



**Province Resources Limited**

**ABN 83 061 375 442**

**Annual Report - 30 June 2022**

Directors

Patrick Burke  
Non-Executive Chairman

David Frances  
Managing Director

Kylah Morrison  
Non-Executive Director

Roger Martin  
Non-Executive Director

Company secretary

Ian Hobson

Registered office

358 Rokeby Road  
Subiaco, Western Australia 6008  
T: +61 8 9329 6862

Share register

Automic Pty Ltd  
Level 5, 191 St Georges Terrace  
Perth WA 6000  
T: +61 (0)2 9698 5414

Auditor

William Buck Audit (WA) Pty Ltd  
Level 3, 15 Labouchere Road  
South Perth Western Australia 6151

Securities Exchange Listing

Province Resources Limited shares are listed on the Australian Securities Exchange  
(ASX code: PRL)

Website

[www.province.limited](http://www.province.limited)

Directors' report	3
Auditor's independence declaration	22
Consolidated statement of profit or loss and other comprehensive income	23
Consolidated statement of financial position	24
Consolidated statement of changes in equity	25
Consolidated statement of cash flows	26
Notes to the consolidated financial statements	27
Directors' declaration	57
Independent auditor's report to the members of Province Resources Limited	58
Shareholder information	62

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Province Resources Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2022.

#### Directors

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

Patrick Burke	Non-Executive Chairman
David Frances	Managing Director
Kylah Morrison	Non-Executive Director
Roger Martin	Non-Executive Director - Appointed 27 July 2021

#### Company Secretary

Ian Hobson

#### Principal activities

During the financial year the principal continuing activities of the consolidated entity consisted of:

- mineral exploration
- scoping study of the HyEnergy® - Zero Carbon Hydrogen Project

#### Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

#### Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$8,753,409 (30 June 2021: \$14,496,384).

During the period Province progressed a number of green energy and mineral resources activities.

#### HyEnergy® Green Hydrogen Project

Province reached an important milestone with the signing of formal consents with the two Traditional Owner groups for licences critical to the HyEnergy® green hydrogen project in the Gascoyne region of Western Australia (ASX: 05/07/2022).

The Nganhurra Thanardi Garrbu Aboriginal Corporation (NTGAC) and the Yinggarda Aboriginal Corporation (YAC) have provided formal consent for regulators to issue land licences across the HyEnergy® project area.

The support provided by the native title groups covers a combined 870 square kilometres of land around Carnarvon in the Gascoyne region of Western Australia.

Consent from relevant native title bodies is a pre-requisite for the Western Australian Government to issue Section 91 licences, which allow project proponents access to land to undertake feasibility studies. The government also consults with other relevant stakeholders, such as pastoralists. The Company has had numerous positive engagements with pastoralists and other local stakeholders, and will continue to foster these relationships leveraging its local office in Carnarvon (ASX: 20/12/2021).

Support from the Baiyungu (NTGAC) and Yinggarda groups follows significant engagement with the native title parties over the past 12 months. It allows Province to commence discussions on Indigenous Land Use Agreements (ILUAs) which would cover the construction and operation of the HyEnergy® Project.

The Company extended the Memorandum of Understanding with global renewable energy leader Total Eren three times, (31 May 2022, 31 July 2022, and 10 August 2022) to enable the terms of the Joint Development Agreement for the HyEnergy® Project to be agreed. The terms of which were announced to ASX on 22 August 2022.

The Company signed an MoU with Global Energy Ventures (ASX:GEV) now called Provaris Energy (ASX:PV1) who would undertake a Scoping Study on the feasibility of using compressed hydrogen as a vector to market from the HyEnergy® project (ASX: 9 August 2021). The study attracted \$300,000 of state government co-funding.

On 20 December 2021 Province announced to ASX that it had been awarded Lead Agency Status by the Western Australian Government. The official status allows for a higher level of facilitation to be coordinated by a nominated State agency, in this case the Department of Jobs, Tourism, Science and Innovation (JTSI).

During the period the Company also completed a positive Scoping Study on the HyEnergy® project, which allowed work to commence on further feasibility studies. The results of the Scoping Study can be found in the ASX announcement *"Completion of Scoping Study Allows HyEnergy™ Green Hydrogen Project to Move Forward" – 2 March 2022*. The Company also commissioned its first meteorological mast (met mast) on the project. The met-mast is 120m high and is designed to test wind conditions and other parameters at various heights above the ground to determine the best hub height for turbine design. Two more SODAR trailers have also been deployed which takes the total number now deployed to four. These will collect data for resource determination and turbine design optimisation – ASX 31 May 2022.

In November 2021 the Western Australian Government announced proposed changes to the land tenure regime intended to support the development of the green hydrogen industry.

#### **Fraser Range - Gnama Nickel-Copper Project**

The Gnama Project is located at the southern end of the Fraser Range, host to several recent nickel discoveries including Nova-Bollinger (Sirius Resources/IGO), Silver Knight (Creasy Group) and Mawson (Legend Mining).

During the period drilling was completed at the Gnama North regional targets. Initially a total of 29 aircore holes were drilled to bedrock and then a further 4 shallow RC holes were drilled as part of the drilling campaign completed during the quarter along one drill line to ensure adequate coverage.

A further drilling programme was then undertaken at Gnama South to comprehensively test the bedrock below the supergene anomalism. Drilling successfully reached depths greater than 250 metres and casing was installed to enable DHEM surveying to take place. In total 870 metres were drilled in 3 RC holes. Drilling intersected mafic intrusive bodies in all 3 holes in close proximity to the Snowy's Dam Formation, a sulphide-bearing metasedimentary unit.

DHEM surveys were completed in two of three drillholes. No clear offhole bedrock anomalism was defined in the two holes with localised responses detected at certain depths within the mafic intrusives. As a consequence, the focus moves to re-assessing historical surface EM surveys at the project and comparing their effectiveness given the results of Province's drilling. In addition, further trace element studies will be completed to confirm the degree of sulphur saturation and crustal contamination and aid in vectoring to potential targets. Further drilling is likely to focus on mapping out the extents of the Gnama intrusion and providing platforms for further high-powered EM surveys to detect sulphide accumulations.

#### **Skåne Vanadium Project**

Skåne Vanadium Project is located on the southern-most tip of Sweden, with the project area about one hour's drive from Malmö. The project is comprised of 11 granted licences totalling ~220km<sup>2</sup>.

Resources currently have estimated a maiden JORC Mineral Resource of 116.9Mt @ 0.39% V<sub>2</sub>O<sub>5</sub> at the Hörby Target at Skåne. The high tonnage, near surface resource estimated at Hörby reflects the widespread stratigraphic hosted vanadium mineralisation across the licences, giving confidence that further drilling could generate additional Mineral Resources over higher-grade targets in the 98% that remains unexplored.

During the period Province commenced techno-economic studies into the Skåne Vanadium project. This initially comprised metallurgical test work. Grinding Solutions carried out FEG SEM analysis aimed at determining the deportment of vanadium within the shale-hosted mineralisation and trialled different methods to maximise the extraction of the vanadium into solution.

SEM analysis revealed that the vanadium is mostly contained within muscovite, with the only other host being rutile (which is only present in trace amounts). The % vanadium within the muscovite is not consistent. As a result, separation of the muscovite alone will not result in a vanadium-bearing concentrate suitable for refining and further processing steps are required.

Grinding Solutions trialled flotation as a means of concentrating the vanadium bearing minerals but were unsuccessful in upgrading the vanadium content into concentrate. Previous test work trialled pressure oxygenation leaching as a concentration method without success. The conclusion is that there is currently no viable process option available for the Skane mineralisation.

During the period the Company received the ruling of The Land and Environment Court of Appeal at Växjö District Court, that the Court had rejected appeals against the Company's approval to conduct its proposed ten-hole drilling programme at the Tomelilla Target in the Skåne Vanadium Project. The proposed programme comprises 10 holes in an area where historic drilling reported grades at Fågeltofta-2 (9.7m @ 0.61% V<sub>2</sub>O<sub>5</sub>) and Gislövshammar-2 (9.2m @ 0.67% V<sub>2</sub>O<sub>5</sub>) and from surface sampling at Flagabro Creek (~10m @ 0.61% V<sub>2</sub>O<sub>5</sub>). The programme is designed to test these higher grade areas for mineralisation and the Company hopes to replicate historical results which have been consistent throughout the formation.

#### Annual Mineral Resource Statement - Skåne Vanadium Project

The Company's governance arrangement and internal controls for reporting its Mineral Resource Estimate includes reporting on an annual basis and in compliance with the 2021 Edition of JORC and the ASX Listing Rules. The competent person is suitably qualified and experienced, as defined in the 2012 Edition of JORC.

As at 30 June 2022, the Skane Vanadium Project has a Mineral Resource Estimate as defined in the below table. There has been no changes to the Mineral Resource estimates since the 2021 annual review.

