch One.

³ Refer to note 11.

⁴ As announced on 14 January 2019, the Company entered a Joint Venture Option Agreement with Kennecott Exploration Company (KEX), a wholly owned subsidiary of Rio Tinto. Pursuant to the Option Agreement, KEX was required to spend US\$2 million on exploration expenditure on the Berenguela Project. In November and December 2019, Valor and Rio Tinto entered into a release agreement whereby Valor is released from the obligation to repay the debt derived from the Line of credit. On 31 January 2020, the Company announced that KEX elected not to proceed with the JV agreement.

⁵ Based on the information per note 11, an impairment of the Berenguela Project was recognised to bring the Berenguela Project portion of Exploration Expenditure in line with the liabilities associated with assets held for sale of \$14,425,700.

15. Trade and Other Payables

	2021	2020
	\$	\$
(a) Current		
Other payables	33,775	351,584
Deferred consideration liability ¹	79,000	-
Accruals - Other	48,987	46,101
Provisions	-	4,369
	161,762	402,054
(b) Non-Current		
Deferred consideration liability ¹	369,000	-
Borrowings	-	-
Deferred Tax Liability	-	105,342
	369,000	105,342

¹ The fair value is based on nominal amounts within the agreement and no assumptions have been used to determine the present value of the future payments based on a discount rate as the amounts are deemed insignificant. Refer to note 26.

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

16. Current liabilities – liabilities directly associated with assets classified as held for sale

	2021	2020
	\$	\$
Deferred consideration liability ¹	-	14,425,700
	<u>-</u>	<u>14,425,700</u>

¹ Refer to note 6 & note 11.

17. Issued Capital

	2021	2020
	\$	\$
(a) Issued and paid up capital		
Ordinary shares fully paid	<u>57,390,563</u>	<u>51,849,714</u>

	2021		2020	
	Number	\$	Number	\$
(b) Movements in shares on issue				
Opening balance	1,920,848,085	51,849,714	1,893,192,258	51,729,104
Shares issued as part of placements	266,666,667	800,000	-	-
Exercise of options	60,000,000	270,000	-	-
Shares issued as part of acquisitions ¹	566,666,666	3,966,667	20,000,000	80,000
Shares issued through settlement of liabilities ²	75,650,000	529,550	7,655,827	40,610
Shares issued for services received ³	4,000,000	28,000	-	-
Share issue costs	-	(53,368)	-	-
Closing balance	<u>2,893,831,418</u>	<u>57,390,563</u>	<u>1,920,848,085</u>	<u>51,849,714</u>

¹ As announced on 22 October 2020 and following settlement on 11 February 2021, Valor completed the acquisition of Pitchblende Energy by issuing to the vendors a total of 566,666,666 fully paid ordinary Valor shares. Pitchblende Pty Ltd holds interest in two uranium projects located in Saskatchewan, Canada with various mineral claims hosting several prospective areas of uranium mineralisation.

² Shares issued to settle liabilities with a carrying value \$226,950 resulting in a fair value loss on settlement of \$302,600.

³ Share based payments were valued at share price on the date of issue as fair value of the asset could not be determined.

(c) Ordinary shares

The Group does not have authorised capital nor par value in respect of its issued capital. Ordinary shares have the right to receive dividends as declared and, in the event of a winding up of the Group, to participate in the proceeds from sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or proxy, at a meeting of the Group.

(d) Capital risk management

The Group's capital comprises share capital, reserves less accumulated losses amounting to a net asset balance of \$6,243,411 at 30 June 2021 (2020: net assets balance of \$1,019,978). The Group manages its capital to ensure its ability to continue as a going concern and to optimise returns to its shareholders.

The Group was ungeared at year end and not subject to any externally imposed capital requirements. Refer to note 24 for further information on the Group's financial risk management policies.

(e) Share Options

As at 30 June 2021, there were 570,000,000 unissued ordinary shares under options (530,583,333 the lodgement date). The details of the options are as follows:

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

17. Issued Capital (continued)

	Listed Options Exercise at \$0.015 by 31/12/2021	Unlisted Options Exercise at \$0.0045 by 11/02/2024	Unlisted Options Exercise at \$0.008 by 11/02/2024	Unlisted Options Exercise at \$0.015 by 11/02/2024	Unlisted Options Exercise at \$0.015 by 03/05/2023
Balance at 1 July 2020	400,000,000	-	-	-	-
Issued during the period	25,000,000	60,000,000	60,000,000	60,000,000	25,000,000
Exercised during the period	-	(60,000,000)	-	-	-
Expired during the period	-	-	-	-	-
Balance at as at 30 June 2021	425,000,000	-	60,000,000	60,000,000	25,000,000

On 3 May 2021, the Company proposed to grant a third-party consultant a further 50,000,000 unlisted options exercisable at \$0.015 expiring two years from the date of issue. On 14 September 2021, the options were cancelled as the achievement of the Company's shares trading at a volume weighted average share price of \$0.015 prior to 2 September 2021 was not met. No option holder has any right under the options to participate in any other share issue of the Company or any other entity. No options were exercised since the end of the year.

