

8

Im

Infinity mining

ANNUAL REPORT

For year ended 31 March 2022

Gold
Silver
Nickel
Lithium

For personal use only

TABLE OF CONTENTS

1. CORPORATE DIRECTORY	3
2. REPORT ON OPERATIONS	6
3. DIRECTORS' REPORT	14
4. FINANCIAL REPORT	23
5. CORPORATE GOVERNANCE	58
6. ADDITIONAL ASX INFORMATION	79

CORPORATE DIRECTORY

DIRECTORS

Alan Joseph (Joe) Phillips (Executive Chairman)
Josephus (Joe) Antonio Groot (Director and CEO)
Cameron McCall (Non-Executive Director)
Dr Michael Kale (Non-Executive Director)
Harley Groot (Non-Executive Director)

COMPANY SECRETARY

Mima Wirakara

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

Suite 1G, Building 1
Kings Row Office Park
40 McDougall Street
MILTON QLD 4064
Website: www.infintymining.com.au
E-mail: communications@infintymining.com.au

SHARE REGISTRY*

Link Market Services
Limited Level 21, 10
Eagle Street
BRISBANE QLD 4000

Telephone: +61 7 3320 2200
Website: linkmarketservices.com.au

LEGAL ADVISER

HopgoodGanim
Lawyers Level 8
Waterfront Place
1 Eagle Street Brisbane QLD 4000
BRISBANE QLD 4000

Telephone: +61 7 3024 0000
Facsimile: +61 7 3024 0300
Website: www.hopgoodganim.com.au

AUDITORS

Vincents Assurance and
Risk Advisory Santos Place
Level 34/32 Turbot Street
BRISBANE QLD 4000

HOME EXCHANGE

Australian Securities Exchange Limited
Level 40, Central Park, 152-158 St Georges Terrace
PERTH WA

ASX CODE

Share Code: IMI

For personal use only

23

2. REPORT ON OPERATIONS

3. DIRECTORS REPORT

2. REPORT ON OPERATIONS

2.1 PILBARA ASSETS

The Pilbara Assets containing 11 Exploration Licenses covering an area of ~697km² in the Pilbara region includes an extensive portfolio of lithium, gold, copper, zinc and nickel exploration tenements. The package includes the Hillside, Panorama, Tambourah, Noreena Downs and Strelley Gorge projects (see Table 1). The current focus in the Pilbara is Lithium as many of the tenements lie in a similar geological setting as the nearby Pilgangoorah Lithium Mine operated Pilbara Minerals Ltd (see Figure 1).

The Infinity Pilbara tenements are shown below in Table 1.

Table 1: Pilbara Tenement Details

Tenement	Project	Holder	Area (km ²)	Blocks	Expiry Date
E45/4685	Hillside	Infinity Mining Ltd	35.03	11	11/01/2027
E45/4708	Hillside	Infinity Mining Ltd	85.99	27	20/11/2022
E45/4709	Hillside	Infinity Mining Ltd	70.15	22	20/11/2022
E45/4824	Hillside	Infinity Mining Ltd	206.30	65	4/12/2022
E45/4732	Panorama	Infinity Mining Ltd	137	43	20/11/2022
E45/4764	Panorama	Infinity Mining Ltd	12.77	4	9/08/2022
E45/4779	Panorama	Infinity Mining Ltd	102.57	33	15/01/2023
E45/4848	Tambourah	Infinity Mining Ltd	3.18	1	13/12/2022
E46/1210	Noreena Downs	Infinity Mining Ltd	44.47	14	1/07/2023
E45/4735*	Strelley Gorge	Macarthur Iron Ore Pty Ltd	11.17	5	20/11/2022
E45/5324*	Tambourah	Macarthur Iron Ore Pty Ltd	12.74	4	04/04/2024

*Tenements owned by a third-party Macarthur Iron Ore Pty Ltd ACN 081 705 651 (MIO). Infinity Mining holds rights to explore for, extract and sell all minerals, including gold, lithium and nickel, from the MIO Tenements other than iron ore (Non – Iron Ore Rights) pursuant to a Tenement Sale and Non-Iron Ore Rights Agreement dated 11 August 2021.

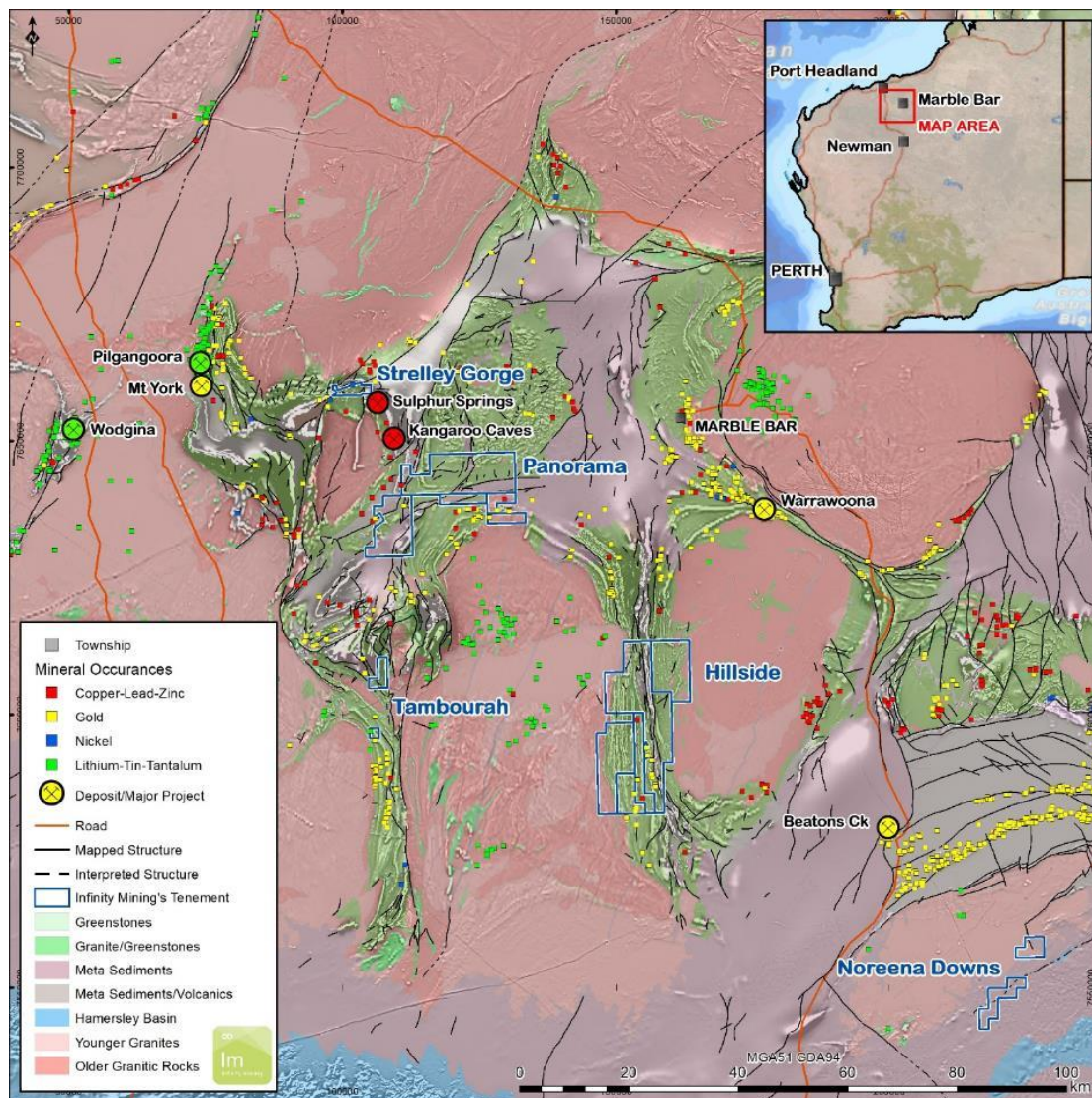


Figure 1: Location Map showing Infinity's Pilbara Projects

HILLSIDE

The Hillside Project encompasses Exploration Licenses E45/4685, E45/4824, E45/4708 and E45/4709, held by the Company. This group of tenements is located approximately 185 km Southeast of Port Hedland and 50 km Southwest of Marble Bar in Western Australia. The project area has previously been explored by various companies for gold, copper, zinc and lead but limited historical drilling data exists. A helicopter-supported reconnaissance program was completed by Infinity in April 2022, focusing on several Lithium targets at Hillside. Rock chip samples were collected on that trip and sent to a WA Laboratory for analysis (results pending). The Hillside Project is developing into a high-priority area, given the high prospectivity for Lithium and the global interest in Lithium. During the March 2022 quarter, one of the key tenements E45/4685 was renewed for a further 5 years.

TAMBOURAH

The Tambourah Lithium Project consists of Exploration Licenses E45/4848 and E45/5324 located approximately 200 km southeast of Port Hedland and 80 km southwest of Marble Bar in the Pilbara region of Western Australia. A helicopter-supported reconnaissance program was completed by Infinity in April 2022, focusing on several Lithium targets at Tambourah. Rock chip samples were collected on that trip and sent to a WA Laboratory for analysis. The assay results from the April 2022 rock chip sampling program compliment previous rock chip sampling in 2017 and support the presence of a large system of Lithium bearing pegmatite dykes within the South Tambourah Tenement E45/4848.¹

The main exploration targets at Tambourah are lithium bearing pegmatites within the various rock types.

¹ ASX Announcement dated 9 June 2022, titled "Infinity confirms lithium mineralisation within Tambourah Project".

NOREENA DOWNS

The main exploration targets at Noreena Downs are lithium bearing pegmatites within the various rock types. The Mosquito Creek Formation has been mapped by the GSWA as having folded pegmatite dykes close to the faulted contact with the Kurrana Batholith.

Except for a reconnaissance helicopter visit by the Company in 2021, there has been no relevant exploration conducted by the Company or by previous companies on the tenement.

PANORAMA

The Panorama Project encompasses Exploration Licenses E45/4732, E454764 and E45/4779 held by the Company, covering a total of approximately 252 km².

The Panorama Project is located 265km south-south-east of Karratha in the Pilbara Region of Western Australia. The project is prospective for gold hosted within conglomerate, base metals and lithium. The tenement group contains an extensive area of the Mt Roe Basalt which is the geological member of the Fortescue Group that overlies the conglomerate gold horizon at Artemis Resources Limited's Purdy's Reward Project near Karratha, Western Australia.

The main exploration target at Panorama is conglomerate hosted gold deposits along the Mt Roe Basalt/Hardey Formation contact, as found at Artemis Resources Limited's Purdy's Reward. The region is also considered to have significant potential for the discovery of large polymetallic VMS systems particularly at depth. A helicopter-supported reconnaissance program was completed by Infinity in April 2022 focusing on several Gold, Nickel, and Base metals targets on Panorama. Rock chip samples were collected on that trip and sent to a WA Laboratory for analysis (results pending).

2.2 CENTRAL GOLDFIELDS ASSETS

The Central Goldfields Assets containing 7 Prospecting Licenses (four currently under conversion to Mining Leases), two granted Mining Leases and one Exploration Licence, situated in and around the Leonora region, some ~220 km north of Kalgoorlie.

The Central Goldfields tenements are listed below in Table 2. A location map is included as Figure 2.