Seam	Volume (m <sup>3</sup> )	Geol Loss (%)	Tonnes (Mt)	Density	V <sub>2</sub> O <sub>5</sub> (%)	V <sub>2</sub> O <sub>5</sub> % (t)	Category
Top	14527337	7%	34.0	2.51	0.40	136,063	Indicated
Bottom	12303874	7%	27.9	2.43	0.38	104,881	Indicated
<b>Total Indicated</b>			<b>61.8</b>		<b>0.39</b>	<b>240,944</b>	
Top	14072259	10%	31.8	2.51	0.40	127,356	Inferred
Bottom	10626330	10%	23.2	2.43	0.38	87,504	Inferred
<b>Total Inferred</b>			<b>55.0</b>		<b>0.39</b>	<b>214,860</b>	
<b>Total Hörby Resources</b>			<b>116.9</b>		<b>0.39</b>	<b>455,805</b>	

JORC Indicated and Inferred Mineral Resources (0.3% V<sub>2</sub>O<sub>5</sub> Cut-off)

#### Paterson Province: Pascalle Copper - Gold Project

The Pascalle Copper - Gold Project is located in the Paterson Province within 20km of Newcrest Mining's (ASX:NCM), 32Moz Telfer Mine.

As announced to ASX on 16 September 2021, Province entered into an binding agreement with AIM listed Greatland Gold plc (AIM:GGP) to sell the Pascalle Project.

During the year the acquisition by GGP of EL45/5316, EL45/5755 (pursuant to a withdrawal) and EL45/5756 from Province for consideration of \$150,000 was completed.

In addition, Province is the sole applicant for exploration licences EL45/5754. Province has granted GGP an option, upon exercise of which GGP will pay consideration of \$50,000 plus \$200,000 in cash or GGP shares (at GGP's election) for the withdrawal of the applications and sale and purchase of EL45/5754, and if necessary, the sale and purchase of the licence created if the application is granted.

## Board and Management Changes

On 27 July 2021 Roger Martin was appointed to the board as a Non-Executive director. Roger was most recently Chief of Staff to former State Treasurer Ben Wyatt as well as previously having been Vice President of Corporate Affairs at Woodside; he brings a wealth of experience to the board.

On 23 November 2021 Cameron Bateman joined the executive team as Chief Development Officer to drive the development of the HyEnergy® project. Cameron has 30 years of experience in delivering Oil and Gas development projects around the globe and will be instrumental in the co-development of the HyEnergy® project.

## Competent Persons Statement

The information in this document that relates to the estimation and reporting of the Mineral Resource is extracted from the report entitled "Maiden JORC Mineral Resource at Skåne" created on 18 December 2019. The information in this report that relates to Exploration Results is extracted from ASX announcements previously lodged. The Company confirms that it is not aware of any new information or data that materially affects the information included in prior announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from previous announcements.

## Significant changes in the state of affairs

The following performance rights were issued to Directors and employees during the year ended 30 June 2022:

Name	Issue date	Number issued Class A	Number issued Class B	Number issued Class C	Number issued Class D	Number issued Class E	Number issued Total
David Frances	20/07/2021	5,000,000	5,000,000	5,000,000	-	-	15,000,000
Kylah Morrison	20/07/2021	1,666,666	1,666,667	1,666,667	-	-	5,000,000
Roger Martin	01/12/2021	1,666,666	1,666,667	1,666,667	-	-	5,000,000
Employees	01/12/2021	2,083,334	-	-	5,833,333	6,583,333	14,500,000
		10,416,666	8,333,334	8,333,334	5,833,333	6,583,333	39,500,000

The Performance Rights have the following vesting criteria attached to them ("The Project" refers to the HyEnergy® Project):

Class	Vesting conditions	Last vesting date
Class A	Upon the Company announcing to ASX completion of a positive scoping study in relation to the Project, to the reasonable satisfaction of the Independent Directors of the Company, as evidenced by a decision to proceed to a pre feasibility study on the Project.	23 October 2022
Class B	Upon the Company announcing to ASX completion of a positive prefeasibility study (PFS) in relation to the Project, which demonstrates a net present value at least \$500 million with an internal rate of return of at least 25% (in each case using a 10% discount rate).	23 October 2023
Class C	Upon the Company announcing to ASX that it has: (i) secured an off take partner, under a binding agreement, for a minimum 30% of production proposed under the PFS; or (ii) an outright sale of the Project for a value of at least \$100 million.	23 October 2024
Class D	Upon the Company: (i) announcing to ASX completion of a positive preliminary feasibility study in relation to the Project, to the reasonable satisfaction of the Independent Directors of the Company, as evidenced by a decision to proceed to a definitive feasibility study on the Project; or (ii) completing the sale of the Project.	23 October 2023
Class E	Upon the Company: (i) announcing to ASX completion of a positive definitive feasibility study in relation to the Project, to the reasonable satisfaction of the Independent Director of the Company, as evidenced by a decision to proceed to a Final Investment Decision on the Project; or (ii) completing the sale of the Project.	23 October 2024

The Class A Performance Rights have vested during the year and 27,500,000 were converted into Ordinary shares during year ended 30 June 2022.

The following options were converted to fully paid ordinary shares during the year ended 30 June 2022:

Date converted	Number converted	Exercise price	Expiry date
21/07/2021	6,750,000	\$0.016	21/01/2024
21/07/2021	7,000,000	\$0.040	13/11/2022
20/08/2021	3,750,000	\$0.040	13/11/2022
15/03/2022	10,000,000	\$0.040	13/11/2022
	27,500,000		

On 2 March 2022, 16,666,666 Class A Performance Shares issued to the Vendors of the Ozexco Project were converted to ordinary shares on the completion of a positive scoping study.

56,250,000 Class B Performance Shares issued to the Vendors of the Skane Project in November 2018 expired on 26 May 2022.

The performance milestone required the achievement of the Company publishing a preliminary feasibility study demonstration the viability of the proposed mine at the Skane Project on or before that date that is 42 months after the date of readmission of the Company to the Official List of ASX.



#### Matters subsequent to the end of the financial year

The following Performance Rights were converted into ordinary fully shares:

- \* 2,500,000 Class A Performance Rights - 5 July 2022
- \* 1,666,666 Class A Performance Rights - 18 July 2022
- \* 250,000 Class A Performance Rights - 5 August 2022

6,000,000 ordinary shares were issued on 1 August 2022 in lieu of payment for July 2020 marketing and investor relations services.

The Company announced on 22 August 2022 that legally binding key terms had been finalised with Total Eren to guide the development of the HyEnergy® green hydrogen project. The agreement settles the 50:50 structure in the project and relationship between the parties, together with their key roles as the project moves through feasibility stages. Summary of the binding term sheet is as follows:

#### *Parties:*

- a) Province Resources Limited ('Province').
- b) Total Eren Australia Pty Ltd ('Total Eren').

#### *Agreement:*

Province and Total Eren have entered into a binding joint development term sheet ('Term Sheet') to cooperate and jointly develop a large-scale green hydrogen production project known as HyEnergy® ('the Project'), located in Carnarvon, Western Australia.

#### *Project ownership:*

- a) The Project and all assets will be held by one or more special purpose vehicles, in which each party will be an equal shareholder ('Project SPV').
- b) The Project interests are:
  - (i) 50% - Province; and
  - (ii) 50% - Total Eren.
- c) The Project will consist of:
  - (i) the renewable energy facility and supply of electricity ('the Upstream Assets'); and
  - (ii) the hydrogen electrolyser and any associated facilities and infrastructure required to produce green hydrogen or any other hydrogen-based end products using the electricity supplied by the Upstream Assets ('the Downstream Assets').

#### *Development phases:*

The Project will have the following phases of development:

- a) pre-feasibility studies;
- b) definitive feasibility studies;
- c) front-end engineering design;
- d) final investment decision
- e) the earlier of:
  - i. where the Project/stage of the Project is initially financed by equity, the down payment being made under the construction contract for the Project/stage of the Project; and
  - ii. occurrence of the first drawdown under a non-recourse project finance facility for the Project/stage of the Project, (together, 'Financial Close'), and
- f) execution and operation.

#### *Roles and contributions – Total Eren:*

Total Eren will lead the development and assessment of the Upstream Assets and Downstream Assets (including engineering and concept design and optimisation), lead the procurement of key equipment and selection of EPC contractors and the operation and maintenance contractors and will lead the arrangement of long-term project financing for the Project, among other responsibilities

Total Eren will assist the Project SPV with the marketing and sale of product, such as Hydrogen, generated from the Project.

*Roles and contributions – Province:*

Province will lead the obtention of long-term rights over the land and access rights required to develop, build and operate the Project, including for all Upstream Assets and Downstream Assets, assist the Project SPV to obtain all necessary permits and approvals for the Project and co-ordinate all studies required for the development, connection, construction, commissioning and operation of the Project in consultation with Total Eren.