18. Reserves

	2021 \$	2020 \$
Option reserve	6,421,009	5,501,485
Foreign currency translation reserve	235,927	(52,475)
Share based payments reserve	11,712,193	11,712,193
Performance shares reserve	1,193,399	11,061
	19,562,528	17,172,264

Movements in Reserves

	2021 \$	2020 \$
Options reserve		
Opening balance	5,501,485	5,501,485
Options issued	919,524	-
Closing balance	6,421,009	5,501,485

The options reserve is used to record the premium paid on the issue on options.

Foreign currency translation reserve

Opening balance	(52,475)	623,669
Foreign currency translation difference	288,402	(676,144)
Closing balance	235,927	(52,475)

The Foreign Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve, as described in note 2(e). The reserve is recognised in profit and loss when the net investment is disposed of.

Share based payments reserve

Opening balance	11,712,193	11,712,193
Share based payments expense	-	-
Closing balance	11,712,193	11,712,193

The share based payments reserve is used to record the value of options provided to directors, executives and other employees and as part of their remuneration and non-employees for their services.

Performance shares reserve

Opening balance	11,061	11,061
Performance shares issued	1,182,338	-
Closing balance	1,193,399	11,061

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

18. Reserves (continued)

The performance share reserve is used to record the value of performance shares provided to directors as part of their remuneration for their services.

19. Accumulated losses

	2021	2020
	\$	\$
Movements in accumulated losses were as follows:		
Opening balance	(68,002,000)	(64,907,569)
Loss for the year	(2,428,452)	(3,094,431)
Closing balance	(70,430,452)	(68,002,000)

20. Auditor's Remuneration

	2021	2020
	\$	\$
The auditor of Valor Resources Limited is BDO Audit (WA) Pty Ltd		
Amounts were paid or payable for:		
- an audit or review of the financial statements of the entity and any other entity in the Consolidated group	47,563	39,552

21. Loss per Share

	2021	2020
	\$	\$
Loss used in calculating basic loss per share	(2,428,452)	(3,094,431)
	Number of Shares	
Weighted average number of ordinary shares used in calculating basic loss per share:	2,350,823,260	1,934,249,436

There is no impact from 570,000,000 options outstanding at 30 June 2021 (2020: 400,000,000 options) on the earnings per share calculation because they are anti-dilutive. These options could potentially dilute basic earnings per share in the future. There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

22. Related Party Disclosures

(a) Key management personnel

Details of the nature and amount of each element of the emolument of each Director and Executive of the Group for the financial year are as follows:

	2021	2020
	\$	\$
Short term employee benefits	218,419	68,250
Share based payments	1,317,120	119,150
Total remuneration	1,535,539	187,400

For detailed key management personnel remuneration information refer to the audited Remuneration Report.

(b) Other transactions with related parties

PVW Resources Limited, a company of which Mr. Bauk is a director, provided the Group with a Serviced office and Administration Services totalling \$6,160 (2020: \$nil). \$nil (2020: \$nil) was outstanding at year-end.

22. Related Party Disclosures (continued)

Garrison Capital (UK) Limited, a company of which Mr. McMaster is a director, provided the Group with a Serviced office, IT, website and Administration Services totalling \$nil (2020: \$46,334). \$nil (2020: \$nil) was outstanding at year-end. During the year, the Company issued 18,666,667 share to Mr. McMaster to settle the liabilities accrued to the value of \$56,000 (2020: \$nil) resulting in a loss of \$75,000 being recognised in the income statement.

Palisade Business Consulting Pty Ltd, a company of which Ms. Smith is a director, provided the Group with company secretary services and serviced office facilities including administration and information technology support totalling \$30,250 (2020: \$30,000) and accounting services totalling \$36,300 (2020: \$36,000). \$6,050 (2020: \$48,400) was outstanding at year-end. During the year, the Company issued 20,133,333 share to Ms. Smith settle the liabilities accrued to the value of \$60,400 (2020: \$nil) resulting in a loss of \$80,533 being recognised in the income statement.

These transactions have been entered into on normal commercial terms.

(c) Loans to Directors and Executives

There were no loans to Directors and Executives during the financial year ending 30 June 2021. All other transactions were made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

23. Interests in Other Entities

(a) Subsidiaries

The Group's principal subsidiaries as at 30 June 2021 and 30 June 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of Entity	Country of Incorporation	Equity Holding	
		2021	2020
Kiwanda S.A.C	Peru	100%	100%
Pitchblende Energy Pty Ltd ¹	Australia	100%	-
1255004 B.C. Ltd ¹	Canada	100%	-
Bullfinch One Pty Ltd ²	Australia	100%	100%
Fossores Ltd ³	Cayman Islands	-	100%
Sociedad Minera Berenguela S.A. ³	Peru	-	100%

¹ On 29 January 2021, the Company's shareholders approved the acquisition of Pitchblende Energy Pty Ltd and its 100% owned subsidiary 1255004 B.C. Ltd.