Table 2: Central Goldfields Tenement Details

Tenement	Project	Holder	Area (km ²)	Blocks	Expiry Date
E37/1442	Craig's Rest~	Infinity Mining Ltd		1 Block	19/10/2026
M37/1349	Victor Bore	Infinity Mining Ltd	0.154	15.37155 Ha	10/03/2042
P37/8278^	Barlow's Gully	Infinity Mining Ltd	2.000	200 Ha	27/03/2021
M37/1359#	Barlow's Gully	Infinity Mining Ltd		200 Ha	Under Application
M37/983	Chicago	Infinity Mining Ltd	0.378	38 Ha	19/02/2029
P37/8310^	Great Northern Workings	Infinity Mining Ltd	1.340	134 Ha	14/05/2021
M37/1360#	Great Northern Workings	Infinity Mining Ltd		134 Ha	Under application
P37/8325^	Camel	Infinity Mining Ltd	1.910	191 Ha	29/01/2022
M37/1367#	Camel	Infinity Mining Ltd	1.910	191 Ha	Under application
P37/8376^	Victor Bore	Infinity Mining Ltd	1.800	180 Ha	27/01/2022
M37/1368#	Victor Bore	Infinity Mining Ltd	1.800	180 Ha	Under Application
P37/8468	Craig's Rest~	Infinity Mining Ltd	1.380	138 Ha	19/11/2022
P37/8571	Specking Patch	Infinity Mining Ltd	1.087	108.69 Ha	06/12/2023
P37/9162	Coppermine	Infinity Mining Ltd	1.110	111 Ha	06/12/2023

^ Application submitted for conversion to Mining Lease(#)

~ Formerly "Garden Well"

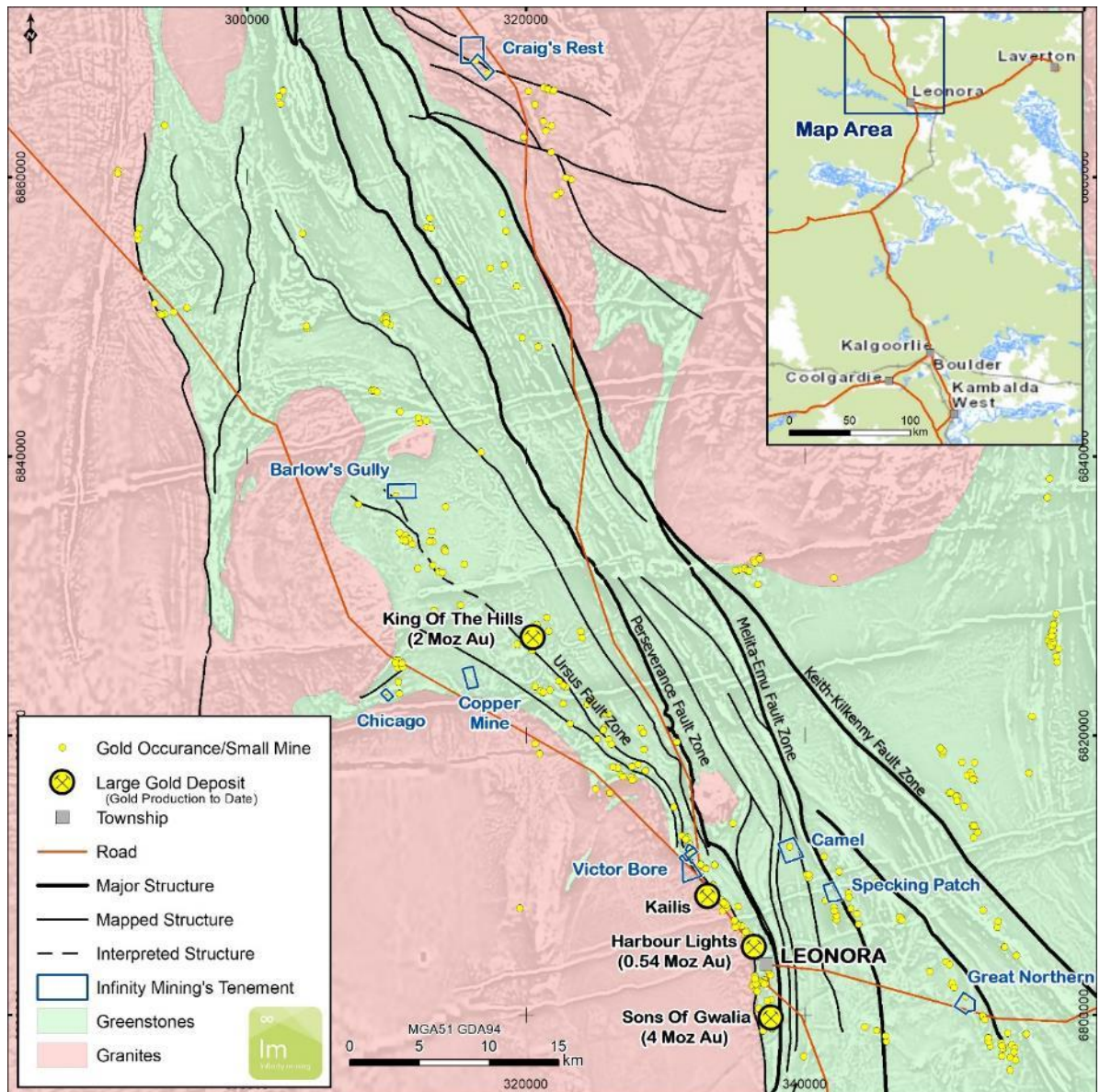


Figure 2: Location Map showing Infinity's Central Goldfields Projects

CRAIG'S REST

The Craig's Rest project area is located approximately 60km north-north-west of Leonora and 40km north of the Tarmoola mine site. The close proximity of known deposits and the potentially favourable structural/geological setting within the Craig's Rest area lends a highly prospective nature to the project.

The tenement is situated in the central portion of the Norseman Wiluna Greenstone Belt within the Archean Yilgarn block. DMIRS records, and on-site observation, indicate historic gold mining activity consisted of a number of shallow shafts, bell pits and adits located across the tenement. Since January 2022, Infinity geologists have undertaken geological mapping, soil sampling and rock chip surveys over the main zones of interest. Assay results are currently being interpreted to support the POW application for a RC scout drilling program later in 2022. Approval has been received by the traditional Owners of the area to undertake these activities.

GREAT NORTHERN WORKINGS

On 10 January 2022, Infinity outlined the drilling program² along with a video of the commencement of the first RC hole. This program was designed to mirror the earlier RC program completed in 1987 - 1988 by Melita Mining NL.

A 12-hole RC drilling program for 724 m total drilling was completed during the March 2022 quarter at the Great Northern tenement (P37-8310). The program was completed in January 2022 and gold assays were returned to the company in March 2022. Multi-element analyses for a selection of samples are still pending.³

The RC program was designed to verify the gold mineralisation intersected in a historical RC drilling program completed by Melita Mining in 1987-1988. The Melita drilling program was originally reported in 1988 (see WAMEX Report A25349). Drill collar tables for both Infinity and Melita RC drilling programs are included below (see **Tables 3 and 4**). A map showing the collar locations (and drill traces) of both Infinity and Melita RC drill holes, is included below as **Figure 3**.

Table 3: RC Drill hole collar details for 2022 Infinity drilling program at Great Northern.

Hole_ID	GDA_EAST	GDA_NORTH	RL	Dip	Azimuth	Depth (m)	Date Completed
GN22RC100	351587	6801331	412	-60	212	90	10/01/2022
GN22RC101	351583	6801295	430	-60	212	66	10/01/2022
GN22RC102	351573	6801284	395	-60	212	48	9/01/2022
GN22RC103	351557	6801326	389	-60	212	60	11/01/2022
GN22RC104	351547	6801312	394	-60	212	48	11/01/2022
GN22RC105	351574	6801316	398	-60	212	78	11/01/2022
GN22RC106	351564	6801304	351	-60	212	66	11/01/2022
GN22RC107	351603	6801288	394	-60	212	60	9/01/2022
GN22RC108	351598	6801281	391	-60	212	48	9/01/2022
GN22RC109	351625	6801288	388	-60	212	66	9/01/2022
GN22RC110	351617	6801270	396	-60	212	40	8/01/2022
GN22RC111	351554	6801287	386	-60	212	54	12/01/2022

Table 4: RC Drill hole collar details for 1987-1988 Melita drilling program at Great Northern.

Hole	GDA94 East	GDA94 North	Dip	Azimuth	Depth (m)
GN01	351577	6801288	-60	210	45
GN02	351584	6801303	-60	210	65
GN03	351554	6801320	-60	210	54
GN04	351621	6801278	-60	210	78
GN05	351592	6801312	-60	210	80
GN06	351559	6801283	-60	210	13
GN07	351545	6801297	-60	210	38
GN08	351553	6801275	-60	210	32
GN09	351603	6801288	-60	210	60
GN10	351521	6801340	-60	210	60
GN11	351570	6801311	-60	210	61

² Refer to the Company's news release dated 10 January 2022, titled "Drilling commences at Great Northern Historical Gold Mine."

³ Refer to the Company's news release dated 31 March 2022, titled "Quarterly activities report for period ended 31 March 2022."

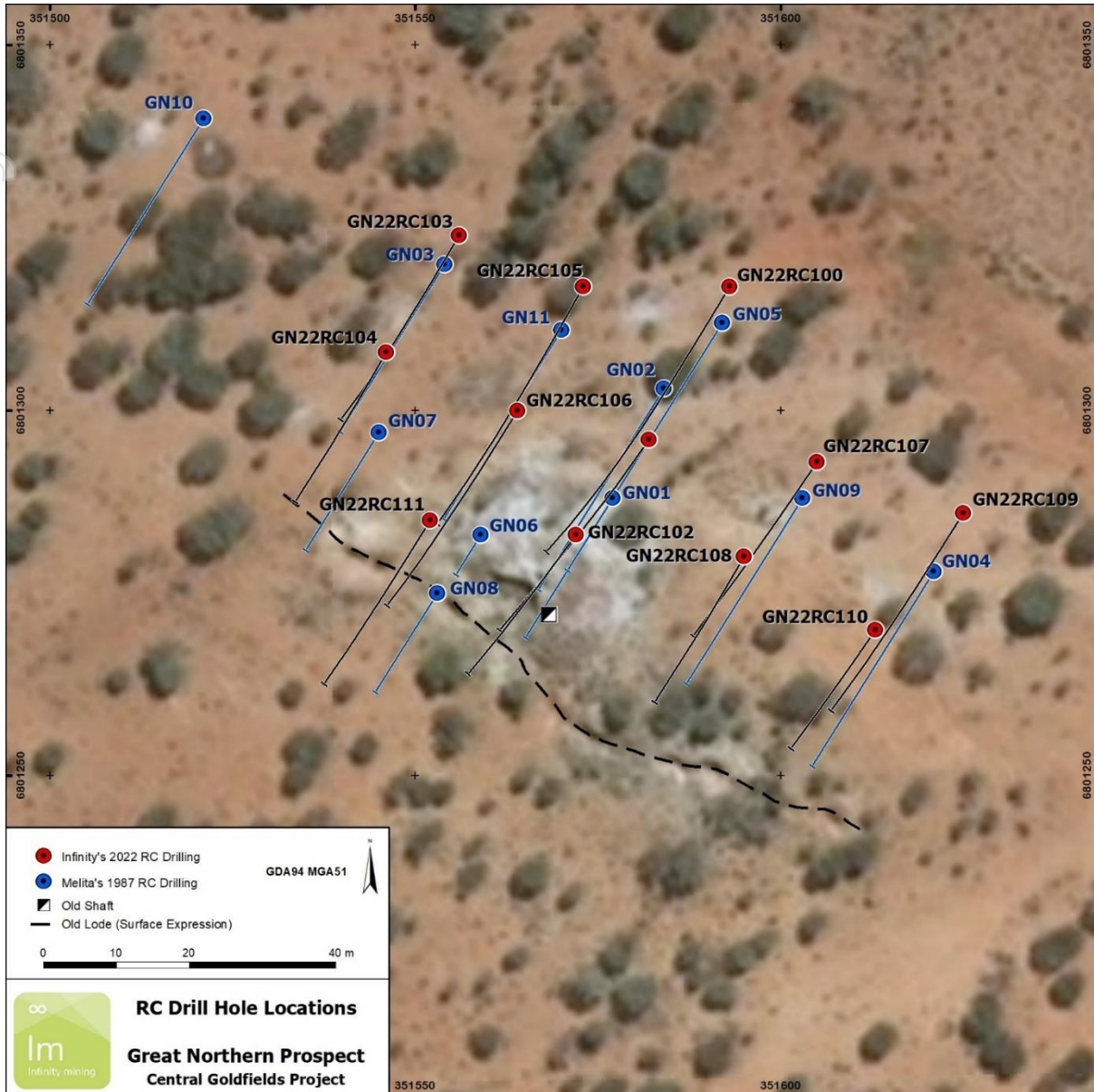


Figure 3: Drill hole collar location map at Great Northern showing both Infinity and Melita drill holes, plus drill hole traces.