*Shareholders' agreement:*

The Parties will negotiate, in a timely manner and in good faith, the key terms of a shareholders' agreement in respect of the Project SPV (SHA) with a view to executing the SHA within 8 weeks after entry into the Term Sheet ('Signature Date'). The SHA shall be on terms consistent with the Term Sheet to record the parties' objects and aims in relation to the Project. The SHA will contain customary terms for such agreements, and will grant a pre-emptive right to a non-selling party should the other seek to sell their interest in the Project. Subject to compliance with this clause, key assets as agreed by the Parties will be transferred or novated into the Project SPV within 8 weeks of the Signature Date.

*Development committee:*

The parties will establish a development committee, consisting of 2 members from each of Province and Total Eren (to be chaired by a designee of Total Eren) that will be responsible for key decisions in relation to the development of the Project.

*Board composition:*

The board of the Project SPV will comprise 4 directors, including 2 directors from Province and 2 directors from Total Eren for so long as each party holds at least a 47.5% ownership of the Project.

*Funding:*

The parties will jointly fund the costs required to (a) deliver a pre feasibility study and definitive feasibility study and (b) undertake a work program for the same period in proportion to their ownership in the Project via loans to the Project SPV at 5% interest rate above the BBSY on advance. The loans will be capitalised and repaid at Financial Close.

*Termination:*

The Term Sheet shall terminate on the earlier of the execution of the SHA or six months after the Signature Date.

1,250,000 options exercisable at \$0.04 on or before 13 November 2022, were converted into ordinary shares on 24 August 2022.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**Likely developments and expected results of operations**

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

**Environmental regulation**

The Consolidated Entity's environmental obligations are regulated under Swedish and Australian laws. The Company has a policy of exceeding or at a minimum complying with its environmental performance obligations.

During the financial year, the Consolidated Entity did not materially breach any particular or significant Swedish or Australian regulation in respect to environmental management.

## Information on Directors

Name:	<b>Patrick Burke</b>
Title:	Non-Executive Chairman
Qualifications:	Bachelor of Laws from the University of Western Australia.
Experience and expertise:	Mr Burke has extensive legal and corporate advisory experience and over the last 15 years has acted as a Director for a large number of ASX listed companies. His legal expertise is in corporate and securities law in particular, capital raisings and mergers and acquisitions. His corporate advisory experience includes identification and assessment of acquisition targets, strategic advice, deal structuring and pricing, funding, due diligence and execution.
Other current directorships:	Executive Chairman of Meteoric Resources NL - appointed 1 December 2017 Non-Executive Director of Triton Minerals Ltd - appointed 22 July 2016 Non-Executive Director of Western Gold Resources Limited - 22 March 2021 Non-Executive Director of Torque Metals Limited - appointed 9 February 2021 Non-Executive Chairman of Lycaon Resources Limited - appointed 10 February 2021
Former directorships (last 3 years):	Mandrake Resources Limited - appointed August 2019 - resigned 24 March 2022 Vulcan Energy Resources Limited - appointed 5 February 2018 - resigned 31 December 2019 Vanadium Resources Limited - appointed 1 July 2017 - resigned 29 November 2019 Transcendence Technologies Limited - appointed 28 September 2018 - resigned 20 November 2019
Interests in shares:	3,750,000 ordinary shares
Interests in options:	3,750,000 Unlisted Options exercisable at \$0.04 expiring 13 November 2022
Interests in rights:	Nil
Name:	<b>David Frances</b>
Title:	Managing Director
Qualifications:	Bachelor of Science (Hons) from the University of Western Australia.
Experience and expertise:	Mr Frances is an international executive of nearly 30 years with a track record of transacting, discovering, funding, developing and operating assets in Australia and Africa. A key figure in the transformation of several companies including Mawson West (TSX:MWE) which he led from a micro-cap Western Australian based ASX Company which involved delisting the Company from the ASX and then relisting on the Toronto Stock Exchange after completing the world's largest base metals capital raise and IPO for 2010.
Other current directorships:	Non-Executive Director of Southern Hemisphere Mining Limited - appointed 5 February 2021 Non-Executive Chairman of Lanthanein Resources Ltd - appointed 4 February 2022
Former directorships (last 3 years):	Tiger Resources – appointed 20 December 2017 – resigned 11 July 2019
Interests in shares:	20,000,000 ordinary shares
Interests in options:	Nil
Interests in rights:	20,000,000 Performance Rights

**Name:** **Kylah Morrison**  
**Title:** Non-Executive Director  
**Qualifications:** Bachelor of Engineering (Mechanical) and Master of Engineering Management from Canterbury University. She is a member and graduate of the Australian Institute of Company Directors.  
**Experience and expertise:** Ms Morrison has over 15 years of experience working in private companies in the oil & gas industry, indigenous organisations, not-for-profits, and start-ups. She holds executive, non-executive and advisory board positions for organisations at the forefront of the clean energy transition. From 2016 to 2019 she championed regional economic development as the President, then CEO of the Karratha & Districts Chamber of Commerce & Industry, and Founding Chairperson of the Pilbara Universities Centre. Living and working for nine years in Karratha, she has a deep understanding of risks and challenges experienced by corporates, government, local businesses and indigenous organisations operating in remote and regional Australia, particularly in North-Western Australia.  
**Other current directorships:** None  
**Former directorships (last 3 years):** None  
**Interests in shares:** 1,666,666 ordinary shares  
**Interests in options:** Nil  
**Interests in rights:** 3,333,334 Performance Rights

**Name:** **Roger Martin**  
**Title:** Non-Executive Director - Appointed 27 July 2021  
**Qualifications:** Bachelor of Arts from Curtin University and Graduate Diploma in Journalism from Murdoch University. He is a graduate of the Australian Institute of Company Directors.  
**Experience and expertise:** Mr Martin is an experienced energy executive with a strong background in government and public affairs.  

Mr Martin began his career as a journalist, reporting on politics and business, before moving to work in the oil and gas industry at Woodside Energy where he was vice president of corporate affairs. He subsequently moved to a fintech start-up providing software trading solutions to buyers and sellers of commodities.

He has most recently worked in the Western Australian Government as chief-of-staff to the State Treasurer and Minister for Finance, Lands, Aboriginal Affairs and Energy.

He is currently director of a private corporate advisory firm, Wyatt Martin Pty Ltd, which provides support to corporations on public affairs issues including land access, Aboriginal Affairs and government approvals.

**Other current directorships:** None  
**Former directorships (last 3 years):** None  
**Interests in shares:** 1,666,666 ordinary shares  
**Interests in options:** Nil  
**Interests in rights:** 3,333,334 Performance Rights

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

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

**Company secretary**  
**Ian Hobson**

A Fellow Chartered Accountant and Chartered Secretary, Mr Hobson has more than 30 years' experience in the areas of corporate finance, governance, corporate accounting, company secretarial and restructuring advice. Mr Hobson was a director of PricewaterhouseCoopers and Ferrier Hodgson Chartered Accountants before specializing in providing company secretarial and corporate accounting services to listed entities

#### **Meetings of Directors**

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2022, and the number of meetings attended by each Director were:

	Attended	Held
Patrick Burke	6	6
David Frances	6	6
Kylah Morrison	6	6
Roger Martin	5	5

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

#### **Remuneration report (audited)**

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

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

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

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

#### ***Principles used to determine the nature and amount of remuneration***

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

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

The Board is responsible for determining and reviewing remuneration arrangements for its Directors and executives. The performance of the consolidated entity depends on the quality of its Directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

In consultation with external remuneration consultants, the Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

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

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

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

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

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

#### *Non-executive Directors remuneration*

Fees and payments to non-executive Directors reflect the demands and responsibilities of their role. Non-executive Directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive Directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive Directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive Directors do not receive share options or other incentives.

The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by shareholders at General Meetings and is currently set at \$400,000. Fees for Non-Executive Directors are not linked to the performance of the Company, however, to align Directors' interests with shareholders' interests, Directors are encouraged to hold shares in the Company and may subject to shareholder approval, where appropriate, be issued options.

#### *Executive remuneration*

The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

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

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

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

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

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

The long-term incentives ('LTI') include long service leave and share-based payments. Shares are awarded to executives over a period of three years based on long-term incentive measures. These include increase in shareholders value relative to the entire market and the increase compared to the consolidated entity's direct competitors.