² On 1 June 2021, the directors passed a special resolution that Bullfinch One Pty Ltd be wound up voluntarily by way of a members' voluntary winding up as the entity was no longer required for operations.

³ On 9 November 2020, the Company completed the transfer of the entities which held rights to the Berenguela Project back to SSR Mining Limited (SSR).

24. Financial Risk Management

Exposure to interest rate, liquidity and credit risk arises in the normal course of the Group's business. The Group does not hold or issue derivative financial instruments. The Group uses different methods as discussed below to manage risks that arise from these financial instruments. The objective is to support the delivery of the financial targets while protecting future financial security.

(a) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risk by maintaining sufficient cash facilities to meet the operating requirements of the business and investing excess funds in highly liquid short term investments. The responsibility for liquidity risk management rests with the Board of Directors. Alternatives for sourcing our future capital needs include our cash position and the issue of equity instruments.

24. Financial Risk Management (continued)

These alternatives are evaluated to determine the optimal mix of capital resources for our capital needs. We expect that, absent a material adverse change in a combination of our sources of liquidity, present levels of liquidity along with future capital raising will be adequate to meet our expected capital needs.

Maturity analysis for financial liabilities

Financial liabilities of the Group comprise trade and other payables and deferred consideration. As at 30 June 2021 and 30 June 2020 all trade and other payables are contractually matured within 30 days and so the carrying value equals the contractual cash flows.

The value of the deferred consideration is the board's assessment of the value of contracted future payments issued under the agreement for the acquisition licence of the Hook Lake and Cluff Lake projects. The fair value is based on nominal amounts within the agreement and no assumptions have been used to determine the present value of the future payments based on a discount rate as the amounts are deemed insignificant.

The principal payments are contractually required in Canadian dollars and have been converted to Australian dollars.

(b) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. The Group's exposure to market risk for changes to interest rate risk relates primarily to its earnings on cash and term deposits. The Group manages the risk by investing in short term deposits.

	2021	2020
	\$	\$
Cash and cash equivalents	557,839	624,971

Interest rate sensitivity

There was no material impact from changes in interest rates during the financial year ending 30 June 2021.

(c) Credit Risk Exposures

Credit risk represents the risk that the counterparty to the financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss. The Group is exposed to credit risk from financial institutions where cash is held and from debtors, in particular from those arising from transactions in foreign jurisdictions.

The Group's maximum credit exposure is the carrying amounts on the statement of financial position. The Group's cash and cash equivalents as at 30 June 2021 is substantially held by one reputable Australian banking financial institution with a credit rating of AA-.

(d) Fair Value Measurement

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

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

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

24. Financial Risk Management (continued)

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Consolidated – 2021				
Assets				
Assets held for sale	-	-	-	-
Total assets	-	-	-	-
Liabilities				
Deferred consideration payments	-	-	448,000	448,000
Liabilities associated with asset held for sale	-	-	-	-
Total liabilities	-	-	448,000	448,000
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Consolidated – 2020				
Assets				
Assets held for sale	-	-	14,425,700	14,425,700
Total assets	-	-	14,425,700	14,425,700
Liabilities				
Liabilities associated with asset held for sale	-	-	14,425,700	14,425,700
Total liabilities	-	-	14,425,700	14,425,700

There were no transfers between levels during the financial year.

Non-recurring fair value measurements

The fair value of the liabilities associated with the deferred consideration is estimated by discounting the remaining contractual maturities at the current market interest rate.

There were no other financial assets or liabilities at 30 June 2021 requiring fair value estimation and disclosure, their carrying values approximate fair value.

(e) Foreign Currency Risk

Currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The Group does not have any material exposure to foreign currency risk.

25. Share Based Payments

Share based payment transactions recognised as operation expenses in the statement of profit or loss and other comprehensive income or exploration expenditure on the statement of financial position during the year were as follows:

	2021	2020
	\$	\$
<i>(a) Operating expenses</i>		
Share based payments to consultants	127,632	-
Shared based payments to Directors	1,317,120	-
Total	1,444,752	-

On 12 February 2021 the Company issue 4,000,000 ordinary fully paid shares in the Company to a third-party supplier for the ongoing provision of services. On 3 May 2021, the Company granted 25,000,000 unlisted options exercisable at \$0.015 expiring 3 May 2023 and 25,000,000 listed options exercisable at \$0.015 expiring 31 December 2021.

The options were granted in-lieu of cash consideration for the provision of consulting services.