The Great Northern RC drilling program was successful in verifying the subsurface gold mineralisation, as reported by Melita Mining NL in Melita's Annual Report to August 1988 (WAMEX Report A25349). Assays from the Infinity RC program returned multiple gold intercepts over 1 g/t Au, with individual assays up to 10.95 g/t Au (1 m sample).

Significant gold intercepts from the Infinity RC program are reported below in **Table 5**, which were calculated using a 0.2 g/t Au cut-off grade. Significant intercepts from the Melita Mining ML RC drilling program (1987-88) are also included below in **Table 6** for comparison.

The maximum gold assay from the Melita program was 24.1 g/t Au, from 12-13 m (EOH) in hole GN06. All gold intercepts quoted within Tables 5 and 6 are weighted averages of the gold assays from 1 m RC drilling samples, using a cut-off grade of 0.2 g/t Au. Infinity has confidence in the Melita drilling data, as the historical results compare moderately well with Infinity's drilling results. Infinity reported the Great Northern drilling results under the JORC (2012) Code including a JORC Table 1, in its ASX Announcement dated 25 March 2022.

Table 5: Infinity RC drill hole gold assays intercepts at Great Northern (at a 0.2 g/t Au cut-off grade).

Drill Hole	Length	Gold Grade	From
GN22RC101	5m	2.48 g/t	37m
<i>includes</i>	2m	5.22 g/t	37m
GN22RC102	3m	0.83 g/t	25m
GN22RC103	2m	1.41 g/t	51m
GN22RC105	3m	0.77 g/t	49m
GN22RC105	3m	1.21 g/t	70m
GN22RC106	3m	0.66 g/t	51m
GN22RC107	3m	1.44 g/t	49m
GN22RC107	1m	0.68 g/t	53m
GN22RC108	3m	2.87 g/t	34m
<i>includes</i>	1m	7.78 g/t	35m
GN22RC109	2m	1.27 g/t	47m
GN22RC110	3m	0.70 g/t	28m
GN22RC111	4m	3.25 g/t	13m
<i>includes</i>	1m	8.89 g/t	13m
GN22RC111	4m	3.68 g/t	30m
<i>includes</i>	1m	10.95 g/t	32m

Table 6: Melita RC drill hole gold assays intercepts at Great Northern (at a 0.2 g/t Au cut-off grade).

Drill Hole	Length	Gold Grade	From
GN01	2m	1.2 g/t	38m
GN02	4m	2.22 g/t	44m
GN02	8m	4.24 g/t	58m
<i>includes</i>	2m	10.2 g/t	60m
GN03	2m	1.55 g/t	32m
GN03	2m	3.77 g/t	44m
GN06	3m	13.89 g/t	10m
<i>includes</i>	1m	24.1 g/t	12m
GN08	6m	0.93 g/t	Surface
GN09	4m	2.03 g/t	42m
GN11	4m	2.31 g/t	42m

The Infinity RC drilling program has confirmed the continuity of gold mineralisation below the historical workings at Great Northern. The significant gold intercepts from the Infinity program compare moderately well with the historical Melita program (see **Tables 5 and 6**). The gold mineralisation at Great Northern is hosted in quartz-veins within felsic to intermediate schists. The zones of quartz veining dip steeply to the SW, as shown on a cross-section interpretation below (see **Figure 4**). The interpretation of drilling results shows several sub-parallel zones of gold mineralisation, with the system being open at depth.

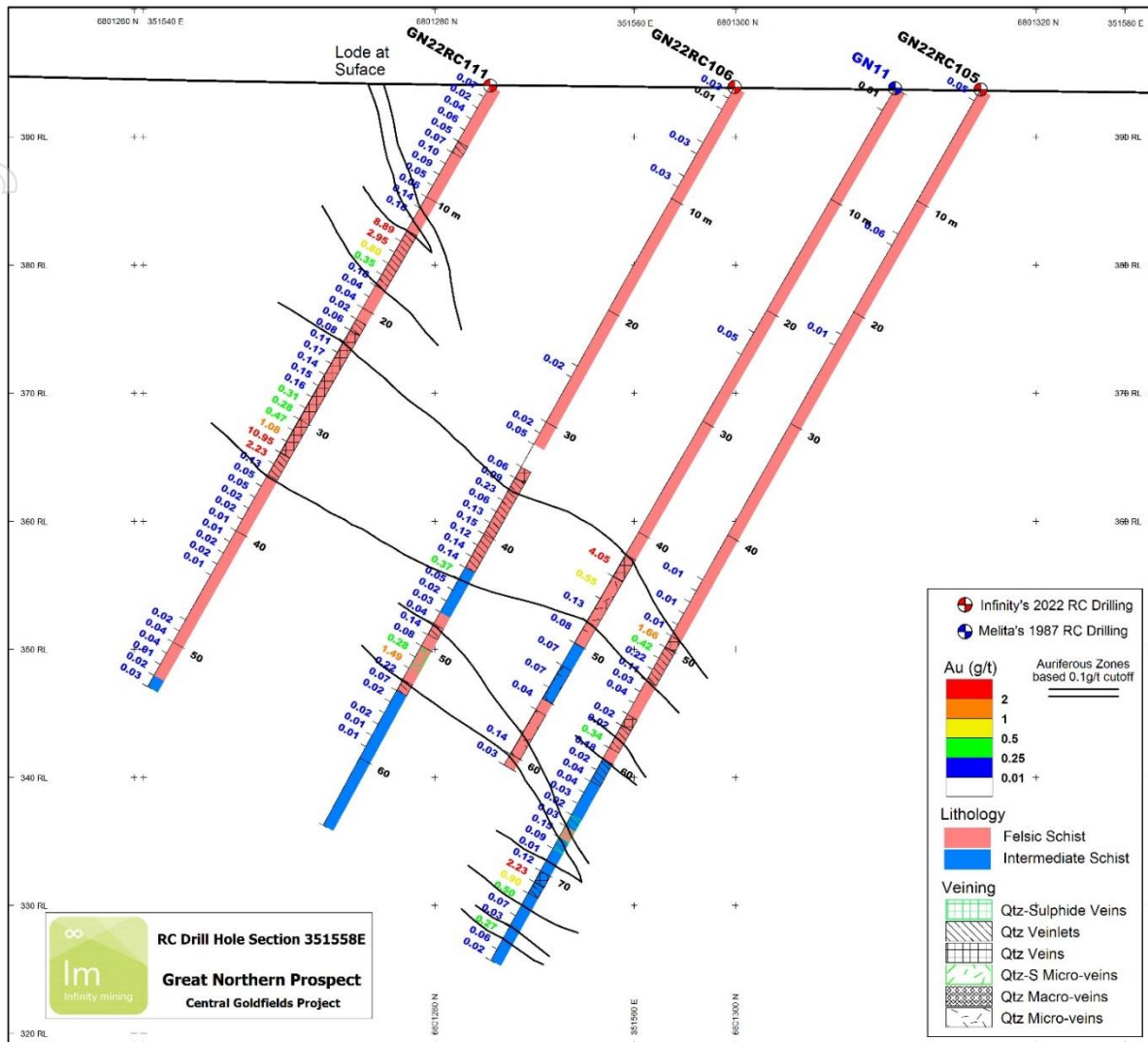


Figure 4: SW-NE cross-section through Infinity holes GN22RC111, 106 and 105, showing the interpreted trends of gold mineralisation.

Given the positive first-stage results at Great Northern, Infinity will now undertake more detailed 3D modelling of the geology and gold mineralisation. The 3D modelling will also help Infinity to design a new drilling program, to test for extensions of the gold mineralisation at depth and along strike. The drilling to date has only tested mineralisation to shallow depths (maximum 70 m), therefore deeper drilling is well justified

BARLOW'S GULLY

Barlow's Gully (P37/8278) is located in the Leonora District of the Central Goldfields. The tenement lies over an area of mapped greenstone, situated along a major regional structure, the Ursus Fault Zone, which also hosts other major gold mining operations (e.g., King of the Hills, Kailis).

The first stage of ground exploration was carried out by the Company during the March 2022 quarter, with the completion of a 679-metre, 194-hole Aircore Drilling program. This program was designed to identify potential hardrock gold sources for the abundant surface/alluvial gold present within surface soils and drainage channels across the tenement. Downhole samples were collected and have been submitted to a WA laboratory for gold and multi-element analyses. Assay results are currently being interpreted to better understand the source of the mineralised area.

VICTOR BORE

The Victor Bore leases lie adjacent to the Kailis deposit currently being mined by Northern Star (see **Figure 2**). During the quarter, Infinity geologists have undertaken geological mapping, soil sampling and rock chip surveys over the main zones of interest. Assay results currently being interpreted to better determine the extent of the historic gold mineralised area.

COPPERMINE, CHICAGO, SPECKING PATCH, CAMEL

These tenement areas have received historical gold exploration and small-scale historical mining activity. Geological data over these prospects are being compiled and interpreted by the Infinity geological team. All of these areas have been sampled and mapped. Assay results currently being interpreted to better determine the extent of the historic gold and copper mineralised area. New exploration programs will be designed based on this geological interpretation

3. DIRECTORS REPORT

The Directors present their report together with the financial statements for the financial year ended 31 March 2022.

3.1 DIRECTORS

ALAN (JOE) PHILLIPS, EXECUTIVE CHAIRMAN

Mr Phillips is Managing Director and CEO of Macarthur Minerals Limited and was responsible for the original funding and development of the Company's significant iron ore assets, having completed its 2012 Prefeasibility Study and obtaining environmental approvals for the Ularring Hematite Project.

Mr Phillips was educated at the University of Queensland and combines strong project management skills with a discipline in economics and a detailed understanding of the operation of public administrations and the elected governments in Australia. Mr Phillips was the General Manager for Economic Development for the City of Brisbane for eight years before joining the executive of ENERGEX Retail Pty Ltd for three years and completing his Public Service career with the Queensland Lottery where he was involved in the privatisation of this government asset to Tattersalls (now Tabcorp).

Independence

Mr Phillips is currently the Executive Chairman of Infinity Mining and Managing Director of Macarthur Minerals Limited (substantial shareholder of Infinity Mining) and is not considered to be independent.

JOSEPHUS (JOE) GROOT, DIRECTOR AND CEO

Mr Groot has had his own civil earthmoving company for 39 years. The majority of this time has been spent as Company Director, completing major civil projects for local and state government. For the past ten years he has spent time in the West Australian Goldfields (Leonora) region prospecting, acquiring leases and contracting to ASX listed companies, as well as in NSW.

Independence

Mr Groot is currently the CEO and Director of Infinity Mining and is not considered to be independent.

CAMERON MCCALL, NON-EXECUTIVE DIRECTOR

Mr McCall has a wealth of experience across the financial services and commercial property industries within Australia and internationally. He has been providing investment advice, equity capital raising and share trading for over 17 years to corporate entities and private clients at Hartley's Limited and Macquarie Bank Limited.

During his 40-year career, Mr McCall has built an extensive network of international and Australian based high net worth individuals and corporate entities. Mr McCall is currently running a corporate advisory business providing advice on asset acquisition and capital raising to international and Australian based organisations.

Independence

Mr McCall is currently a Non-Executive Director of Infinity Mining and Executive Chairman of Macarthur Minerals Limited (substantial shareholder of Infinity Mining) and is not considered to be independent.

DR MICHAEL KALE, NON-EXECUTIVE DIRECTOR

Dr Michael Kale MBBS (Sydney), BMedRadSc, MTrauma (Ortho), MPH, MClinEpid, MAICD is a medical doctor, currently working towards further specialist qualifications in surgery. In addition to his clinical experience, he has management and leadership experience in both non-medical business and the not-for-profit sector.

He is a Company Director of a Canadian biopharmaceutical company listing on the CSE in 2021, and a member of the Australian Institute of Company Directors. Michael's background brings a unique set of analytical, risk management, and interpersonal skills to apply to complex systems.