### Details of remuneration

#### Amounts of remuneration

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

The key management personnel of the consolidated entity consisted of the following Directors of Province Resources Limited:

- Patrick Burke - Non-Executive Chair
- David Frances - Managing Director
- Kylah Morrison - Non-Executive Director
- Roger Martin - Non-Executive Director (Appointed 27 July 2021)

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled	Total
30 June 2022	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Patrick Burke	78,333	-	-	-	-	549,350	627,683
Kylah Morrison	53,857	-	-	5,386	-	303,463	362,706
Roger Martin*	105,826	-	-	5,083	-	320,307	431,216
<i>Executive Directors:</i>							
David Frances	258,394	-	-	-	-	2,092,606	2,351,000
	496,410	-	-	10,469	-	3,265,726	3,772,605

\* Included in Cash salary and fees is Director Fees \$50,826 and consulting services \$55,000 see note 27 for details.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation/Pension	Long service leave	Equity-settled	Total
30 June 2021	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Patrick Burke	32,168	-	-	-	-	810,058	842,226
Kylah Morrison	10,059	-	-	956	-	6,570	17,585
Tom Langley *	18,275	-	-	1,736	-	53,389	73,400
Brandon Munro **	11,307	-	-	1,074	-	-	12,381
David Minchin **	44,219	-	-	10,802	-	-	55,021
Simon Robertson **	1,620	-	-	154	-	-	1,774
<i>Executive Directors:</i>							
David Frances	183,117	-	-	-	-	126,488	309,605
<i>Other Key Management Personnel:</i>							
Alexander Walker **	57,079	-	-	23,798	-	-	80,877
	357,844	-	-	38,520	-	996,505	1,392,869

- \* Tom Langley was appointed Non-executive Director from 23 July 2020 to 22 March 2021. Only remuneration received whilst a Non-Executive Director has been disclosed.
- \*\* Directors all resigned during the year ended 30 June 2021.

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

Name	Fixed remuneration		Options		Performance rights	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
<i>Non-Executive Directors:</i>						
Patrick Burke	12%	4%	88%	96%	-	-
Kylah Morrison	16%	63%	-	-	84%	37%
Roger Martin	26%	-	-	-	74%	-
Tom Langley	-	27%	-	-	-	73%
Brandon Munro	-	100%	-	-	-	-
David Minchin	-	100%	-	-	-	-
Simon Robertson	-	100%	-	-	-	-
<i>Executive Directors:</i>						
David Frances	11%	59%	-	-	89%	41%

#### Service agreements

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

Name:	Patrick Burke
Title:	Non-Executive Chairman
Details:	\$80,000 per annum from 27 July 2021.
Name:	David Frances
Title:	Managing Director
Details:	\$250,000 per annum.
Name:	Kylah Morrison
Title:	Non-Executive Director
Details:	\$60,000 per annum (including superannuation) from 27 July 2021.
Name:	Roger Martin
Title:	Non-Executive Director - Appointed 27 July 2021
Details:	\$60,000 per annum (including superannuation) together with an additional consulting capacity to provide corporate affairs services at a rate of \$5,000 per month.

#### Share-based compensation

##### Issue of shares

There were no shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2022.



#### Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Patrick Burke	3,375,000	22 April 2021	22 April 2022	13 November 2022	\$0.040	\$0.181

Options granted carry no dividend or voting rights.

The number of options over ordinary shares granted to and vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2022 are set out below:

Name	Number of options granted during the year 30 June 2022	Number of options granted during the year 30 June 2021	Number of options vested during the year 30 June 2022	Number of options vested during the year 30 June 2021
Patrick Burke	-	7,500,000	3,750,000	3,750,000

#### Performance rights

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Vesting date and exercisable date	Fair value per right at grant date
David Frances	5,000,000	22 April 2021	Class A	\$0.204
	5,000,000	22 April 2021	Class B	\$0.204
	5,000,000	22 April 2021	Class C	\$0.204
David Frances	5,000,000	15 June 2021	Class A	\$0.150
	5,000,000	15 June 2021	Class B	\$0.150
	5,000,000	15 June 2021	Class C	\$0.150
Kylah Morrison	1,666,666	15 June 2021	Class A	\$0.150
	1,666,667	15 June 2021	Class B	\$0.150
	1,666,667	15 June 2021	Class C	\$0.150
Roger Martin	1,666,666	21 November 2021	Class A	\$0.161
	1,666,667	21 November 2021	Class B	\$0.161
	1,666,667	21 November 2021	Class C	\$0.161

Class A will vest on the Company announcing to the ASX completion of a positive scoping study in relation to the HyEnergy Project (formerly the Ozexco project), to the reasonable satisfaction of the independent Directors of the Company, as evidenced by a decision to proceed a prefeasibility study on the project, within 18 months of the date of issue.

Class B will vest on the company announcing to the ASX completion of a positive prefeasibility study in relation to the HyEnergy Project (formerly the Ozexco project) which demonstrates a net present value of at least \$500 million with an internal rate of return of at least 25% (in each case using a 10% discount rate) within 30 months from the date of issue.

Class C will vest on the Company announcing to the ASX that it has secured an offtake partner, under a binding agreement, for a minimum of 30% of production from the HyEnergy Project (formerly the Ozexco project), or an outright sale of the HyEnergy Project for a value of at least \$100 million, within 42 months of completion of the date of issue of the Class B Performance Rights.

Performance rights granted carry no dividend or voting rights.

The number of performance rights over ordinary shares granted to and vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2022 are set out below:

Name	Number of rights granted during the year 30 June 2022	Number of rights granted during the year 30 June 2021	Number of rights vested during the year 30 June 2022	Number of rights vested during the year 30 June 2021
David Frances	15,000,000	15,000,000	10,000,000	-
Kylah Morrison	5,000,000	-	1,666,666	-
Roger Martin	5,000,000	-	1,666,666	-

#### Additional information

The earnings of the consolidated entity for the five years to 30 June 2022 are summarised below:

	2022 \$	2021 \$	2020 \$	2019 \$	2018 \$
Loss after income tax	(8,753,409)	(14,496,384)	(1,725,209)	(2,105,732)	(311,091)

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

	2022	2021	2020	2019	2018
Share price at financial year end (\$)	0.05	0.13	0.03	0.01	-
Basic earnings per share (cents per share)	(0.77)	(2.07)	(0.48)	(0.69)	(0.13)

The Company was suspended from trading during 2018.

**Additional disclosures relating to key management personnel**

*Shareholding*

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

	Balance at the start of the year	Received as part of remuneration	Purchased/ Converted/ Acquisition	Disposals	Balance at the end of the year
<i>Ordinary shares</i>					
Patrick Burke	6,666,666	-	3,750,000	(6,666,666)	3,750,000
David Frances	10,000,000	-	10,000,000	-	20,000,000
Kylah Morrison	-	-	-	-	-
Roger Martin <sup>1</sup>	-	-	1,666,666	-	1,666,666
	16,666,666	-	15,416,666	(6,666,666)	25,416,666

*Option holding*

The number of options over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ resignation	Balance at the end of the year
<i>Options over ordinary shares</i>					
Patrick Burke	7,500,000	-	(3,750,000)	-	3,750,000
David Frances	-	-	-	-	-
Kylah Morrison	-	-	-	-	-
Roger Martin <sup>1</sup>	-	-	-	-	-
	7,500,000	-	(3,750,000)	-	3,750,000

*Performance rights holding*

The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted as remuneration	Converted	Expired/ forfeited/ resignation	Balance at the end of the year
<i>Performance rights over ordinary shares</i>					
Patrick Burke	-	-	-	-	-
David Frances	15,000,000	15,000,000	(10,000,000)	-	20,000,000
Kylah Morrison	-	5,000,000	-	-	5,000,000
Roger Martin <sup>1</sup>	-	5,000,000	(1,666,666)	-	3,333,334
	15,000,000	25,000,000	(11,666,666)	-	28,333,334

(1) appointed 27 July 2021

***This concludes the remuneration report, which has been audited.***

### Shares under option

Unissued ordinary shares of Province Resources Limited under option at the date of this report are as follows:

Expiry date	Exercise price	Number under option
13 November 2022	\$0.040	3,830,000
28 May 2024	\$0.250	12,000,000
		<b>15,830,000</b>

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

### Shares under performance rights and performance shares

Unissued ordinary shares of Province Resources Limited under performance rights at the date of this report are as follows:

Grant date	Details	Number
22 April 2021	Issued to Directors	15,000,000
20 July 2021	Issued to Directors	13,333,334
21 October 2021	Issued to Directors	3,333,334
26 November 2021	Issued to employees	12,416,666
		<b>44,083,334</b>

Unissued ordinary shares of Province Resources Limited under performance shares at the date of this report are as follows:

Grant Date	Details	Number
27 April 2021	Issued to the vendor of the Ozexco acquisition	33,333,334

No person entitled to exercise the performance rights or performance shares had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

### Shares issued on the exercise of options

The following ordinary shares of Province Resources Limited were issued during the year ended 30 June 2022 and up to the date of this report on the exercise of options granted:

Expiry date	Exercise price	Number of shares issued
21 January 2024	\$0.016	6,750,000
13 November 2022	\$0.040	20,750,000
		<b>27,500,000</b>

#### Shares issued on the exercise of performance rights and performance shares

The following ordinary shares of Province Resources Limited were issued during the year ended 30 June 2022 and up to the date of this report on the exercise of performance rights granted:

Details	Number of shares issued
Class A Performance Rights - Directors	15,833,332
Class A Performance Rights - Employees	2,083,334
	<hr/>
	17,916,666

The following ordinary shares of Province Resources Limited were issued during the year ended 30 June 2022 and up to the date of this report on the exercise of performance rights granted:

Dates	Number of shares issued
Class A Performance Shares - Ozexco Acquisition	16,666,666

#### Indemnity and insurance of officers

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

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

#### Indemnity and insurance of auditor

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

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

#### Proceedings on behalf of the Company

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

#### Non-audit services

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

#### Officers of the Company who are former partners of William Buck Audit (WA) Pty Ltd

There are no officers of the Company who are former partners of William Buck Audit (WA) Pty Ltd.