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

25. Share Based Payments (continued)

Performance Rights to Directors:

In conjunction with the Pitchblende transaction the Company issued 180,000,000 performance rights to directors in four tranches with various market-based vesting conditions. The details of the performance rights are as follows:

- (i) Tranche 1 of 45,000,000 performance shares (30,000,000 to Mr George Bauk and 15,000,000 to Mr Gary Billingsley) with a vesting condition of the trading of the Company's shares achieving a 20-day VWAP of \$0.0045. The performance rights must be converted into shares within 2 years of vesting;
- (ii) Tranche 2 of 45,000,000 performance shares (30,000,000 to Mr George Bauk and 15,000,000 to Mr Gary Billingsley) with a vesting condition of the trading of the Company's shares achieving a 20-day VWAP of \$0.008. The performance rights must be converted into shares within 2 years of vesting;
- (iii) Tranche 3 of 45,000,000 performance shares (30,000,000 to Mr George Bauk and 15,000,000 to Mr Gary Billingsley) with a vesting condition of the trading of the Company's shares achieving a 20-day VWAP of \$0.015. The milestone must be achieved within 3 years of issue, and;
- (iv) Tranche 4 of 45,000,000 performance shares (30,000,000 to Mr George Bauk and 15,000,000 to Mr Gary Billingsley) upon the Company achieving a market capitalisation of \$15m. The milestone must be achieved between 1 year (11 Feb 2022) and 3 years (11 Feb 2024).

During the year, Tranche 1 and Tranche 2 vested and must be converted into shares within 2 years of vesting, at the holder's absolute discretion. For vesting to occur, the Milestones applying to Tranches 3 must be achieved within 3 years of issue, being 11 February 2024 and the Milestone applying to Tranche 4 must be achieved between 1 year (11 February 2022) and 3 years (11 February 2024). The fair value of the Performance Rights was \$1,183,500, which has been recorded in the income statement in the current year.

The Company also issued 180,000,000 options to directors and advisors. The fair value at grant date of options granted was determined using the Black Scholes option pricing model that 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 and the risk free interest rate for the term of the option. The table below summarises options granted:

Grant date	Expiry date	Exercise price	Granted during the year	Exercised during the period	Forfeited during the period	Balance at end of the period	Exercisable at end of the period
11/02/2021	11/02/2024	\$0.0045	60,000,000	60,000,000	-	-	-
11/02/2021	11/02/2024	\$0.008	60,000,000	-	-	60,000,000	60,000,000
11/02/2021	11/02/2024	\$0.015	60,000,000	-	-	60,000,000	60,000,000
Weighted remaining contractual life (years)			3			2.60	2.60
Weighted average exercise price			\$0.0092			\$0.0092	\$0.0092

The model inputs, not included in the table above, for options granted during the year ended 30 June 2021 included:

- (a) options are granted for no consideration;
- (b) share price at grant date was \$0.007;
- (c) expected volatility of 110%;
- (d) expected dividend yield of nil; and
- (e) a risk free interest rate of 1.82%.

	2021	2020
	\$	\$
(b) Exploration expenditure		
Share based payments for acquisition of exploration asset	3,966,667	-
Share based payments for transaction costs of acquisition	668,099	-
Total	4,634,766	-

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

25. Share Based Payments (continued)

Pitchblende Energy Pty Ltd acquisition:

On 12 February 2021, the Company acquired 100% of the voting shares of Pitchblende Energy Pty Ltd and issued 333,333,333 ordinary shares in the Company at \$0.007 per share and 333,333,333 performance rights to the shareholders of Pitchblende Energy Pty Ltd. Furthermore, the Company issued 233,333,333 ordinary shares in the Company at \$0.007 per share to Skyharbour Resources Limited to acquire an option for the Hook Lake project.

The Performance Rights for Vendors will vest, and be convertible into shares, on the achievement of the following performance milestones and in the following amounts:

- (i) 166,666,667 performance rights vesting on the achievement of significant mineralised intersections of not less than 10m @ >0.5% U3O8 or equivalent (e.g. 5m @ > 1.0% U3O8) within 2 years after completion; and
- (ii) 166,666,666 performance rights vesting on the identification of a mineral resource of at least 10 million pounds U3O8 at a cut-off grade of 0.5%

The Performance Rights have been assessed to have a zero probability of being issued at acquisition date. Given the acquired tenements are at early-stage exploration, the company has assessed that it is not known whether the performance conditions would be met.

26. Asset Acquisition

On 22 October 2020, the Company announced an agreement to acquire 100% of the ordinary shares of Pitchblende Energy Pty Ltd for the total consideration of \$5,133,657 comprising shares, performance rights and options. Pitchblende Pty Ltd holds interest in two uranium projects located in Saskatchewan, Canada with various mineral claims hosting several prospective areas of uranium mineralisation. The transaction was approved by the Company's shareholders on 29 January 2021 and settled on 12 February 2021.

Pitchblende Pty Ltd did not qualify as a "business" under the guidelines stipulated in AASB 3 Business Combinations and was accounted for as an asset acquisition.