Independence

Dr Kale is currently a Non-Executive Director of Infinity Mining and is considered to be independent.

HARLEY GROOT, NON-EXECUTIVE DIRECTOR

Harley has a Bachelor of Science at Macquarie University majoring in Geology, and focusing on the Leonora goldfields, prospecting and geological research. He is a professional with extensive experience of logistics, safety, communications and customer service. Harley has 16 years maritime experience specialising in the safe transport and operations of all Sydney Ferries passengers and assets.

Independence

Mr Groot is currently a Non-Executive Director of Infinity Mining and is not considered to be independent.

3.2 COMPANY SECRETARY

MIMA WIRAKARA, COMPANY SECRETARY

Ms Wirakara is a professional with 15 years-experience in administrative, governance and company secretarial support services for several ASX, TSX and POMSox listed resource companies, having also assisted a number of these organisations through the IPO process. Ms Wirakara has been instrumental in managing the Company's corporate governance and compliance processes and adds considerable value to the management team.

Ms Wirakara is currently the Company Secretary at Macarthur Minerals Limited (ASX: MIO, TSXV: MMS, OTCQB: MMSDF).

3.3 PRINCIPAL ACTIVITIES

The principal activities of the Company during the course of the financial year were mineral exploration and evaluation.

3.4 DIRECTORS MEETINGS

The number of meetings of the Company's board of directors held during the year ended 31 March 2022, and the number of meetings attended by each director were:

	Number of Board Meetings Attended	Number Eligible
J Phillips	2	2
J Groot	2	2
C McCall	2	2
M Kale	2	2
H Groot	2	2

The number of meetings of the Company's Audit and Risk Committee held during the year ended 31 March 2022, and the number of meetings attended by each member were:

	Number of Audit and Risk Committee Meetings Attended	Number Eligible
M Kale, Chairman of Audit and Risk Committee	2	2
C McCall	2	2
H Groot	2	2

3.5 OPERATING AND FINANCIAL REVIEW

The Directors present the Operating and Financial Review for the year ended 31 March 2022. The information provided in this review forms part of the Directors' Report and provides information to assist users in assessing the operations, financial position and business strategies of the Company.

OPERATING PERFORMANCE

During the reporting period the contracts entered into by the Company which are material to its operations are as follows:

Tenement Sale and Non-Iron Ore Rights Agreement

On 11 August 2021 Infinity Mining and Macarthur Iron Ore Pty Ltd (ACN 081 705 651) ("Macarthur Iron Ore"), entered into the Tenement Sale and Non-Iron Ore Rights Agreement. Under this agreement Infinity Mining sold, and Macarthur Iron Ore purchased tenements E45/4735 and E45/5324 (Macarthur Iron Ore Tenements) with Infinity Mining retaining all rights to explore for, extract and sell all minerals, including gold, lithium and nickel, excluding iron ore, recovered from the Macarthur Iron Ore Tenements (which includes any conversions to a mining lease) ("Non-Iron Ore Rights").

On 25 March 2022, the Company was advised by the Department of Mines, Industry Regulation and Safety that Exploration Licences E45/5324 and E47/4735 were successfully transferred from Infinity Mining to Macarthur Iron Ore.

Shared Services Agreement with Macarthur Minerals Limited

On 27 September 2021, the Company entered into a Shared Services Agreement with Macarthur Minerals Limited (ACN 103 011 436) (Macarthur Minerals), commencing on 1 August 2021. Macarthur Minerals agreed to make available appropriately qualified personnel as required by the Company from time to time to fulfil the functions of Company secretary and corporate governance support, legal support, bookkeeping, budget, payments and bank account administration and project management services subject to the Company's requests and instructions.

The monthly remuneration to be paid by the Company to Macarthur Minerals under the terms of the agreement includes:

- (a) a shared services fee, which will be calculated on the basis of agreed hourly rates set out in the agreement and the actual time spent per function carried out by Macarthur Minerals for the provision of the Shared Services, as requested by the Company (Shared Services Fee).
- (b) a shared services management fee being an amount equal to 10% of the relevant monthly Shared Service Fee representing the administrative margin; (including cost of timesheet and account processing); and
- (c) payment of the Administrative Expenses (including office rent, use of assets, office and general) will be shared between the Parties and split on the basis of 40% payable by the Company and 60% payable by Macarthur Minerals.

This in turn reduces the overhead expenses for both companies.

Services Agreement with Zanil Pty Ltd

On 27 September 2021, Infinity Mining executed a Services Agreement with Zanil Pty Ltd (ACN 065 236 839) ("Zanil"). Pursuant to this Zanil agreed to provide Geological, Exploration and Mining Support, and Site Preparation Services in compliance with any applicable programme of activities or works and the Budget approved by Infinity Mining's board. The monthly remuneration payable by the Company to Zanil includes:

- (a) the services fee calculated on the basis of the hourly/daily rates set out in the agreement and the actual time spent per service by Zanil in delivering the Services (Service Fee).
- (b) a shared services management fee being an amount equal to 10% of the relevant monthly Service Fee which represents the administrative margin, (including cost of timesheets and account processing); and
- (c) any other sums or expenses as are expressly payable by the Company to Zanil pursuant to the terms of the agreement.

Zanil/Pointon Sale Purchase Agreement

On 18 October 2021, the Company entered into the Zanil/Pointon Sale Purchase Agreement with Zanil (an entity controlled by Director Joe Groot) and Alec Charles Pointon (collectively the "Vendors") for the acquisition by the Company of the Central Goldfields Tenements held by the relevant Vendor respectively for a total purchase price of 20,000,000 Infinity Mining Shares at a price of \$0.20 per Share, representing in total an implied amount of \$4,000,000 (exclusive of GST) (Purchase Price). The Vendors have directed that the Shares be issued as follows:

- (a) 10,000,000 Consideration Shares issued to Pointon; and
- (b) 10,000,000 Consideration Shares issued to Zanil.

All conditions precedent (including conditional approval for the Company to be admitted to the official list of the ASX) were satisfied and the agreement was completed successfully in December 2021. The Company holds the beneficial rights and interest in the Zanil/Pointon tenements and has already submitted all necessary forms to the Department of Mines, Industry Regulation and Safety (WA) in order to become the registered holder of those tenements.

FINANCIAL PERFORMANCE

Operating Results

	Year ended 31 March 2022 \$	Year ended 31 March 2021 \$
Operating Expenses	2,068,104	102,954
Total comprehensive profit(loss) for the year	2,068,104	102,954

The Company's comprehensive loss of the year ended 31 March 2022 amounted to [insert amount \$ 2,068,104 after income tax. As an exploration and evaluation company, the Company expects to continue to report losses until such time as profit is earned from potential production activities.

Financial Position

Australian \$	Year ended 31 March 2022	Year ended 31 March 2021
Cash and cash equivalents	8,235,792	6,616
Exploration and Evaluation assets	9,241,242	81,328
Property, Plant and Equipment	3,923	290
Total Assets	17,655,530	95,193
Accounts payable and accrued liabilities	140,029	66,609
Total Liabilities	187,311	371,551
Net Assets	17,468,219	(276,358)
Net Working Capital	8,174,859	(52,852)

At 31 March 2022 the Company had net assets of \$ 17,468,219 compared to a net deficit of \$ 276,358 at 31 March 2021. The increase is due largely to an increased cash balance from the official list to the ASX during the year.

The Company's cash and cash equivalents balance was \$ 8,235,792 at 31 March 2022 which was an increase of \$8,229,176 from 31 March 2021.

The Company's net working capital at 31 March 2022 was \$ 8,174,859 compared with net working capital loss of \$ 52,852 at 31 March 2021.

During the year ended 31 March 2022, the Company raised new equity of \$19,916,055, which included \$10,000,000 raised from its Initial Public Offering completed during the end of December 2021.

The Company has prepared a business plan to manage operations and expenditures over the future twelve months, in order to ensure that the Company has sufficient funds to meet its obligations as and when they become due.

3.6 DIVIDENDS

No dividends were declared or paid during the period and the Directors recommend that no dividend be paid.

3.7 EVENTS SUBSEQUENT TO REPORTING DATE

On 25 March 2022, the Company was advised by the Department of Mines, Industry Regulation and Safety that Exploration Licences E45/4735 and E45/5324 were transferred to Macarthur Iron Ore Pty Ltd as part of the consolidated Macarthur Group. Infinity retains the rights to all non-iron minerals on these two tenements pursuant to a Tenement Sale and Non-Iron Ore Rights Agreement dated 11 August 2021.

3.8 LIKELY DEVELOPMENTS

There are no likely developments that will impact on the Company other than as disclosed elsewhere in this report.

3.9 INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company paid a premium under a contract insuring all the Directors and Officers of the Company against liability incurred in that capacity. Disclosure on the nature of liabilities insured and the premium is subject to a confidentiality clause under the contract of insurance.

3.10 PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

3.11 ENVIRONMENTAL REGULATIONS

The Company is subject to material environmental regulations in respect to its exploration and evaluation activities. The Company aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is compliant with all environmental legislation. The Directors of the Company are not aware of any breach of environmental legislation for the period under review.

3.12 OPTIONS OVER UNISSUED SHARES

Unissued ordinary shares of the Company under option as at the date of this report are as follows:

Date Options Granted	Expiry Date	Issue Price of Shares	Number under options
10 Dec 2021	10 Jun 2023	\$0.30	25,000,000
10 Dec 2021	10 Jun 2024	\$0.25	5,000,000
			<u>30,000,000</u>

3.13 REMUNERATION REPORT

(1) INTRODUCTION

This Remuneration Report outlines the remuneration arrangements in place for Key Management Personnel in accordance with the requirements of the *Corporations Act 2001 (Cth)* and its Regulations.

For the purposes of this report Key Management Personnel of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any directors of the Company.

Role of Remuneration and Nomination Committee

The Remuneration and Nomination Committee is responsible for (or in its absence the Board) overseeing performance evaluations of senior executives on an annual basis. As at 31 March 2022, the Remuneration and Nomination Committee was comprised of Michael Kale (Chairman), Cameron McCall and Harley Groot.

(2) REMUNERATION POLICY

The Remuneration Policy of the Company is in place to ensure that:

- Directors' and senior executives' remuneration is aligned to the long-term interests of shareholders within an appropriate control framework;
- There is a clear relationship between the executives' performance and remuneration; and
- The Policy is appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Company.

The Charter of the Committee is available on the Company's website www.infinitymining.com.au.

(3) REMUNERATION STRUCTURE

In accordance with best practice corporate governance, the structure of Director and Management remuneration is separate.

(4) PERFORMANCE BASED REMUNERATION

At present, remuneration is linked to general market levels with short-term performance components. Remuneration policy and practices are reassessed when required in order to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results.

(5) RELATIONSHIP BETWEEN REMUNERATION POLICY AND COMPANY PERFORMANCE

The remuneration policy has been tailored to maximise goal congruence between shareholders, directors and executives. Fees for all directors and executives is not linked to Company performance. In order to align directors and shareholders interest, the directors are encouraged to hold shares in the Company.

(6) EMPLOYMENT DETAIL OF MEMBERS OF KEY MANAGEMENT PERSONNEL (KMP)

The following table provides employment details of persons who were, during the financial year, members of KMP of the Company. The table also illustrates the proportion of remuneration that was performance and non-performance based.