#### Auditor's independence declaration

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

#### Auditor

William Buck Audit (WA) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the Directors



---

Patrick Burke  
Chairman

29 September 2022  
Perth

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF PROVINCE RESOURCES LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

William Buck

William Buck Audit (WA) Pty Ltd  
ABN 67 125 012 124

Amar Nathwani

Amar Nathwani  
Director

Dated this 29<sup>th</sup> day of September 2022

Province Resources Limited  
Consolidated statement of profit or loss and other comprehensive income  
For the year ended 30 June 2022



	Note	30 June 2022 \$	30 June 2021 \$
Other income	5	100,000	59,697
Interest revenue		85,379	8,846
<b>Expenses</b>			
Administrative expenses	6	(1,195,490)	(1,046,103)
Employee benefits expense		(1,308,015)	(460,763)
Depreciation expense		(106,113)	(9,314)
Project acquisition cost		-	(11,090,038)
Exploration and evaluation expenditure		(698,213)	(384,687)
Share based payments expense	34	(4,454,236)	(970,226)
Project evaluation		(1,175,194)	(246,131)
Impairment of exploration and evaluation	14	-	(357,665)
Finance costs		(1,527)	-
<b>Loss before income tax expense</b>		(8,753,409)	(14,496,384)
Income tax expense	7	-	-
<b>Loss after income tax expense for the year attributable to the owners of Province Resources Limited</b>	20	(8,753,409)	(14,496,384)
<b>Other comprehensive income/(loss)</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(12,483)	870
<b>Other comprehensive income/(loss) for the year, net of tax</b>		(12,483)	870
<b>Total comprehensive loss for the year attributable to the owners of Province Resources Limited</b>		(8,765,892)	(14,495,514)
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	33	(0.77)	(2.07)
Diluted earnings per share	33	(0.77)	(2.07)

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



	Note	30 June 2022	30 June 2021
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	20,360,131	23,531,596
Trade and other receivables	9	223,475	164,367
Other assets	10	22,571	8,800
		20,606,177	23,704,763
Held for sale assets	12	-	50,000
<b>Total current assets</b>		<b>20,606,177</b>	<b>23,754,763</b>
<b>Non-current assets</b>			
Plant and equipment	13	699,108	117,891
Right-of-use assets	11	49,075	-
Exploration and evaluation	14	1,932,657	1,935,596
<b>Total non-current assets</b>		<b>2,680,840</b>	<b>2,053,487</b>
<b>Total assets</b>		<b>23,287,017</b>	<b>25,808,250</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	15	846,297	159,568
Lease liabilities	16	54,187	-
Provisions	17	37,454	4,143
<b>Total current liabilities</b>		<b>937,938</b>	<b>163,711</b>
<b>Total liabilities</b>		<b>937,938</b>	<b>163,711</b>
<b>Net assets</b>		<b>22,349,079</b>	<b>25,644,539</b>
<b>Equity</b>			
Issued capital	18	42,310,333	34,844,247
Reserves	19	13,009,129	15,017,266
Accumulated losses	20	(32,970,383)	(24,216,974)
<b>Total equity</b>		<b>22,349,079</b>	<b>25,644,539</b>

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

Province Resources Limited  
Consolidated statement of changes in equity  
For the year ended 30 June 2022



	Issued capital \$	Share based payment reserve \$	Foreign currency translation reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2020	12,610,243	1,489,232	(27,277)	(9,720,590)	4,351,608
Loss after income tax expense for the year	-	-	-	(14,496,384)	(14,496,384)
Other comprehensive income for the year, net of tax	-	-	870	-	870
Total comprehensive income/(loss) for the year	-	-	870	(14,496,384)	(14,495,514)
<i>Transactions with owners in their capacity as owners:</i>					
Issue of shares, net of transaction costs (note 18)	20,633,984	2,223,970	-	-	22,857,954
Share-based payments	350,020	970,226	-	-	1,320,246
Shares issued for Vanatech acquisition	500,000	-	-	-	500,000
Options issued for Vanatech acquisition	-	110,245	-	-	110,245
Shares issued for Ozexco acquisition	750,000	-	-	-	750,000
Performance shares issued for Ozexco acquisition	-	10,250,000	-	-	10,250,000
Balance at 30 June 2021	34,844,247	15,043,673	(26,407)	(24,216,974)	25,644,539
	Issued capital \$	Share based payment reserve \$	Foreign currency translation reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2021	34,844,247	15,043,673	(26,407)	(24,216,974)	25,644,539
Loss after income tax expense for the year	-	-	-	(8,753,409)	(8,753,409)
Other comprehensive loss for the year, net of tax	-	-	(12,483)	-	(12,483)
Total comprehensive loss for the year	-	-	(12,483)	(8,753,409)	(8,765,892)
<i>Transactions with owners in their capacity as owners:</i>					
Issue of shares, net of transaction costs (note 18)	1,016,196	-	-	-	1,016,196
Share-based payments (note 34)	-	4,454,236	-	-	4,454,236
Performance rights converted	2,353,519	(2,353,519)	-	-	-
Performance shares converted	3,416,667	(3,416,667)	-	-	-
Options converted	679,704	(679,704)	-	-	-
Balance at 30 June 2022	42,310,333	13,048,019	(38,890)	(32,970,383)	22,349,079

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

	Note	30 June 2022 \$	30 June 2021 \$
<b>Cash flows from operating activities</b>			
Interest received		61,977	8,846
Payments to suppliers and employees		(2,144,946)	(1,391,079)
Payments for exploration and project evaluation		(1,547,634)	(622,802)
Proceeds from government grants		-	59,697
Net cash used in operating activities	31	(3,630,603)	(1,945,338)
<b>Cash flows from investing activities</b>			
Payments for investments		-	(90,038)
Payments for property, plant and equipment	13	(644,967)	(107,007)
Payments for exploration and evaluation acquisition		-	(90,241)
Payments for security deposits		(13,771)	(8,800)
Proceeds from disposal of exploration assets		150,000	-
Net cash used in investing activities		(508,738)	(296,086)
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	18	938,000	24,358,723
Share issue transaction costs		78,196	(1,500,769)
Repayment of lease liabilities		(39,358)	-
Proceeds for unclaimed monies		-	5,864
Net cash from financing activities		976,838	22,863,818
Net increase/(decrease) in cash and cash equivalents		(3,162,503)	20,622,394
Cash and cash equivalents at the beginning of the financial year		23,531,596	2,910,835
Effects of exchange rate changes on cash and cash equivalents		(8,962)	(1,633)
Cash and cash equivalents at the end of the financial year	8	20,360,131	23,531,596

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

## Note 1. General information

The financial statements cover Province Resources Limited as a consolidated entity consisting of Province Resources Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Province Resources Limited's functional and presentation currency.

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

358 Rokeby Road  
Subiaco, Western Australia 6008  
T: +61 8 9329 6862

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 29 September 2022. The Directors have the power to amend and reissue the financial statements.

## Note 2. Significant accounting policies

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

### New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There was no resulting impact on the financial report.

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

### Basis of preparation

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

#### *Historical cost convention*

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

#### *Critical accounting estimates*

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

### Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 28.

### Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Province Resources Limited ('Company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the year then ended. Province Resources Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

## Note 2. Significant accounting policies (continued)

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

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

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

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

### Operating segments

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

### Foreign currency translation

The financial statements are presented in Australian dollars, which is Province Resources Limited's functional and presentation currency.

#### *Foreign currency transactions*

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

#### *Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

### Revenue recognition

The consolidated entity recognises revenue as follows:

#### *Government grants*

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants are recognised when there is reasonable assurance that both the entity will comply with conditions attached to the grant and that the grant will be received.

## Note 2. Significant accounting policies (continued)

### *Interest*

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

### *Other revenue*

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

### **Income tax**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary difference on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. The group continues to comply with conditions for deductibility. Deferred tax assets will be obtained when the group derives assessable income of a nature and of an amount sufficient to enable benefits to be utilised.

### **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.

### **Cash and cash equivalents**

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

### **Trade and other receivables**

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for expected credit losses.

## Note 2. Significant accounting policies (continued)

### Non-current assets or disposal groups classified as held for sale

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

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

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

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

### Investments and other financial assets

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

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

#### *Financial assets at amortised cost*

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

#### *Impairment of financial assets*

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

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

## Note 2. Significant accounting policies (continued)

### Property, plant and equipment

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

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

Plant and equipment	3-8 years
Motor vehicles	5 years

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

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

### Right-of-use assets

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

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

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

### Exploration and evaluation assets

Expenditure on exploration and evaluation is accounted for in accordance with the 'area of interest' method.