Details of the acquisition are as follows:

Fair Value
\$

Cash and cash equivalents	10,389
Trade and other receivables	363
Other assets	9,200
Exploration acquisition costs	5,117,695
Trade and other payables	(3,990)
Net assets acquired	5,133,657

Acquisition-date fair value of the total consideration transferred

5,133,657

Representing:

- Cash payment to Skyharbour Resources Limited	50,892
- Deferred consideration for cash payments due to Skyharbour Resources Limited (no discounting)	448,000
- 333,333,333 ordinary shares in the Company at \$0.007 per share to the shareholders of Pitchblende Energy Pty Ltd	2,333,333
- 233,333,333 ordinary shares in the Company at \$0.007 per share to Skyharbour Resources Limited (see note 25)	1,633,333
- 333,333,333 performance rights in the Company at \$nil per share to Skyharbour Resources Limited (see note 25)	-
	4,465,558

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

26. Asset Acquisition (continued)

Shares and options issued to consultants involved in the acquisition:

- 50,000,000 options at a strike price of \$0.0045, expiring on 11 February 2024	258,537
- 50,000,000 options at a strike price of \$0.008, expiring on 11 February 2024	225,980
- 50,000,000 options at a strike price of \$0.015, expiring on 11 February 2024	183,582
	<hr/>
	668,099

5,133,657

27. Contingent Liabilities

Valor entered into an agreement with SSR Mining Limited ('SSR'), whereby SSR agreed to acquire the Company's interest in the Berenguela Project in consideration for the release and discharge of Valor's acquisition obligations under the original Acquisition Agreements of USD \$10.8m owed to SSR and the relevant security interests. The Group have divested all of its share capital interest in Sociedad Minera Berenguela S.A. and Fossoles Limited which hold the relevant interests in the Berenguela Project. Following lodgement of Capital Cost Certificates related to the SSR agreements, the Peruvian Taxation Authority has validated an acquisition cost which could trigger a Peruvian capital gains tax liability of USD1.1 million (AUD: \$1,426,920).

The Company strongly disagrees with the result of the Capital Cost Certificates and an appeal against the decision has been commenced. Valor holds a Contingent Asset and right of indemnity from Aftermath Silver Ltd for an amount up to the lesser of USD \$550,000 (AUD: \$713,460) or 50% of the amount of any resultant liability if any taxes become payable by Valor.

Based on advice from the Peruvian legal advisors, the prospects of a successful appeal resulting in no tax payable are strong, the appeal process is expected to take up to 4 years to be heard and resolved and the costs to run the appeal process are anticipated to be minimal at USD \$15,000 (AUD: \$19,458). As such, the Company considers there is considerable uncertainty regarding the quantum and timing of an obligation, if any, and resultant indemnity and has not provided for the claims in its Financial Statements.

Royalties are payable to Skyharbour Resources Ltd on 14 mineral claims and Denison Mines Corp. for 2 mineral claims from the Hook Lake Project that consists of a 2% of NSR (net smelter return) on production. These items have not been included as consideration for the acquisition given they are contingent in nature and cannot be reliably measured at the date of acquisition because they are dependent on future events not wholly within the control of the entity.

There are no other known contingent liabilities.

28. Commitments

There were no commitments as at 30 June 2021 (2020: nil).

29. Events Subsequent to Reporting Date

On 7 July 2021, the Company announced it had entered into a binding agreement for the acquisition of the Pendleton Lake uranium and copper project. The acquisition settled on 23 July 2021 with the Company paying the vendors \$5,407 in cash and 5,000,000 ordinary shares at an issue price of \$0.01 for 100% ownership of six tenements that comprise of the Pendleton Lake project.

On 30 July 2021, the Company announced that it had issued 40,000,000 Performance Rights to consultants which will vest, and be convertible into shares, on the achievement of certain milestones.

On 6 August 2021, the Company announced that 50,000,000 Unlisted Options expiring 11 February 2024 had been exercised at \$0.008 to raise \$400,000. On 14 September 2021, the Company announced that 10,000,000 Unlisted Options expiring 11 February 2024 had been exercised at \$0.008 to raise \$80,000. Furthermore, the Company announced that the milestone hurdle had been reached for Tranche 3 of 45,000,000 Performance Rights for the Directors.

On 17 September 2021, the Company announced that 39,416,667 Unlisted Options expiring 11 February 2024 had been exercised at \$0.015 to raise \$591,250.

There were other no known significant events from the end of the financial year up to the date of this report.

Valor Resources Limited

Notes to the Consolidated Financial Statements for the year ended 30 June 2021

30. Dividends

No dividend was paid or declared by the Group in the period since the end of the financial year and up to the date of this report. The Directors do not recommend that any amount be paid by way of dividend for the financial year.

31. Parent Entity Information

The following details information related to the parent entity, Valor Resources Limited, at 30 June 2021. The information presented here has been prepared using consistent accounting policies as presented in note 2.