Name	Position held	Contract details	Non-salary cash-based incentives	Shares	Fixed salary/fees
<u>Executive Directors</u>					
J Phillips	Executive Chairman	No fixed duration, 12 months' notice	-	-	30,000
J Groot	CEO and Director	No fixed duration, 12 months' notice	-	-	75,000
<u>Non-executive Directors</u>					
C McCall	Non-executive Director	No fixed duration, 3 months' notice	-	-	17,500
M Kale	Non-executive Director	No fixed duration, 3 months' notice	-	-	17,500
H Groot	Non-executive Director	No fixed duration, 3 months' notice	-	-	17,500

(7) REMUNERATION REPORT

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

2022	Short Term Employee Benefits				Post-Employment Benefits		Share Based Payments	Total
Executive Directors:	Cash Salary & Fees	Accrued Salaries	Cash Bonus	Non-monetary benefits	Super-annuation	Retirement Benefits	Options/RSUs	
	\$	\$	\$	\$	\$	\$	\$	\$
J Phillips	30,000	-	-	-	-	-	-	30,000
J Groot	75,000	-	-	-	-	-	-	75,000
Non-Executive Directors:								
C McCall	17,500	-	-	-	-	-	-	17,500
M Kale	17,500	-	-	-	-	-	-	17,500
H Groot	17,500	-	-	-	-	-	-	17,500
Total	157,500	-	-	-	-	-	-	157,500

Remuneration accrued and payable to key management personnel as at 31 March 2022 was \$ nil.

Total remuneration of each key management personnel of the Company for the year ended 31 March 2020 is set out below.

a) Ordinary Shares

The number of shares in the Company held during the financial year by each key management personnel or close members of their family, or an entity over which any of these persons control, jointly control or have significant influence over, for the purposes of relevant Australian accounting standards and IFRS, are set out below.

	Balance at Beginning of the Year	Granted as Remuneration	Issued on Exercise of Options	Other Changes During the Year	Balance at End of the Year
J Phillips	-	-	-	-	-
J Groot	-	-	-	11,271,874	11,271,874
C McCall	-	-	-	-	-
M Kale	-	-	-	255,000	255,000
H Groot	-	-	-	600,000	600,000
	-	-	-	12,126,874	12,126,874

b) Options

The number of options in the Company held during the financial year by each key management personnel or close members of their family, or an entity over which any of these persons control, jointly control or have significant influence over, for the purposes of relevant Australian accounting standards and IFRS, are set out below.

	Balance at Beginning of the Year	Granted as remuneration	Number Exercised	Other Changes During the Year	Balance at End of the Year
J Phillips	-	-	-	-	-
J Groot	-	-	-	127,500	127,500
C McCall	-	-	-	-	-
M Kale	-	-	-	85,000	85,000
H Groot	-	-	-	200,000	200,000
				412,500	412,500

Equity instruments held by KMP

Particulars of directors' interests in shares and options of the Company, since year end and up to the date of this report:

Director	Ordinary Shares	Options
J Phillips	-	-
J Groot	11,271,874	127,500
C McCall	-	-
M Kale	255,000	85,000
H Groot	600,000	200,000
	12,126,874	412,500

There are no other transactions with KMP. End of Remuneration Report

3.14 AUDITORS INDEPENDENCE DECLARATION

A copy of auditor's independence declaration is required under section 307C of the Corporations Act 2001(Cth) and is set out on page 55.

Signed in accordance with a resolution of the Directors



Alan Joseph Phillips
Executive Chairman
28 June 2022

For personal use only

4

For personal use only

4. FINANCIAL REPORT

Infinity Mining Limited

ABN: 73 609 482 180

Financial Statements

For the Year Ended 31 March 2022

Infinity Mining Limited

ABN: 73 609 482 180

Contents

For the Year Ended 31 March 2022

	Page
Financial Statements	
Statement of Profit or Loss and Other Comprehensive Income	25
Statement of Financial Position	26
Statement of Changes in Equity	27
Statement of Cash Flows	28
Notes to the Financial Statements	29
Directors' Declaration	50
Independent Audit Report	51
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	55
Additional ASX Information	58

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 March 2022

	Note	2022 \$	2021 \$
Other income	5	1,275	44,913
Administration expenses		(150,282)	(32,614)
Employee benefits expense		(504,150)	-
Legal & professional support		(230,754)	(11,972)
Corporate expenses		(190,396)	-
Share-based compensation	24	(690,000)	-
Depreciation		(637)	(420)
Tenement expenses		(241,561)	(102,861)
Marketing and promotional expenses		(61,599)	-
Loss before income tax		(2,068,104)	(102,954)
Income tax expense	7	-	-
Loss from continuing operations		(2,068,104)	(102,954)
Loss for the year		(2,068,104)	(102,954)
Other comprehensive income, net of income tax		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
Total comprehensive loss for the year		(2,068,104)	(102,954)
Basic loss per ordinary share from operations attributable to the owners		(0.06)	(0.21)
Basic and diluted weighted average number of ordinary shares outstanding		108,812,422	488,397

The accompanying notes form part of these financial statements.

Infinity Mining Limited

ABN: 73 609 482 180

Statement of Financial Position

As At 31 March 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash at bank	8	8,235,792	6,616
Trade and other receivables	9	79,096	6,959
TOTAL CURRENT ASSETS		8,314,888	13,575
NON-CURRENT ASSETS			
Property, plant and equipment	10	3,923	290
Exploration, evaluation and development assets	11	9,241,242	81,328
Other assets	12	95,477	-
TOTAL NON-CURRENT ASSETS		9,340,642	81,618
TOTAL ASSETS		17,655,530	95,193
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	140,029	66,609
TOTAL CURRENT LIABILITIES		140,029	66,609
NON-CURRENT LIABILITIES			
Borrowings	14	47,282	304,942
TOTAL NON-CURRENT LIABILITIES		47,282	304,942
TOTAL LIABILITIES		187,311	371,551
NET ASSETS		17,468,219	(276,358)
EQUITY			
Issued capital	15	19,615,908	493,227
Reserves	16	690,000	-
Retained earnings		(2,837,689)	(769,585)
TOTAL EQUITY		17,468,219	(276,358)

The accompanying notes form part of these financial statements.

Infinity Mining Limited

ABN: 73 609 482 180

Statement of Changes in Equity For the Year Ended 31 March 2022

2022

	Issued Shares \$	Retained Earnings \$	Reserves \$	Total \$
Note				
Balance at 1 April 2021	493,227	(769,585)	-	(276,358)
Loss for the year	-	(2,068,104)	-	(2,068,104)
Transactions with owners in their capacity as owners	-	-	-	-
Share based payment transactions	-	-	690,000	690,000
Shares issued during the year	19,916,055	-	-	19,916,055
Transaction costs	(793,874)	-	-	(793,874)
Balance at 31 March 2022	19,615,408	(2,837,689)	690,000	17,467,719

2021

	Ordinary Shares \$	Retained Earnings \$	Option Reserve \$	Total \$
Note				
Balance at 1 April 2020	493,227	(666,631)	-	(173,404)
Loss for the year	-	(102,954)	-	(102,954)
Transactions with owners in their capacity as owners				
Balance at 31 March 2021	493,227	(769,585)	-	(276,358)

The accompanying notes form part of these financial statements.

Infinity Mining Limited

ABN: 73 609 482 180

Statement of Cash Flows For the Year Ended 31 March 2022

Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Exploration expenditure reimbursement	1,275	21,673
Payments to suppliers	(2,265,060)	(105,173)
Interest received	-	23,270
Net cash provided by/(used in) operating activities	23 <u>(2,263,785)</u>	<u>(60,230)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment of Exploration and Evaluation costs	<u>(750,629)</u>	(11,604)
Net cash provided by/(used in) investing activities	<u>(750,629)</u>	<u>(11,604)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
(Repayment of) / Proceeds from related party borrowings	(257,660)	72,180
Proceeds from issued shares	<u>11,501,250</u>	-
Net cash provided by/(used in) financing activities	<u>11,243,590</u>	<u>72,180</u>
Net increase/(decrease) in Cash at bank	8,229,176	346
Cash at bank	<u>6,616</u>	<u>6,270</u>
Cash at bank at end of financial year	8 <u><u>8,235,792</u></u>	<u><u>6,616</u></u>

Notes to the Financial Statements

For the Year Ended 31 March 2022

1 Corporate Information

Infinity Mining Limited ("the Company") is a publicly listed on the Australian Securities Exchange (ASX). The nature of the operations and the principal activities of the Company are described in the Directors' Report.

The financial report covers Infinity Mining Limited as an individual entity. Infinity Mining Limited is a for-profit Company limited by shares, incorporated and domiciled in Australia.

The functional and presentation currency of Infinity Mining Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 30 June 2022.

Comparatives are consistent with prior years, unless otherwise stated.

The Company is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies and, accordingly amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars.

2 Summary of Significant Accounting Policies

(a) Basis for Preparation

The financial report is a general-purpose financial report which has 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. The financial report has also been prepared on a historical cost basis. The financial report is presented in Australian dollar.

(b) Revenue and other income

Revenue recognition

Revenue from contracts with customers

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

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Interest Income

Interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Other income

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

Notes to the Financial Statements

For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies

(c) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

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

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

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(d) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(e) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

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

Notes to the Financial Statements

For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies

(f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment. 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation and amortisation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	20%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(g) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

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

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and

Notes to the Financial Statements

For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies

(g) Financial instruments

Financial assets

- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

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

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.

Notes to the Financial Statements

For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies

(h) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(i) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(j) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the outflow required to settle the obligation at the end of the reporting period. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the unwinding of the discount is taken to finance costs in the statement of profit or loss and other comprehensive income. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(k) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

(l) Share Based Payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees. Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

Notes to the Financial Statements

For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies

(l) Share Based Payments

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or 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, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

* during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.

* from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

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

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

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

(m) Exploration and development expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. As the asset is not available for use it is not depreciated or amortised.

Notes to the Financial Statements

For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies

(m) Exploration and development expenditure

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

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

(n) Going concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business. The Company has incurred a net loss of \$2,068,104 during the year ended 31 March 2022 (net loss 2021: \$102,954), and experienced net cash outflows from operating activities of \$2,263,785 (2021: \$60,230). At the date of this report, the Directors are satisfied there are reasonable grounds to believe that, having regard to the Company's financial position and the Director's belief that the Company will be able to meet its obligations as and when they fall due.

The financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of recorded assets or liabilities that might be necessary should the Company not be able to continue as a going concern.

(o) New Accounting Standards and Interpretations

The Company has adopted all standards which became effective for the first time at 31 March 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company or refer to Note for details of the changes due to standards adopted.

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards.

(p) Compliance with International Financial Reporting Standards ("IFRS")

The financial report also complies with IFRS as issued by the International Accounting Standards Board.

(q) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

(r) Coronavirus (COVID-19) pandemic

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

Notes to the Financial Statements

For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies

(s) Current and non-current classification

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

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

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

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

(t) 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 Limited.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances. These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Fair value of financial instruments

The Company has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Impairment of exploration and evaluation assets and investments in and loans to subsidiaries

The ultimate recoupment of the value of exploration and evaluation assets, the Company's investment in subsidiaries, and loans to subsidiaries is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation asset.

Notes to the Financial Statements

For the Year Ended 31 March 2022

3 Critical Accounting Estimates and Judgments

Impairment of exploration and evaluation assets and investments in and loans to subsidiaries

A review of impairment indicators are carried out on a regular basis. There is significant estimation and judgement in assessing impairment indicators.

The key areas of judgement and estimation include:

- * Recent exploration and evaluation results and resource estimates;
- * Environmental issues that may impact on the underlying tenements;
- * Critical economic factors that have an impact on the planned operations and carrying values of assets and liabilities.

The Company assessed the carrying value of its exploration expenditure for indicators of impairment and concluded that impairment of the project was not required.

Capitalisation of exploration and evaluation expenditure

The Company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at the end of the reporting period at \$ 9,241,242.

4 Segment information

For management purposes, the Company is organised into one main operating segment, which involves exploration for gold and other minerals. All of the Company's activities are interrelated, and discrete financial information is information is reported to the Board (Chief Operating Decision Makers) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the consolidated financial statements of the Company as a whole. Total revenue earned by the Company is generate in Australia and all the Company's non-current assets reside in Australia.