Exploration and evaluation expenditure encompass expenditures incurred by the Company in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Exploration and evaluation expenditure includes expenditure in relation to drilling, metallurgy, technical oversight, environmental work, maintenance of tenure and the approval of work programmes on the Company's licences including landholder access costs, legal fees and community and public relations costs.

For each area of interest, expenditure incurred in the acquisition of rights to explore is capitalised, classified as tangible or intangible, and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition and are recorded as an asset if:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
  - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
  - (b) exploration and evaluation activities in interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.



## Note 2. Significant accounting policies (continued)

Exploration and evaluation expenditure incurred by the Company subsequent to the acquisition of the rights to explore is expensed as incurred, up until the technical feasibility and commercial viability of the project has been demonstrated with a bankable feasibility study.

Capitalised exploration costs are reviewed at each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised exploration costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

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.

### Green Energy projects

Expenditure incurred by the Group on the Group's Green Energy projects are expensed until such time the Group can demonstrate the project is technically feasible, generate future economic benefit and the availability of technical, financial and other reasons to develop it.

### Impairment of non-financial assets

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

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

### Trade and other payables

Trade payables and other accounts payable represent liabilities for goods and services provided to the Group prior to the end of the financial period which are unpaid. The average credit period on purchases is 45 days from the date of invoice. The Group policy is to pay all undisputed invoices within 30 days from the month of receipt. All amounts are expected to be settled within 12 months.

### Lease liabilities

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

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

## Note 2. Significant accounting policies (continued)

### Employee benefits

#### *Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

#### *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 and other parties 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.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using an 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 market based performance conditions that do not determine whether the consolidated entity receives the services that entitle the employees and other parties 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, determined by applying an 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.

## Note 2. Significant accounting policies (continued)

### Fair value measurement

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

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

### Issued capital

Ordinary shares are classified as equity.

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

### Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

## Note 2. Significant accounting policies (continued)

### Earnings per share

#### *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Province Resources 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. The diluted value is set equal to the basic earnings per share should the dilution act to reduce the loss per share.

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

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

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

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

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

### **New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting year ended 30 June 2022. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

## Note 3. Critical accounting judgements, estimates and assumptions

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

#### *Coronavirus (COVID-19) pandemic*

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

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

#### *Share-based payment transactions*

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an option valuation model taking into account the terms and conditions upon which the instruments were granted and market based performance conditions.

#### *Estimation of useful lives of assets*

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

#### *Exploration and evaluation costs*

Exploration and evaluation expenditure incurred by the Group on the acquisition of the rights to explore is capitalised until the technical feasibility and commercial viability of the project has been demonstrated with a bankable feasibility study.

Capitalised exploration costs are reviewed at each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalised exploration costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development, capitalised expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

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.

### Note 4. Operating segments

#### *Identification of reportable operating segments*

The consolidated entity is organised into exploration and evaluation and the HyEnergy project operating segments. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

**Note 4. Operating segments (continued)**

*Operating segment information*

	Exploration and evaluation \$	HyEnergy project \$	Corporate \$	Total \$
<b>30 June 2022</b>				
Other income	100,000	-	85,379	185,379
Net other costs	(698,213)	(1,175,194)	(7,065,381)	(8,938,788)
<b>Loss before income tax expense</b>	(598,213)	(1,175,194)	(6,980,002)	(8,753,409)
Income tax expense				-
<b>Loss after income tax expense</b>				(8,753,409)
<b>Assets</b>				
Segment assets	2,009,501	580,182	20,697,334	23,287,017
<b>Total assets</b>				23,287,017
<b>Liabilities</b>				
Segment liabilities	27,838	352,330	557,770	937,938
<b>Total liabilities</b>				937,938
<b>30 June 2021</b>				
Other income	39,061	-	29,482	68,543
Net other costs	(742,352)	(11,336,169)	(2,486,406)	(14,564,927)
<b>Loss before income tax expense</b>	(703,291)	(11,336,169)	(2,456,924)	(14,496,384)
Income tax expense				-
<b>Loss after income tax expense</b>				(14,496,384)
<b>Assets</b>				
Segment assets	1,985,596	-	23,822,654	25,808,250
<b>Total assets</b>				25,808,250
<b>Liabilities</b>				
Segment liabilities	24,629	28,583	110,499	163,711
<b>Total liabilities</b>				163,711

*Geographical information*

	<b>Geographical non-current assets</b>	
	<b>30 June 2022</b>	<b>30 June 2021</b>
	\$	\$
Australia	1,030,991	396,898
Sweden	1,637,451	1,640,390
United Kingdom	12,398	16,199
	<b>2,680,840</b>	<b>2,053,487</b>

**Note 5. Other income**

	30 June 2022	30 June 2021
	\$	\$
Net gain on disposal of exploration and evaluation tenements	100,000	-
Subsidies and grants	-	59,697
Other income	100,000	59,697

**Note 6. Administrative expenses**

	30 June 2022	30 June 2021
	\$	\$
Corporate compliance costs	266,099	252,894
General legal fees	53,027	51,002
Audit fees	29,000	22,259
Investor relations & marketing	482,610	450,690
Accounting & corporate secretarial costs	128,330	153,503
Insurance	44,186	36,962
Other	192,238	78,793
	1,195,490	1,046,103

**Note 7. Income tax expense**

	30 June 2022	30 June 2021
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(8,753,409)	(14,496,384)
Tax at the statutory tax rate of 30%	(2,626,023)	(4,348,915)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Impairment of exploration expenditure	-	107,300
Revenue losses not recognised	1,239,666	707,701
Non-allowable items	1,362,298	352,828
Other deferred tax assets not recognised	24,059	(145,925)
Project acquisition cost	-	3,327,011
Income tax expense	-	-

**Note 7. Income tax expense (continued)**

	30 June 2022	30 June 2021
	\$	\$
<i>Deferred tax assets not recognised 30%</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Carry forward revenue losses	3,069,246	1,918,701
Carry forward capital losses	541,439	541,439
Capital raising costs	724,114	993,608
Exploration and evaluation	61,151	182,681
Provisions and accruals	35,077	5,935
Property, plant and equipment	1,266	-
<b>Total deferred tax assets not recognised</b>	<b>4,432,293</b>	<b>3,642,364</b>

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

The tax benefits of the above deferred tax assets will only be obtained if:

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

**Note 8. Cash and cash equivalents**

	30 June 2022	30 June 2021
	\$	\$
<i>Current assets</i>		
Cash at bank	20,360,131	23,531,596

**Note 9. Trade and other receivables**

	30 June 2022	30 June 2021
	\$	\$
<i>Current assets</i>		
Other receivables	134,116	84,128
Prepayments	65,957	80,239
Interest receivable	23,402	-
	223,475	164,367

**Note 10. Other assets**

	30 June 2022	30 June 2021
	\$	\$
<i>Current assets</i>		
Other deposits	22,571	8,800



**Note 11. Right-of-use assets**

	30 June 2022	30 June 2021
	\$	\$
<i>Non-current assets</i>		
Land and buildings - right-of-use	92,020	-
Less: Accumulated depreciation	(42,945)	-
	49,075	-

Additions to the right-of-use assets during the year were \$92,020.

The consolidated entity leases land and buildings for its offices under agreements of between 1 to 2 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

*Reconciliations*

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

		\$
Balance at 1 July 2021		-
Additions		92,020
Depreciation expense		(42,945)
Balance at 30 June 2022		49,075

**Note 12. Held for sale assets**

	30 June 2022	30 June 2021
	\$	\$
<i>Current assets</i>		
Exploration and evaluation	-	50,000

The Company sold the Pascale Project in the Paterson Province for a consideration of \$50,000 during the year.

**Note 13. Plant and equipment**

	30 June 2022	30 June 2021
	\$	\$
<i>Non-current assets</i>		
Plant and equipment - at cost	691,295	132,255
Less: Accumulated depreciation	(65,981)	(14,364)
	625,314	117,891
Motor vehicles - at cost	84,894	-
Less: Accumulated depreciation	(11,100)	-
	73,794	-
	699,108	117,891

### Note 13. Plant and equipment (continued)

#### Reconciliations

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

	Plant and equipment \$	Motor vehicles \$	Total \$
Balance at 1 July 2020	19,649	-	19,649
Additions	107,007	-	107,007
Exchange differences	549	-	549
Depreciation expense	(9,314)	-	(9,314)
Balance at 30 June 2021	117,891	-	117,891
Additions	560,073	84,894	644,967
Exchange differences	(582)	-	(582)
Depreciation expense	(52,068)	(11,100)	(63,168)
Balance at 30 June 2022	625,314	73,794	699,108

### Note 14. Exploration and evaluation

	30 June 2022 \$	30 June 2021 \$
<i>Non-current assets</i>		
Exploration and evaluation	1,932,657	1,935,596

#### Reconciliations

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

	\$
Balance at 1 July 2020	1,638,437
Classified as held for sale (note 12)	(50,000)
Acquisition of Vanatech	702,871
Exchange differences	1,953
Impairment of exploration and evaluation	(357,665)
Balance at 30 June 2021	1,935,596
Exchange differences	(2,939)
Balance at 30 June 2022	1,932,657

On 16 September 2021 the Company announced that they had entered into a binding agreement with AIM listed Greatland Gold plc (AIM:GGP) to sell the Pascale Project in the Paterson Province. Conditional on the transfer of third party rights, Greatland shall acquire E45/5316 from Province for a consideration of \$50,000. On 22 December 2021 the sale was completed.