	2021	2020
	\$	\$
Current assets	557,587	422,429
Total assets	7,051,747	15,711,817
Current liabilities	160,108	14,691,839
Total liabilities	529,108	14,691,839
Net Assets / (Liabilities)	6,522,639	1,019,978
Issued capital	57,390,563	51,849,714
Reserves	19,605,830	17,224,740
Accumulated losses	(70,473,754)	(68,054,476)
Total Equity	6,522,639	1,019,978
Loss of the parent entity	(2,419,278)	(996,331)
Other comprehensive loss for the year	-	-
Total comprehensive loss of the parent entity	(2,419,278)	(996,331)

There are no known contingent liabilities in the parent entity.

Directors' Declaration

In accordance with a resolution of the Directors of Valor Resources Limited, I state that:

1. In the opinion of the directors:
 - a) the financial statements and notes of Valor Resources Limited for the year ended 30 June 2021 are in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the consolidated financial position as at 30 June 2021 and of its performance for the year ended on that date; and
 - ii. Complying with Accounting Standards (including the Australian Accounting Interpretations), Corporations Regulations 2001 and other mandatory professional reporting requirements.
 - b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(b).
2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
3. This declaration has been made after receiving the declarations required to be made by the Director's in accordance with sections of 295A of the Corporations Act 2001 for the financial year 30 June 2021.

On behalf of the Board



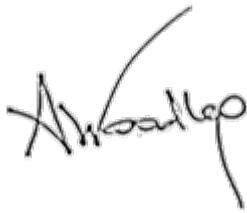
Mr. George Bauk
Executive Chairman
30 September 2021
Perth, Western Australia

DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF VALOR RESOURCES LIMITED

As lead auditor of Valor Resources Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Valor Resources Limited and the entities it controlled during the period.



Ashleigh Woodley
Director

BDO Audit (WA) Pty Ltd
Perth, 30 September 2021

INDEPENDENT AUDITOR'S REPORT

To the members of Valor Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Valor Resources Limited (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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including 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:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

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

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

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

Material uncertainty related to going concern

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

Key audit matters

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

Accounting for Asset Acquisition

Key audit matter	How the matter was addressed in our audit
<p>On 22 October 2020, the Company announced an agreement to acquire 100% of the ordinary shares of Pitchblende Energy Pty Ltd.</p> <p>Accounting for this transaction is complex and requires management to exercise judgement to determine the appropriate accounting treatment including whether the acquisition should be classified as an asset or business acquisition, estimating the fair value of net assets acquired and estimating the fair value of the purchase consideration.</p> <p>As a result, we have determined that this is a key audit matter.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the transaction, including an assessment of whether the transaction constituted an asset or business acquisition; • Reviewing the sale and purchase agreement to understand key terms and conditions; • Assessing management's determination of the fair value of consideration paid and agreeing the consideration to supporting documentation; • Evaluating management's assessment of the fair value of net assets acquired; • Agreeing that no goodwill was recognised and that costs associated with the acquisition were capitalised in order to be in line with the correct accounting policy for asset acquisitions; • Obtaining a schedule of the areas of interest acquired and held by the Group and assessing whether the rights to tenure were valid at the date of acquisition; and • We have also assessed the adequacy of the related disclosures in Note 2 and Note 26 to the financial report.

Carrying value of Deferred Exploration and Evaluation Expenditure

Key audit matter	How the matter was addressed in our audit
<p>The carrying value of the deferred exploration and evaluation expenditure as at 30 June 2021 is disclosed in Note 14 of the financial report. As the carrying value of the deferred exploration and evaluation expenditure represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular:</p> <ul style="list-style-type: none"> • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment. <p>As a result, this is considered a key audit matter</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether there are any other facts or circumstances existing to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 14 to the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

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

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

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

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

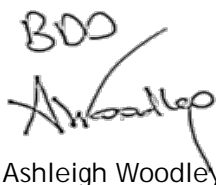
We have audited the Remuneration Report included in pages 16 to 20 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Valor Resources 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.

BDO Audit (WA) Pty Ltd



Ashleigh Woodley

Director

Perth, 30 September 2021

Additional ASX Information

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 1 September 2021.

Company Secretary

The Company Secretary is Ms Paula Smith.

Registered Office and Principal Administrative Office

Address: 22 Lindsay Street, Perth, Western Australia, 6000; Telephone: (08) 9200 3467

Register of Securities

The Register of Securities is kept at Automic Registry Services, Level 2/267 St George's Terrace, Perth, WA, 6000. Telephone: 1300 288 664.