5 Revenue and Other Income

	2022 \$	2021 \$
Other Income		
- Interest income	1,275	-
- Covid-19 Cashflow boost	-	23,270
- Exploration expenditure reimbursement	-	21,643
	<u>1,275</u>	<u>44,913</u>

Notes to the Financial Statements

For the Year Ended 31 March 2022

6 Result for the Year

	2022	2021
	\$	\$
Insurance - Directors & Officers	66,398	-
Audit and accounting costs	77,502	-
Director Fees	157,500	-

7 Income Tax

(a) The major components of tax expense (income) comprise:

	2022	2021
	\$	\$
Current tax		
Current tax	-	-
Deferred tax	-	-
Total	-	-

(b) Reconciliation of income tax to accounting profit:

	2022	2021
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2021: 30%)	(620,431)	(30,886)
	(620,431)	(30,886)
Less:		
Tax effect of:		
tax losses	(620,431)	(30,886)

(c) Income tax relating to each component of other comprehensive income:

8 Cash at Bank

	2022	2021
	\$	\$
Cash at bank	8,235,792	6,616

9 Trade and Other Receivables

	2022	2021
	\$	\$
GST receivable	79,096	6,959

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Notes to the Financial Statements

For the Year Ended 31 March 2022

9 Trade and Other Receivables

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

10 Property, plant and equipment

At cost	6,080	1,810
Accumulated depreciation	(2,157)	(1,520)
Total plant and equipment	3,923	290
Total property, plant and equipment	3,923	290

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment \$	Total \$
Year ended 31 March 2022		
Balance at the beginning of year	6,080	6,080
Depreciation expense	(2,157)	(2,157)
Balance at the end of the year	3,923	3,923

	Plant and Equipment \$	Total \$
Year ended 31 March 2021		
Balance at the beginning of year	1,810	1,810
Depreciation expense	(1,520)	(1,520)
Balance at the end of the year	290	290

11 Exploration, evaluation and development assets

	2022 \$	2021 \$
Exploration and evaluation	9,241,242	81,328

Notes to the Financial Statements

For the Year Ended 31 March 2022

11 Exploration, evaluation and development assets

	Exploration and evaluation \$	Total \$
2022		
Balance at beginning of the year	81,328	81,328
Expenditure incurred	1,517,858	1,517,858
Additions of tenement assets	7,642,056	7,642,056
Balance at end of the year	<u>9,241,242</u>	<u>9,241,242</u>
2021		
Balance at beginning of the year	69,724	69,724
Expenditure incurred	11,604	11,604
Balance at end of the year	<u>81,328</u>	<u>81,328</u>

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

Tenements acquired during the period are as a result of the initial public offering.

The recoverable amount of development expenditure is determined as the higher of its fair value less costs to sell and its value in use.

12 Other Assets

	2022 \$	2021 \$
Prepaid Directors & Officers Insurance	<u>95,477</u>	<u>-</u>

13 Trade and Other Payables

	Note	2022 \$	2021 \$
CURRENT			
Trade payables		140,029	66,470
Other payables		-	139
		<u>140,029</u>	<u>66,609</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Notes to the Financial Statements

For the Year Ended 31 March 2022

14 Borrowings

	2022 \$	2021 \$
NON-CURRENT		
Unsecured liabilities:		
Other payables	47,282	304,942
Total non-current borrowings	47,282	304,942
Total borrowings	47,282	304,942

During the current and prior year, there were no defaults or breaches on any of the loans.

15 Issued Capital

	2022 \$	2021 \$
108,812,422 (2021: 488,397) Ordinary shares	20,409,782	493,227
Share issue costs	(793,874)	-
Total	19,615,908	493,227

(a) Ordinary shares

	2022 No.	2021 No.
At the beginning of the reporting period	488,397	488,397
Shares issued during the year		
Share issued in consideration for the acquisition of exploration assets	42,074,025	-
Shares Issued during the year for Cash	66,250,000	-
At the end of the reporting period	108,812,422	488,397

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

Notes to the Financial Statements

For the Year Ended 31 March 2022

15 Issued Capital

(b) Capital Risk Management

The key objectives of the Company when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Company defines capital as its equity and net debt.

There has been no change to capital risk management policies during the year.

The Company manages its capital structure and makes funding decisions based on the prevailing economic environment and has a number of tools available to manage capital risk. These include maintaining a diversified debt portfolio, the ability to adjust the size and timing of dividends paid to shareholders and the issue of new shares.

The Board monitors a range of financial metrics including return on capital employed and gearing ratios. A key objective of the Company's capital risk management is to maintain compliance with the covenants attached to the Company's debts. Throughout the year, the Company has complied with these covenants.

16 Reserves

(a) Share-based payment reserve

The Company has issued share options on specified terms. The cost of these items is measured by reference to their fair value at the date at which they are granted and expensed over the vesting period. The fair value is determined using Option valuation models.

17 Earnings per Share

Basic earnings per share

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

Diluted earnings per share

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

(a) Reconciliation of earnings to profit or loss from continuing operations

	2022	2021
	\$	\$
Total Comprehensive Income (loss)	(2,068,104)	(102,954)
Loss attributable to non-controlling interest	231,571	-
Earnings used to calculate basic EPS from continuing operations	(1,836,533)	(102,954)

Notes to the Financial Statements

For the Year Ended 31 March 2022

17 Earnings per Share

(b) Earnings used to calculate overall earnings per share

	2022 \$	2021 \$
Earnings used to calculate overall earnings per share	<u>(1,836,533)</u>	<u>(102,954)</u>

(c) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	2022 No.	2021 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	<u>108,812,422</u>	<u>488,397</u>

(d) Anti-dilutive options on issue

(e) Anti-dilutive options on issue not in dilutive EPS calculation

Diluted earnings per share is not reflected for discontinuing operations as the result is anti-dilutive in nature.

	2022 No.	2021 No.
Earnings/ (Loss) per share	<u>(6.21)</u>	<u>(0.21)</u>

18 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Company is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk, interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Company are:

- Trade receivables
- Cash at bank

Notes to the Financial Statements

For the Year Ended 31 March 2022

18 Financial Risk Management

- Bank overdraft
- Investments in listed shares
- Trade and other payables

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of Infinity Mining Limited's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, liquidity risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Infinity Mining Limited's activities.

The day-to-day risk management is carried out by Infinity Mining Limited's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

The Board of Directors receives monthly reports which provide details of the effectiveness of the processes and policies in place.

Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Financial guarantee liabilities are treated as payable on demand since Infinity Mining Limited has no control over the timing of any potential settlement of the liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

Notes to the Financial Statements

For the Year Ended 31 March 2022

18 Financial Risk Management

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Trade receivables and contract assets

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company review includes external ratings, if they are available, financial statements, credit agency information and industry information. Credit limits are established for each customer and the utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

The Board receives monthly reports summarising the turnover, trade receivables balance and aging profile of each of the key customers individually and the Company's other customers analysed by industry sector as well as a list of customers currently transacting on a prepayment basis or who have balances in excess of their credit limits.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which the customers operate.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Interest rate risk

The Company is exposed to interest rate risk as funds are borrowed at floating and fixed rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk.

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date, the Company is exposed to changes in market interest rates through its bank borrowings, which are subject to variable interest rates.

Notes to the Financial Statements

For the Year Ended 31 March 2022

18 Financial Risk Management

Sensitivity analysis

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +-% and --% (2021: +-%/--%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions and economist reports.

The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

19 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Infinity Mining Limited during the year are as follows:

	2022	2021
	\$	\$
Director Fees	157,500	-

20 Auditors' Remuneration

	2022	2021
	\$	\$
Remuneration of the auditor Vincents Assurance & Risk Advisory , for:)		
- Audit and accounting costs	77,502	-
Total	77,502	-

Audit & Accounting fees for the review of financial reports.

21 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 March 2022 (31 March 2021:None).

22 Related Parties

(a) The Company's main related parties are as follows:

The entity, which exercises significant influence over the Company, is Macarthur Minerals Limited which is incorporated in Australia and owns 20.74% of Infinity Mining Limited. Included in the loss for the year is \$231,571 attributable to Macarthur Minerals Limited.

Key management personnel - refer to Note 19.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Notes to the Financial Statements

For the Year Ended 31 March 2022

22 Related Parties

(a) The Company's main related parties are as follows:

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	Purchases	Balance outstanding Owed to the company	Owed by the company
	\$	\$	\$
Entities with significant influence			
Macarthur Minerals Limited	708,837	128,561	-
Zanil Pty Ltd	502,902	-	-

23 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2022 \$	2021 \$
Loss for the year	(2,068,104)	(102,954)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
Depreciation	637	420
Share based payments	690,000	-
Changes in assets and liabilities:		
- (increase) in other assets	(72,137)	-
- (increase)/decrease in prepayments	(95,477)	-
- (increase) in exploration & evaluation assets	(1,115,460)	-
- increase in trade and other payables	73,420	42,304
Cashflows from operations	<u>(2,587,121)</u>	<u>(60,230)</u>

Notes to the Financial Statements

For the Year Ended 31 March 2022

24 Share-based Payments

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Nomination and Remuneration Committee, grant options over ordinary shares in the company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Nomination and Remuneration Committee.

At 31 March 2022 Infinity Mining Limited has the a share-based payment scheme for employees and consultants:

(a) Options granted

On 21 December 2021, 25,000,000 options were issued with an exercise price of \$0.30, as a result of the initial public offering.

A summary of the Company options issued as a result of Initial Public Offering is as follows:

2022 Grant Date	Expiry Date	Exercise price	Start of the year	Granted during the year	Exercised during the year	Forfeited during the year	Expired during the year
21 December 2021	10 June 2023	0.30	-	25,000,000	-	-	-
2022 Grant Date	Balance at the end of the year						
21 December 2021	25,000,000						

(b) Share-based payment arrangements

Total expenses recognised in profit or loss for the year relating to share-based payment arrangements are \$690,000 (2021:\$-) relating to the acquisition of exploration & evaluation assets.

(c) Options outstanding

As at the date of exercise, the weighted average share price of options exercised during the year was \$0.30 (2021: \$nil). The weighted average remaining contractual life of options outstanding at year end was 1.75 years (2021: nil). The weighted average exercise price of outstanding options at the end of the reporting period was \$0.30.

(d) Weighted average fair value of options granted

The weighted average fair value of the options granted during the year was \$ 0.30 (2021: \$ -). These values were calculated by using a Black-Scholes option pricing model applying the following inputs:

Grant date:	21 December 2021
Expiry date:	10 June 2023
Share price at grant date (\$):	0.20
Exercise price (\$):	0.30
Weighted average life of the option (years):	1.75

Notes to the Financial Statements

For the Year Ended 31 March 2022

24 Share-based Payments

(d) Weighted average fair value of options granted

Expected share price volatility:	77.60%
Risk-free interest rate:	0.32%

Historical volatility has been the basis for determining expected share price volatility as it assumed that this is indicative of future movements.

The share price at 31 March 2022 was \$ 0.17.

25 Events Occurring After the Reporting Date

The financial report was authorised for issue on 30 June 2022 by the board of directors.

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


26 Statutory Information

The registered office and principal place of business of the company is:
Infinity Mining Limited
Suite 1G
McDougall Street
MILTON 4066

The Directors of the Company declare that:

1. the financial statements and notes for the year ended 31 March 2022 are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards, which, as stated in basis of preparation Note to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position and performance of the Company;
2. the Chief Executive Officer and Chief Finance Officer have given the declarations required by Section 295A that:
 - a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - b. the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c. the financial statements and notes for the financial year give a true and fair view.
3. in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Alan Joseph Phillips
Executive Chairman

Dated: 28 June 2022

Independent Audit Report

To the members of Infinity Mining Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Infinity Mining Limited (the Company), which comprises the statement of financial position as at 31 March 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, which includes significant accounting policies, and the directors' declaration.

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

- a) Giving a true and fair view of the Company's financial position as at 31 March 2022 and of its performance for the year then ended; and
- b) Complying with Australian Accounting Standards and *Corporations Regulations 2001*.

Basis for Opinion

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

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

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

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.

brisbane. adelaide. canberra. gold coast. melbourne. sydney. sunshine coast.

Level 34, 32 Turbot Street, Brisbane QLD 4000 t 61.7 3228 4000 f 61.7 3228 4099
PO Box 13004, George Street, Brisbane QLD 4003 w www.vincents.com.au

ABN 44 387 658 295 | Liability limited by a scheme approved under Professional Standards Legislation.