An impairment of exploration and evaluation expenditure of \$357,665 was recognised in relation to the tenement during the year ended 30 June 2021.

**Note 15. Trade and other payables**

	30 June 2022	30 June 2021
	\$	\$
<i>Current liabilities</i>		
Trade payables	684,547	109,027
Other payables	161,750	50,541
	<u>846,297</u>	<u>159,568</u>

Refer to note 22 for further information on financial instruments.

**Note 16. Lease liabilities**

	30 June 2022	30 June 2021
	\$	\$
<i>Current liabilities</i>		
Lease liability	54,187	-
	<u>54,187</u>	<u>-</u>

Refer to note 22 for further information on financial instruments.

**Note 17. Provisions**

	30 June 2022	30 June 2021
	\$	\$
<i>Current liabilities</i>		
Annual leave	37,454	4,143
	<u>37,454</u>	<u>4,143</u>

**Note 18. Issued capital**

	30 June 2022 Shares	30 June 2021 Shares	30 June 2022 \$	30 June 2021 \$
Ordinary shares - fully paid	1,169,826,477	1,112,159,811	42,310,333	34,844,247

**Note 18. Issued capital (continued)**

*Movements in ordinary share capital*

Details	Date	Shares	Issue price	\$
Balance	1 July 2020	435,199,434		12,610,243
Issue of shares to advisors	22 July 2020	4,000,000	\$0.025	100,000
Acquisition of Vanatech	22 July 2020	55,555,555	\$0.022	500,000
Capital raising	22 July 2020	4,444,444	\$0.009	40,000
Conversion of performance rights	26 November 2020	7	\$0.000	-
Capital raising	30 November 2020	74,879,914	\$0.008	599,039
Capital raising	23 December 2020	96,939,762	\$0.008	775,518
Capital raising	21 January 2021	94,420,695	\$0.008	755,366
Capital raising	22 February 2021	73,333,334	\$0.015	1,100,000
Conversion of options	23 February 2021	12,120,000	\$0.040	484,800
Conversion of options	12 March 2021	14,800,000	\$0.040	592,000
Conversion of options	25 March 2021	18,500,000	\$0.040	740,000
Conversion of options	9 April 2021	7,750,000	\$0.040	310,000
Conversion of options	20 April 2021	2,500,000	\$0.040	100,000
Conversion of options	20 April 2021	13,500,000	\$0.016	216,000
Capital raising	23 April 2021	16,666,666	\$0.015	250,000
Conversion of options	23 April 2021	2,000,000	\$0.040	80,000
Acquisition of Ozexco	23 April 2021	50,000,000	\$0.015	750,000
Conversion of options	07 May 2021	4,000,000	\$0.040	160,000
Capital raising	26 May 2021	120,000,000	\$0.150	18,000,000
Issue of shares to advisors	26 May 2021	1,800,000	\$0.139	250,020
Conversion of options	28 May 2021	9,250,000	\$0.016	148,000
Conversion of options	18 June 2021	500,000	\$0.016	8,000
Capital raising costs				(3,724,739)
Balance	30 June 2021	1,112,159,811		34,844,247
Conversion of options	21 July 2021	6,750,000	\$0.016	108,000
Conversion of options	21 July 2021	7,000,000	\$0.040	280,000
Conversion of options *	20 August 2021	3,750,000	\$0.040	829,704
Conversion performance shares	2 March 2022	16,666,666	\$0.000	3,416,667
Conversion of options	15 March 2022	10,000,000	\$0.040	400,000
Conversion of performance rights	15 March 2022	1,500,000	\$0.000	257,340
Conversion of performance rights	5 April 2022	333,334	\$0.000	57,187
Conversion of performance rights	16 June 2022	11,666,666	\$0.000	2,038,992
Adjustment on GST on prior year capital raising cost				89,664
Capital raising costs				(11,468)
Balance	30 June 2022	1,169,826,477		42,310,333

\* \$150,000 comprised cash transaction, whilst \$679,704 relates to share based payments.

*Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting or by proxy, is entitled to one vote. Upon a poll every holder is entitled to one vote per share held.

*Capital risk management*

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

#### Note 18. Issued capital (continued)

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

In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt.

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

#### Note 19. Reserves

	30 June 2022	30 June 2021
	\$	\$
Foreign currency reserve	(38,890)	(26,407)
Share-based payments reserve	13,048,019	15,043,673
	13,009,129	15,017,266

##### *Foreign currency reserve*

##### *Functional and presentation currency:*

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional currency.

##### *Transaction and balances:*

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income.

The financial results and position of foreign operations, whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated as exchange rates prevailing at the end of the reporting period;
- Income and expenditure are translated at average exchange rates for the period, when the average rate approximates the rate at the date of the transaction; and
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed of.

##### *Share-based payments reserve*

The Company may provide benefits to employees (including directors) and non-employees of the Group in the form of share-based payment transactions, whereby services are rendered in exchange for shares or rights over shares ('equity-settled transactions').

## Note 19. Reserves (continued)

Rights over shares (options) using an option pricing model takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The fair value of the options granted is adjusted to, exclude the impact of any non-market and service vesting conditions. Non-market vesting and service conditions, if any, are included in assumptions about the number of options likely to be exercisable.

Shares issued in lieu of payment are measured at the fair value of goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the good or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payment reserve.

### Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

	Foreign currency translation reserve \$	Share based payment reserve \$	Total \$
Balance at 1 July 2020	(27,277)	1,489,232	1,461,955
Foreign currency translation	870	-	870
Options issued for capital raising costs	-	2,223,970	2,223,970
Share based payments(see note 34)	-	970,226	970,226
Performance shares issued for Ozexco acquisition	-	10,250,000	10,250,000
Options issued for Vanatech acquisition	-	110,245	110,245
Balance at 30 June 2021	(26,407)	15,043,673	15,017,266
Foreign currency translation	(12,483)	-	(12,483)
Share based payments (see note 34)	-	4,454,236	4,454,236
Performance rights converted	-	(2,353,519)	(2,353,519)
Performance shares converted	-	(3,416,667)	(3,416,667)
Options converted	-	(679,704)	(679,704)
Balance at 30 June 2022	(38,890)	13,048,019	13,009,129

## Note 20. Accumulated losses

	30 June 2022 \$	30 June 2021 \$
Accumulated losses at the beginning of the financial year	(24,216,974)	(9,720,590)
Loss after income tax expense for the year	(8,753,409)	(14,496,384)
Accumulated losses at the end of the financial year	(32,970,383)	(24,216,974)

## Note 21. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

## Note 22. Financial instruments

### Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk) and liquidity risk.

## Note 22. Financial instruments (continued)

Risk management is carried out by the Board of Directors ('the Board') under policies approved by the Board. The board identifies and evaluates financial risks and provides written principles for overall risk management.

### Market risk

#### Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising mainly from its exposure to the United Kingdom Pound Sterling and the Swedish Kroner. The Group may also be exposed to one-off transactional flows which occur on an ad hoc basis in other foreign exchange currencies.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cashflow forecasting. From time to time, the Group will enter into forward foreign exchange contracts to lock in attractive rates for working capital purposes.

Foreign exchange risk is managed by the Board with an overall responsibility to minimising its effect on the expenditure of the Group.

#### Interest rate risk

The Group's financial instruments that are exposed to interest rate risk at 30 June are as follows:

	30 June 2022	30 June 2021
	\$	\$
Variable rate instruments		
Cash and cash equivalents	20,360,131	23,531,596

#### Sensitivity analysis:

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss 100bp increase	Profit or loss 100bp decrease	Equity 100bp increase	Equity 100bp decrease
<b>30 June 2022</b>				
Variable rate instruments	203,601	(203,601)	203,601	(203,601)
<b>30 June 2021</b>				
Variable rate instruments	235,315	(235,315)	235,315	(235,315)

### Liquidity risk

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

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

## Note 22. Financial instruments (continued)

### Remaining contractual maturities

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

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	\$	\$	\$	\$	\$
<b>30 June 2022</b>						
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade payables	-	684,547	-	-	-	684,547
Other payables	-	161,750	-	-	-	161,750
<i>Interest-bearing - fixed rate</i>						
Lease liability	3.60%	54,187	-	-	-	54,187
<b>Total non-derivatives</b>		<b>900,484</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>900,484</b>

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	\$	\$	\$	\$	\$
<b>30 June 2021</b>						
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade payables	-	109,027	-	-	-	109,027
Other payables	-	50,541	-	-	-	50,541
<b>Total non-derivatives</b>		<b>159,568</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>159,568</b>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

### Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

## Note 23. Key management personnel disclosures

### Compensation

The aggregate compensation made to Directors and other members of key management personnel of the consolidated entity is set out below:

	<b>30 June 2022</b>	<b>30 June 2021</b>
	\$	\$
Short-term employee benefits	496,410	357,844
Post-employment benefits	10,469	38,520
Share-based payments	3,265,726	996,505
	<b>3,772,605</b>	<b>1,392,869</b>



#### Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck Audit (WA) Pty Ltd, the auditor of the Company:

	30 June 2022	30 June 2021
	\$	\$
<i>Audit services - William Buck Audit (WA) Pty Ltd</i>		
Audit or review of the financial statements	29,000	22,259

#### Note 25. Contingent liabilities

There are no significant contingent liabilities as at the date of signing of this report.