Issued Capital

Quoted/Unquoted	Class	Number of Units	Number of Holders
Quoted	Fully Paid Ordinary Shares	2,948,831,418	2,260
Quoted	Listed Options @ \$0.015 expiry 31.12.2021	425,000,000	196
Unquoted	Unlisted Options @ \$0.008 expiry 11.02.2024	10,000,000	1
Unquoted	Unlisted Options @ \$0.015 expiry 11.02.2024	60,000,000	14
Unquoted	Unlisted Options @ \$0.015 expiry 03.05.2023	25,000,000	1
Unquoted	Vendor Performance Rights	333,333,333	7
Unquoted	Director Performance Rights	180,000,000	2
Unquoted	Consultant Performance Rights	40,000,000	3

Distribution of Share Holders

	Ordinary Shares	
	Number of Holders	Number of Shares
1 - 1,000	138	26,929
1,001 - 5,000	57	168,109
5,001 - 10,000	28	215,092
10,001 - 100,000	621	40,413,400
100,001 - and over	1,416	2,908,007,888
TOTAL	2,260	2,948,831,418

There were 368 holders of ordinary shares holding less than a marketable parcel.

Top Twenty Ordinary Share Holders

Name	Number of Shares held	%
SKYHARBOUR RESOURCES LIMITED	233,333,333	7.91%
SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	125,000,000	4.24%
BRIANT NOMINEES PTY LTD <BRIANT SUPER FUND A/C>	102,030,143	3.46%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	94,437,028	3.20%
MS ZOLZAYA BYAMBAA	70,000,081	2.37%
SISU INTERNATIONAL PTY LTD	66,591,196	2.26%
DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	60,000,000	2.03%
APICAL PARTNERS PTY LTD	58,481,516	1.98%
GEONOMICS AUSTRALIA PTY LTD	57,474,529	1.95%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	55,835,103	1.89%
BRIANT NOMINEES PTY LTD<BRIANT SUPER FUND A/C>	53,333,333	1.81%
CITICORP NOMINEES PTY LIMITED	53,260,876	1.81%
RESORT STYLE LIVING PTY LTD <HERALD FAMILY A/C>	50,416,184	1.71%
STEVEN SEQUEIRA PTY LTD <STEVEN SEQUEIRA A/C>	50,416,183	1.71%
SOUTHERN FOREST WINES PTY LTD	47,614,215	1.61%
SISU INTERNATIONAL PTY LTD	47,000,000	1.59%
MR LAY ANN ONG	37,333,333	1.27%
PERSHING AUSTRALIA NOMINEES PTY LTD <ACCUM A/C>	37,302,158	1.26%
TOTODE PTY LTD <HINDMARSH INVESTMENT A/C>	32,500,000	1.10%
AGENS PTY LTD <THE MARK COLLINS S/F A/C>	31,433,333	1.10%
Total	1,363,792,544	46.25%

Additional ASX Information

Distribution of Listed Option Holders

Options over ordinary shares exercisable at \$0.015 on or before 31 December 2021.

	Listed Options	
	Number of Holders	Number of Options
1 - 1,000	-	-
1,001 - 5,000	-	-
5,001 - 10,000	-	-
10,001 - 100,000	5	427,792
100,001 - and over	191	424,572,208
TOTAL	196	425,000,000

Top Twenty Listed Option Holders

Options over ordinary shares exercisable at \$0.015 on or before 31 December 2021.

Name	Number of Options held	%
AVONGLADE ENTERPRISES PTY LTD	35,000,000	8.24%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	16,404,860	3.86%
MR DANIEL STEVEN SPIRDONOFF	13,500,000	3.18%
CITICORP NOMINEES PTY LIMITED	12,000,000	2.82%
CELTIC CAPITAL PTY LTD <INCOME A/C>	12,000,000	2.82%
MRS JESSICA CAYNA	11,300,000	2.66%
MR DANIEL AARON HYLTON TUCKETT	10,136,711	2.39%
TREASURY SERVICES CORPORATION PTY LTD <TREASURY SERVICES SUPER A/C>	10,000,000	2.35%
MR ROLAND RUPP & MRS KYLIE RUPP	10,000,000	2.35%
BEEZ AND HONEY PTY LTD <THE HONEY POT A/C>	10,000,000	2.35%
FRAKA INVESTMENTS PTY LTD	8,500,000	2.00%
M & K KORKIDAS PTY LTD <M & K KORKIDAS PTY LTD A/C>	8,300,000	1.95%
TENBAGGA RESOURCES FUND PTY LTD <TENBAGGA FAMILY A/C>	8,000,000	1.88%
MRS BELINDA MARTIN	7,941,619	1.87%
M & K KORKIDAS PTY LTD <M&K KORKIDAS P/L S/FUND A/C>	6,800,000	1.60%
MR COREY JONOTHAN MULLER	6,625,000	1.56%
COMSEC NOMINEES PTY LIMITED	5,648,761	1.33%
MR HONGYI YU	5,600,000	1.32%
KIWANDA GROUP LLC	5,000,000	1.18%
APICAL PARTNERS PTY LTD	5,000,000	1.18%
Total	207,756,951	48.88%