[assurance & risk advisory](#) | [business advisory](#) | [corporate advisory](#) | [financial advisory](#) | [forensic services](#) | [insolvency & reconstruction](#) | [lending solutions](#)



Key audit matter	How our audit addressed the key audit matter
Going concern <p>The financial statements have been prepared on a going concern basis using managements critical accounting estimates and judgements as outlined in Note 2(n). The Company has in the current financial year recorded a total comprehensive loss of \$2.07m (2021: \$0.10m loss) in the statement of profit or loss and other comprehensive income.</p> <p>We considered the going concern assumption a key audit matter as there is inherent uncertainty associated with estimates and judgements associated with the Company's stage in operations and the going concern assumption relies on existing working capital, planned operations and uncertain future events generating sufficient cashflows to cover necessary expenditures.</p>	<p>In assessing the appropriateness of the going concern assumption used in preparing the financial statements, our procedures included, but were not limited to:</p> <ul style="list-style-type: none">• Considering the cashflow requirements of the Company over 15 months from 31 March 2022 based on budgets and forecasts.• Gaining an understanding of what budgeted expenditures are committed and what could be considered discretionary.• Considering the liquidity of existing assets on the balance sheet and their capacity to increase working capital.• Considering potential downside scenarios of management assumptions and the resultant impact on available funds.• Considering whether the disclosures in the financial statements were in compliance with accounting standards.
Exploration and evaluation expenditure <p>As at 31 March 2022 the carrying value of exploration, evaluation and development assets is \$9.2m (2021: \$81k). The Company's accounting policy in respect of exploration, evaluation and development assets is outlined in Note 2(m). The carrying value of exploration, evaluation and development assets is a key audit matter as it is the significant asset of the Company, it is material to the Company financial statements, and significant judgement is applied in determining whether the capitalized exploration and evaluation assets meet the recognition criteria set out in AASB 6 Exploration for and Evaluation of Mineral Resources.</p>	<p>Our procedures included, but were not limited to:</p> <ul style="list-style-type: none">• Obtaining evidence as to whether the rights to tenure of the areas of interest remained current at balance date and that rights to tenure are expected to be renewed for tenements that will expire in the near future.• Obtaining evidence of the future intentions for the areas of interest, planned expenditure and related exploration programmes.• Obtaining an understanding of the status of ongoing exploration programmes, for the areas of interest.• Reviewing a sample of capitalised costs to supporting documentation to ensure they had been capitalised in accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>.• Evaluating the Company's assessment that there had been no indicators of impairment for its capitalised exploration and evaluation assets, including inquiries with management and directors to develop an understanding of the current status and future intentions for the Company's exploration projects.• Considering the adequacy of disclosures included within Note 10 of the financial report.



Other Information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 31 March 2022, 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 accordingly 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 on the other information that we obtained prior to the date of this auditor's report, 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 to preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the remuneration report included in pages 18 to 20 of the directors' report for the year ended 31 March 2022.

In our opinion, the remuneration report of Infinity Mining Limited for the year ended 31 March 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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



Phillip Miller
Director
Vincent's Assurance & Risk Advisory

Brisbane

28 June 2022

Auditor's Independence Declaration

To the Directors of Infinity Mining Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2022 there have been no contraventions:

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

This declaration is in respect of Infinity Mining Limited.



Phillip Miller
Director
Vincent's Assurance and Risk Advisory
Brisbane, 28 June 2022

brisbane. adelaide. canberra. gold coast. melbourne. sydney. sunshine coast.

Level 34, 32 Turbot Street, Brisbane QLD 4000 t 61.7 3228 4000 f 61.7 3228 4099
PO Box 13004, George Street, Brisbane QLD 4003 w www.vincent's.com.au

ABN 44 387 658 295 | Liability limited by a scheme approved under Professional Standards Legislation.

[assurance & risk advisory](#) | [business advisory](#) | [corporate advisory](#) | [financial advisory](#) | [forensic services](#) | [insolvency & reconstruction](#) | [lending solutions](#)

For personal use only

5

For personal use only

5. CORPORATE GOVERNANCE

ASX CORPORATE GOVERNANCE STATEMENT - COMPLIANCE WITH RECOMMENDATIONS

The table below summarises how the Company complies with the Recommendations, and, in the case of non-compliance, why not. The Board is of the view that with the exception of the departures from the Recommendations noted below it otherwise complies with all of the Recommendations.

Principle	Recommendation	Compliance	Disclosure
		(Yes/No)	
1. Lay solid foundations for management and oversight			
1.1	A listed entity should disclose: (a) the respective roles and responsibilities of the Board and Management; and (b) those matters expressly reserved to the Board and those delegated to Management.	Yes	The Board Charter sets out the specific responsibilities of the Board in relation to corporate governance, the role of the Board, the Board's relationship with Management, the key responsibilities of the Board, the structure of the Board, the role of the Chairman, the role of Board committees and the occurrence of Board meetings. A copy of the Company's Board Charter is available on the Company's website www.infinitymining.com.au .
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting forward someone forward for election as a director; and (b) provide security holders with all material information in the Company's possession relevant to a decision on whether or not to elect or re-elect a director.	Yes	(a) The Board undertakes appropriate checks before appointing a person, or putting forward to security holders, a person for election as a Director of the Company. (b) All information relevant to a decision to elect or re-elect a Director will be provided to security holders in any notice of meeting pursuant to which a resolution to elect or re-elect a Director will be voted upon.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	The Company's Board Charter requires that the terms and conditions of appointment of a Director shall be confirmed in a formal letter of appointment. The Company has signed as appropriate letters of appointment or consultancy agreements with each of its Directors.
1.4	The Company Secretary of a listed entity should be accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the board.	Yes	The Board Charter outlines the role, responsibility and accountability of the Company Secretary. The Company Secretary is accountable directly to the Board through the Chairman, on all matters relating to the proper functioning of the Board.

Principle	Recommendation	Compliance	Disclosure
		(Yes/No)	
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation was undertaken in accordance with that process during or in respect of that period.</p>	<p>Yes</p> <p>No</p>	<p>The Board Charter, which is included in the Corporate Governance section on the Company's website details the process for evaluating the Board, its committees and individual Directors.</p> <p>During the last 12 months, the Board did not conduct a performance evaluation. The Company believes that the small size of the Board and the current scale of the Company's activities makes the establishment of a formal performance evaluation procedure unnecessary.</p> <p>Performance evaluation is a discretionary matter for consideration by the entire Board. In the normal course of events the Board reviews performance of the Management, Directors and the Board as a whole. Achievement of goals and business development and compliance issues are evaluated regularly on an informal basis.</p> <p>The Board is provided with the information it needs to discharge its responsibilities effectively. All Directors have access to corporate governance policies and material contracts entered into by the Company. The Directors also have access to the Company Secretary for all Board and governance-related issues.</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation was undertaken in accordance with that process during or in respect of that period.</p>	<p>Yes</p> <p>No</p>	<p>The Board Charter, which is included in the Corporate Governance section on the Company's website refers to the performance evaluation of Executive Management and management.</p> <p>During the last 12 months, the Board did not conduct a senior management performance evaluation. The Company believes that the small size of the management team and the current scale of the Company's activities makes the establishment of a formal performance evaluation procedure unnecessary.</p> <p>Employee numbers during the 2021 financial year were limited to less than 5. Given the limited employee numbers performance evaluation is a process undertaken informally. Staff matters (including performance) are discussed on a regular basis and at a minimum, annually.</p>
2. Structure the Board to be effective and add value			

Principle	Recommendation	Compliance	Disclosure
		(Yes/No)	
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director; and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	Yes	<p>The Company has a Remuneration and Nomination Committee which has three (3) members, the majority of whom are not independent Directors. This committee comprises:</p> <p>Dr Michael Kale (Chairman) Cameron McCall Harley Groot</p> <p>It is Chaired by an independent Director.</p> <p>The Remuneration and Nomination Committee has adopted a formal charter which sets out the role and terms of reference of the Remuneration and Nomination Committee. The Remuneration and Nomination Committee Charter is available at www.infinitymining.com.au.</p> <p>During the period, the Committee met one time with all members attended the meeting.</p>
2.2	A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Yes	<p>Details of the current Directors, their skills, experience and qualifications and the Board's skill matrix are set out on the "Our Board" page of the Company's website www.infinitymining.com.au. These details, plus a record of attendance at meetings, are included in the Directors' Report within the annual report.</p>

Principle	Recommendation	Compliance	Disclosure
		(Yes/No)	
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position or relationship that might cause doubts about the independence of a director but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	Yes	Dr Michael Kale is considered to be independent Director. The length of service of each Director is set out below: <ul style="list-style-type: none"> Mr Alan Joseph Phillips, appointed 5 February 2018. Approximate length of service to Annual Report date: 4 years. Cameron McCall, appointed 6 February 2018. Approximate length of service to Annual Report date: 4 years. Dr Michael Kale, appointed 20 August 2021. Approximate length of service to Annual Report date: 9 months. Harley Groot, appointed 1 October 2021. Approximate length of service to Annual Report date: 7 months. Josephus Groot, appointed 5 October 2021. Approximate length of service to Annual Report date: 7 months.
2.4	The majority of the Board should be independent directors.	No	The Company is of the view that the Board does not consist of a majority of independent Directors. Dr Michael Kale is considered to be independent Director as he is not part of the management team and regard himself as being free of any relationship (other than that of shareholder of the Company) that could materially interfere with the independent exercise of their judgement. The Board will consider appointing further independent Directors in the future when the Company is of sufficient size and having regard to the scale and nature of its activities. In the meantime, the Company believes that given the size and scale of its operations, non-compliance by the Company with this recommendation will not be detrimental to the Company or its Securityholders.
2.5	The chair of the Board should be an independent director and, in particular, should not be the same person as the CEO of the entity.	No	The Executive Chairman of the Board, Mr Alan Joseph Phillips is not considered an independent Director by virtue of the fact that he is employed in an executive capacity as Executive Chairman. The Company believes that given the size and scale of its operations, non-compliance by the Company with this recommendation will not be detrimental to the Company or its Security holders.
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Yes	In accordance with the Board Charter, all Directors are briefed with respect to the nature of operations and the strategic direction of the Company. Induction documents are provided with a written engagement letter and the Company Secretary is available to assist with the process of new Directors familiarising themselves with the Company. Professional development requirements are addressed as circumstances require.
3. Instil a culture of acting lawfully, ethically and responsibly			

Principle	Recommendation	Compliance	Disclosure
		(Yes/No)	
3.1	A listed entity should articulate and disclose its values.	Yes	<p>The Company values are outlined in the Company's Code of Conduct which acts as a meaningful statement of the way the Company and individuals do business.</p> <p>The Company's Code of Conduct is available on its website www.infinitymining.com.au.</p>
3.2	<p>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	Yes	<p>The Company's Code of Conduct applies to all Directors, senior executives and employees.</p> <p>The Code of Conduct promotes business practices to maintain the Company's integrity and reflects the Company's commitment to ethical and responsible decision-making. It is a meaningful statement of the Company's core values and is promoted as such across the Company and reinforced by proper training and proportionate disciplinary action if it is breached. The Company's directors, senior executives, employees, consultants and contractors are required to comply with this policy when dealing with each other, shareholders, customers and the broader community. All consultants and contractors are required to maintain high standards of ethical behaviour in the execution of their duties and comply with all applicable laws and regulations in Australia and in every other country in which the Company engages in business.</p> <p>The Company's Board Charter requires that the Company's Audit and Risk Committee implements appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, risk management and internal control processes are in place and functioning appropriately. This includes breaches of the Code of Conduct.</p>
3.3	<p>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>	Yes	<p>The Company has a Whistleblower Policy. The Whistleblower Policy is available on its website www.infinitymining.com.au.</p> <p>The Company's Board Charter requires that the Company's Audit and Risk Committee implements appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, risk management and internal control processes are in place and functioning appropriately. This includes any incidents reported under the Whistleblower Policy.</p>