Substantial Shareholders

The names of shareholders who have notified the Company in accordance with Section 671B of the *Corporations Act 2001* are:

Shareholder Name	No. of Ordinary Shares	Percentage %
Skyharbour Resources Limited	233,333,333	8.23%
Brian McMaster	184,030,143	6.49%
Jason Peterson	160,411,826	5.53%
Tolga Kumova	152,924,529	5.28%

Additional ASX Information

Unquoted Securities

The following persons hold 20% or more of the equity securities in an unquoted class:

Class	Holder	Number of Units	% Held
Unlisted Options @ \$0.008 expiry 11.02.2024	Bilgi Investments Pty Ltd <Bilgi Investments S/F A/C>	10,000,000	100%
Unlisted Options @ \$0.015 expiry 03.05.2023	Gaks Investment Holdings Pty Ltd <Gaks Investment A/C>	25,000,000	100%
Performance Rights	Totode Pty Ltd <Hindmarsh Investment A/C>	120,000,000	21.69%

On-Market Buy Back

There is no current on-market buy back.

Voting Rights

All ordinary shares carry one vote per share without restriction. Options and Performance Shares do not carry any voting rights. On a show of hands every person present who is a Member or representative of a Member shall have one vote and on a poll, every Member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each share held. None of the options have any voting rights.

Tenement Table

Interests in mining tenements held are detailed in the table below:

Project	Tenement		Location	Status	Ownership
Corona	Corona 01-18	01-01208-18	Peru	Granted	100%
	Corona 02-18	01-01209-18		Granted	
	Corona 03-18	01-01210-18		Granted	
	Corona 04-18	01-01211-18		Granted	
	Corona 05-18	01-01212-18		Granted	
	Corona 06-18	01-01213-18		Granted	
Picha Project	Picha 2	01-03853-05	Peru	Granted	100%
	Picha 3	01-03854-05		Granted	
	Picha 7	01-00578-07		Granted	
	Leon 3	01-04638-08		Granted	
Hook Lake	Hook Lake 1	S-110197	Canada	Granted	80% Option
	Hook Lake 2	S-110198		Granted	
	Hook Lake 3	MC00011055		Granted	
	Hook Lake 4	MC00012406		Granted	
	Hook Lake 5	MC00013238		Granted	
	Hook Lake 6	MC00013241		Granted	
	Hook Lake 7	MC00013242		Granted	
	Hook Lake 8	MC00013243		Granted	
	Hook Lake 9	MC00013244		Granted	
	Hook Lake 10	MC00013246		Granted	
	Hook Lake 11	MC00013248		Granted	
	Hook Lake 12	MC00013250		Granted	
	Hook Lake 13	MC00013253		Granted	
	Hook Lake 14	MC00013425		Granted	
	Hook Lake 15	MC00013594		Granted	
	Hook Lake 16	MC00013606		Granted	

Additional ASX Information

Project	Tenement		Location	Status	Ownership
Cluff Lake	Cluff Lake 1	MC00014073	Canada	Granted	100%
	Cluff Lake 2	MC00014074		Granted	
	Cluff Lake 3	MC00014075		Granted	
	Cluff Lake 4	MC00014076		Granted	
	Cluff Lake 5	MC00014077		Granted	
	Cluff Lake 6	MC00014078		Granted	
	Cluff Lake 7	MC00014079		Granted	
	Cluff Lake 8	MC00014080		Granted	
	Cluff Lake 9	MC00014081		Granted	
	Cluff Lake 10	MC00014082		Granted	
	Cluff Lake 11	MC00014083		Granted	
	Cluff Lake 12	MC00014084		Granted	
	Cluff Lake 13	MC00014085		Granted	
	Cluff Lake 14	MC00014086		Granted	
	Cluff Lake 15	MC00014087		Granted	
	Cluff Lake 16	MC00014088		Granted	
	Cluff Lake 17	MC00014089		Granted	
	Cluff Lake 18	MC00014090		Granted	
	Cluff Lake 19	MC00014096		Granted	
Pendleton Lake	Pendleton Lake 1	MC00013454	Canada	Granted	100%
	Pendleton Lake 2	MC00013494		Granted	
	Pendleton Lake 3	MC00013610		Granted	
	Pendleton Lake 4	MC00013616		Granted	
	Pendleton Lake 5	MC00014442		Granted	
	Pendleton Lake 6	MC00014443		Granted	
Lorado Uranium Mine	Lorado 1	MC00014091	Canada	Granted	100%
Smitty Uranium Mine	Smitty 1	MC00014092	Canada	Granted	100%
Hidden Bay	Hidden Bay 1	MC00014093	Canada	Granted	100%
Surprise Creek	Surprise Creek 1	MC00014936	Canada	Granted	100%
	Surprise Creek 2	MC00014937		Granted	
	Surprise Creek 3	MC00014938		Granted	