Principle	Recommendation	Compliance	Disclosure
		(Yes/No)	
3.4	<p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</p>	Yes	<p>The Company has an Anti-bribery and Corruption Policy. The Anti-bribery and Corruption Policy is contained on its website: www.infinitymining.com.au</p> <p>The Company's Board Charter requires that the Company's Audit and Risk Committee implements appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, risk management and internal control processes are in place and functioning appropriately. This includes any material breaches of the Anti-bribery and Corruption Policy.</p>
4. Safeguard the integrity of corporate reports			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ol style="list-style-type: none"> (1) has at least three members, all of whom are non-executivedirectors and a majority of whom are independent directors; and (2) is chaired by an independent director,who is not the chair of the board; and and disclose: (3) the charter of the committee; (4) the relevantqualifications andexperience of the members of the committee; and (5) in relation to each reporting period,the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if the entity does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	Yes	<p>The Company's Audit and Risk Committee consists of three (3) members, all of whom are non- executive Directors, and a majority of whom are not considered to be independent Directors. This committee comprises:</p> <p>(a) Dr Michael Kale - Non-Executive Director (Independent)(Chairman of the Committee);</p> <p>(b) Cameron McCall - Non-Executive Director (Not considered to be independent).</p> <p>(c) Harley Groot - Non-Executive Director (Not considered to be independent).</p> <p>The Audit and Risk Committee is Chaired by Dr Michael Kale, who is an independent Director. The Charter of the Committee is available on its website www.infinitymining.com.au.</p> <p>The relevant qualifications and experience of the members of the Committee are disclosed on the Company's website but will not be disclosed in the Committee's Charter.</p> <p>The Committee met two times during the period with all members attended those meetings.</p>

Principle	Recommendation	Compliance	Disclosure
		(Yes/No)	
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes	Under the Company's Audit and Risk Committee Charter, which is included in the Corporate Governance Charter under section 7, available on its website www.infinitymining.com.au , the CEO and CFO will provide before the Company approves its financial statements for a financial period, a written declaration of assurance that in their opinion, the financial records of the Company for the relevant reporting period have been properly maintained, comply with appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market is not audited or reviewed by an external auditor.	Yes	The Company takes all reasonable steps to ensure the external auditor is represented at each annual general meeting to answer questions concerning the conduct of the audit, the preparation and content of the auditor's report, accounting policies adopted by the Company and the independence of the auditor in relation to the conduct of the audit.
5. Make timely and balanced disclosure			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under ASX Listing Rule 3.1.	Yes	The Company has adopted a Continuous Disclosure Policy and Communications Strategy which can be accessed at the Company's website www.infinitymining.com.au (under Corporate Governance).
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Yes	The Company ensures that the Board receives copies of all material market announcements for review prior to the announcements being made.
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Yes	The Company will release a copy of presentation materials on the ASX Market Announcements Platform prior to presenting to a new and substantive investor or analyst.
6. Respect the rights of security holders			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	Yes	Information about the Company and its corporate governance is available on the Company's website www.infinitymining.com.au .
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	Yes	The Company has an investor communications strategy and Communications Policy which can be accessed at the Company's website www.infinitymining.com.au . The Company allows shareholders to send communications electronically to the Company via the Company website.
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes	Securityholders will be encouraged to participate at all EGMs and AGMs of the Company. Upon despatch of any notice of meeting to Securityholders, the Company Secretary shall send out material with that notice stating that all Securityholders are encouraged to participate at the meeting.

Principle	Recommendation	Compliance	Disclosure
		(Yes/No)	
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	No	The Company's Constitution states that a poll may be demanded, before any vote on a resolution is taken, or before the voting results on a show of hands is declared or immediately after the voting results on a show of hands are declared. The Company considers that these requirements adequately protect the interests of Securityholders.
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	The Company is committed to maintaining the Company Website www.infinitymining.com.au with general information about the Company and its operations and information specifically targeted at keeping the Company's Securityholders informed about the Company. Regular reports will be released through the ASX and the media.
7. Recognise and manage risk			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director; and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	Yes	<p>The Company's Audit and Risk Committee consists of three (3) members, all of whom are non-executive Directors, and a majority of whom are non-independent Directors. This committee comprises:</p> <ol style="list-style-type: none"> (a) Dr Michael Kale - Non-Executive Director (Independent)(Chairman of the Committee); (b) Cameron McCall - Non-Executive Director (Not considered to be independent). (c) Harley Groot - Non-Executive Director (Not considered to be independent). <p>The Audit and Risk Committee is Chaired by Dr Michael Kale, who is an independent Director. The Charter of the Committee is available on the Company's website www.infinitymining.com.au.</p> <p>The relevant qualifications and experience of the members of the Committee are disclosed on the Company's website but will not be disclosed in the Committee's Charter.</p> <p>The Committee met two times during the period with all members attended those meetings.</p>

Principle	Recommendation	Compliance	Disclosure
		(Yes/No)	
7.2	<p>The board or committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	Yes	<p>The Company's process for risk management and internal compliance includes a requirement for the Board to identify and measure risk, monitor the environment for emerging factors and trends that affect these risks, formulate risk management strategies and monitor the performance of risk management systems. The Company has adopted a Audit and Risk Management Policy and accompanying Audit and Risk Management Framework which is reviewed on an annual basis.</p> <p>The Board reviews and addresses risk at each Board meeting and will disclose at the end of each reporting period, whether a review of its risk management framework has been undertaken.</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluation and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	No	Due to the size of the operations, the Company does not have an internal audit function.
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and if it does, how it manages or intends to manage those risks.	Yes	The Company will disclose any material exposure to environmental or social risk in the quarterly and annual report.
8. Remunerate fairly and responsibly			

Principle	Recommendation	Compliance	Disclosure
		(Yes/No)	
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	Yes	<p>The Company's Remuneration and Nomination Committee consists of three (3) members, all of whom are non-executive Directors, and a majority of whom are considered to be non-independent Directors. This committee comprises:</p> <p>(a) Dr Michael Kale - Non-Executive Director (Independent)(Chairman of the Committee);</p> <p>(b) Cameron McCall - Non-Executive Director (Not considered to be independent).</p> <p>(c) Harley Groot - Non-Executive Director (Not considered to be independent).</p> <p>The Remuneration and Nomination Committee is Chaired by Dr Michael Kale, who is an independent Director. The Charter of the Committee is available on the Company's website www.infinitymining.com.au.</p> <p>During the period, the Committee met one time with all members attended the meeting</p>
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes	Details of the Company's policies and practices regarding the remuneration of Directors and other senior management is set out in the Company's Remuneration Policy, as disclosed in the Company's website www.infinitymining.com.au (under the Corporate Governance section).
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	Yes	<p>Under the Company's Securities Trading Policy (disclosed at the Company's website www.infinitymining.com.au), no Restricted Employee may deal in any Securities of the Company without first requesting clearance in writing from the Clearance Officer.</p> <p>The Securities Trading Policy provides that a Restricted Employee may not enter into a margin loan or similar funding arrangement in respect of any Company.</p> <p>The Company's Remuneration and Nomination Committee is responsible for reviewing and making recommendations to the Board regarding equity-based remuneration plans, in compliance with the Company's Remuneration Policy as disclosed in the Company's website www.infinitymining.com.au (under the Corporate Governance section).</p>

For personal use only

6

6.ADDITIONAL ASX INFORMATION

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is current as at 24 June 2022.

a) Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

Ordinary Shares		
	Number of holders	Number of shares
1 - 1,000	2,105	11
1,001 - 5,000	187,100	51
5,001 - 10,000	10,859,949	343
10,001 - 100,000	87,916,871	120
100,001 Over	1,115,228	129
Total	108,812,422	762

b) Twenty largest shareholders

The names of the twenty largest holders of quoted ordinary shares are:

	Name	Number of ordinary shares	% of issued capital
1	MACARTHUR AUSTRALIA LIMITED	22,562,422	20.74
2	ALEC CHARLES POINTON	10,000,000	9.19
3	ZANIL PTY LTD	10,000,000	9.19
4	CITICORP NOMINEES PTY LIMITED	5,520,653	5.07
5	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	4,447,460	4.09
6	ORBIT DRILLING PTY LTD	1,850,000	1.70
7	CITYSCAPE ASSET PTY LTD <CITYSCAPE FAMILY A/C>	1,485,000	1.36
8	ONE MANAGED INVESTMENT FUNDS LIMITED <TI GROWTH A/C>	1,425,000	1.31
9	PROYOU ACCOUNTANTS PTY LTD	1,415,000	1.30
10	BNP PARIBAS NOMS PTY LTD <DRP>	1,188,000	1.09
11	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	1,042,500	0.96
12	AMAL TRUSTEES PTY LTD <MCEC MICROCAP FUND 1 A/C>	1,000,000	0.92
13	TWENTIETH CENTURY MOTOR COMPANY PTY LTD <WALKER FAMILY SF A/C>	1,000,000	0.92
14	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13	1,000,000	0.92
15	H & K SUPER MANAGEMENT PTY LTD <H & K SUPER FUND A/C>	1,000,000	0.92
16	SPO EQUITIES PTY LIMITED <MARCH STREET EQUITY A/C>	900,000	0.83
17	MR JOSEPHUS ANTONIO GROOT	752,874	0.69
18	CITYSCAPE ASSET PTY LTD CITYSCAPE FAMILY	750,000	0.69
19	MR GARY RONALD POOLE & MRS LEIGH MARGARET POOLE	625,000	0.57
20	MS CHERRIE LEE TURNER	500,000	0.46
Top 20 holders		68,463,909	66.59
Total Remaining Holders Balance		40,348,513	33.41

c) Voting rights

All ordinary shares issued by the Company carry one vote per share without restriction.

d) Schedule of Tenements

The Company holds or has interests in the following properties:

Tenement Number	Area(km ²)	Application/Grant Date	Expiry Date	Holder	Project
E45/4685	35.03	12/01/2017	11/01/2022	IMI	Hillside
E45/4708	85.99	21/11/2017	20/11/2022	IMI	Hillside
E45/4709	70.15	21/11/2017	20/11/2022	IMI	Hillside
E45/4824	206.30	21/11/2017	20/11/2022	IMI	Hillside
E45/4732	137	21/11/2017	20/11/2022	IMI	Panorama
E45/4764	12.77	10/08/2017	09/08/2022	IMI	Panorama
E45/4779	102.57	16/01/2018	15/01/2023	IMI	Panorama
E45/4848	3.18	14/12/2017	13/12/2022	IMI	Tambourah
E46/1210	44.47	02/07/2018	01/07/2023	IMI	Noreena Downs
E37/1442	2.65	20/10/2021	19/10/2026	IMI	Craig's Rest
M37/1349	0.154	11/03/2021	10/03/2042	IMI	Victor Bore
P37/8278^	2.00	28/03/2013	27/03/2021	IMI	Barlow's Gully
M37/1359#	Under application			IMI	Barlow's Gully
M37/983	0.378	20/02/2008	19/02/2029	IMI	Chicago
P37/8310^	1.340	15/05/2013	14/05/2021	IMI	Great Northern Workings
M37/1360#	Under application			IMI	Great Northern Workings
P37/8325^	1.910	30/01/2014	29/01/2022	IMI	Camel
M37/1367#	Under application			IMI	Camel
P37/8376^	1.800	28/01/2014	27/01/2022	IMI	Victor Bore
M37/1368#	Under application			IMI	Victor Bore
P37/8468	1.380	20/11/2014	19/11/2022	IMI	Craig's Rest~
P37/8571	1.087	07/12/2015	06/12/2023	IMI	Specking Patch
P37/9162	1.110	22/02/2019	21/02/2023	IMI	Coppermine
E45/5324*	12.77	Subject to MIO and IMI non-iron ore rights agreement		MIO	Tambourah
E45/4735*	11.17	Subject to MIO and IMI non-iron ore rights agreement		MIO	Strelley Gorge

^Application submitted for conversion to Mining Lease

*Tenements owned by a third-party Macarthur Iron Ore Pty Ltd ACN 081 705 651 (MIO). Infinity Mining holds rights to explore for, extract and sell all minerals, including gold, lithium and nickel, from the MIO Tenements other than iron ore (Non – Iron Ore Rights) pursuant to a Tenement Sale and Non-Iron Ore Rights Agreement dated 11 August 2021.