#### Note 26. Commitments

	30 June 2022	30 June 2021
	\$	\$
<i>Capital commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Exploration and evaluation	146,872	105,000
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	146,872	105,000

#### Note 27. Related party transactions

##### *Subsidiaries*

Interests in subsidiaries are set out in note 29.

##### *Key management personnel*

Disclosures relating to key management personnel are set out in note 23 and the remuneration report included in the Directors' report.

##### *Transactions with related parties*

The following transactions occurred with related parties:

	30 June 2022	30 June 2021
	\$	\$
Transactions with director-related entities:		
Seacastle Consulting Pty Ltd (i)	55,000	-
SLR Consulting Pty Ltd (ii)	-	3,042
Gascoyne Industrial Sands Pty Ltd (iii)	-	10,000

##### *Payable to related parties*

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	30 June 2022	30 June 2021
	\$	\$
Current payables:		
Seacastle Consulting Pty Ltd (i)	5,500	-

## Note 27. Related party transactions (continued)

### *Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

### *Terms and conditions*

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

- (i) Seacastle Consulting Pty Ltd is a company which Roger Martin is a director and beneficial shareholder. The payments were for government and public affairs consulting services on an arm's length basis.
- (ii) SLR Consulting Pty Ltd is a company of which Simon Robertson is a director and beneficial shareholder. The payments were for corporate advisory and financial services on an arm's length basis.
- (iii) Gascoyne Industrial Sands Pty Ltd is a company of which Tom Langley is a director and beneficial shareholder. The payments were for geological services on an arm's length basis.

## Note 28. Parent entity information

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

### *Statement of profit or loss and other comprehensive income*

	30 June 2022	Parent 30 June 2021
	\$	\$
Loss after income tax	(8,775,329)	(14,690,183)
Total comprehensive loss	(8,775,329)	(14,690,183)

### *Statement of financial position*

	30 June 2022	Parent 30 June 2021
	\$	\$
Total current assets	22,330,417	23,592,534
Total assets	23,692,160	25,363,748
Total current liabilities	928,209	142,893
Total liabilities	928,209	142,893
Equity		
Issued capital	42,310,332	34,844,247
Share-based payments reserve	13,048,019	15,043,673
Accumulated losses	(32,594,400)	(24,667,065)
Total equity	22,763,951	25,220,855

## Note 29. Interests in subsidiaries

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

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 June 2022 %	30 June 2021 %
Ozexco Pty Ltd	Australia	100%	100%
Vanatech Pty Ltd	Australia	100%	100%
Assemble Holdings Pty Ltd	Australia	100%	100%
ScandiVanadium Australia Pty Ltd	Australia	100%	100%
Hyenergy Pty Ltd	Australia	100%	100%
Zero Carbon Hydrogen Pty Ltd	Australia	100%	-
ScandiVanadium Limited	United Kingdom	100%	100%
ScandiVanadium Sweden AB	Sweden	100%	100%

## Note 30. Events after the reporting period

The following Performance Rights were converted into ordinary fully shares:

- \* 2,500,000 Class A Performance Rights - 5 July 2022
- \* 1,666,666 Class A Performance Rights - 18 July 2022
- \* 250,000 Class A Performance Rights - 5 August 2022

6,000,000 ordinary shares were issued on 1 August 2022 in lieu of payment for July 2020 marketing and investor relations services.

The Company announced on 22 August 2022 that legally binding key terms had been finalised with Total Eren to guide the development of the HyEnergy® green hydrogen project. The agreement settles the 50:50 structure in the project and relationship between the parties, together with their key roles as the project moves through feasibility stages. Summary of the binding term sheet is as follows:

### Parties:

- a) Province Resources Limited ('Province').
- b) Total Eren Australia Pty Ltd ('Total Eren').

### Agreement:

Province and Total Eren have entered into a binding joint development term sheet ('Term Sheet') to cooperate and jointly develop a large-scale green hydrogen production project known as HyEnergy® ('the Project'), located in Carnarvon, Western Australia.

### Project ownership:

- a) The Project and all assets will be held by one or more special purpose vehicles, in which each party will be an equal shareholder ('Project SPV').
- b) The Project interests are:
  - i. 50% - Province; and
  - ii. 50% - Total Eren.
- c) The Project will consist of:
  - i. the renewable energy facility and supply of electricity ('the Upstream Assets'); and
  - ii. the hydrogen electrolyser and any associated facilities and infrastructure required to produce green hydrogen or any other hydrogen-based end products using the electricity supplied by the Upstream Assets ('the Downstream Assets').

### Note 30. Events after the reporting period (continued)

#### *Development phases:*

The Project will have the following phases of development:

- a) pre-feasibility studies;
- b) definitive feasibility studies;
- c) front-end engineering design;
- d) final investment decision
- e) the earlier of:
  - i. where the Project/stage of the Project is initially financed by equity, the down payment being made under the construction contract for the Project/stage of the Project; and
  - ii. occurrence of the first drawdown under a non-recourse project finance facility for the Project/stage of the Project, (together, 'Financial Close'), and
- f) execution and operation.

#### *Roles and contributions – Total Eren:*

Total Eren will lead the development and assessment of the Upstream Assets and Downstream Assets (including engineering and concept design and optimisation), lead the procurement of key equipment and selection of EPC contractors and the operation and maintenance contractors and will lead the arrangement of long-term project financing for the Project, among other responsibilities

Total Eren will assist the Project SPV with the marketing and sale of product, such as Hydrogen, generated from the Project.

#### *Roles and contributions – Province:*

Province will lead the obtention of long-term rights over the land and access rights required to develop, build and operate the Project, including for all Upstream Assets and Downstream Assets, assist the Project SPV to obtain all necessary permits and approvals for the Project and co-ordinate all studies required for the development, connection, construction, commissioning and operation of the Project in consultation with Total Eren.

#### *Shareholders' agreement:*

The Parties will negotiate, in a timely manner and in good faith, the key terms of a shareholders' agreement in respect of the Project SPV (SHA) with a view to executing the SHA within 8 weeks after entry into the Term Sheet ('Signature Date'). The SHA shall be on terms consistent with the Term Sheet to record the parties' objects and aims in relation to the Project. The SHA will contain customary terms for such agreements, and will grant a pre-emptive right to a non-selling party should the other seek to sell their interest in the Project. Subject to compliance with this clause, key assets as agreed by the Parties will be transferred or novated into the Project SPV within 8 weeks of the Signature Date.

#### *Development committee:*

The parties will establish a development committee, consisting of 2 members from each of Province and Total Eren (to be chaired by a designee of Total Eren) that will be responsible for key decisions in relation to the development of the Project.

#### *Board composition:*

The board of the Project SPV will comprise 4 directors, including 2 directors from Province and 2 directors from Total Eren for so long as each party holds at least a 47.5% ownership of the Project.

#### *Funding:*

The parties will jointly fund the costs required to (a) deliver a pre feasibility study and definitive feasibility study and (b) undertake a work program for the same period in proportion to their ownership in the Project via loans to the Project SPV at 5% interest rate above the BBSY on advance. The loans will be capitalised and repaid at Financial Close.

#### *Termination:*

The Term Sheet shall terminate on the earlier of the execution of the SHA or six months after the Signature Date.

1,250,000 options exercisable at \$0.04 on or before 13 November 2022, were converted into ordinary shares on 24 August 2022.

**Note 30. Events after the reporting period (continued)**

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**Note 31. Reconciliation of loss after income tax to net cash used in operating activities**

	30 June 2022	30 June 2021
	\$	\$
Loss after income tax expense for the year	(8,753,409)	(14,496,384)
Adjustments for:		
Depreciation and amortisation	106,113	9,314
Share-based payments	4,454,236	970,226
Shares in lieu of payment	-	350,020
Proceeds from unclaimed monies	-	(5,864)
Impairment of exploration and evaluation	-	357,665
Project acquisition costs	-	11,090,038
Net gain on disposal of exploration and evaluation	(100,000)	-
Finance costs	1,527	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	(59,110)	(132,094)
Increase/(decrease) in trade and other payables	686,729	(92,402)
Increase in other provisions	33,311	4,143
<b>Net cash used in operating activities</b>	<b>(3,630,603)</b>	<b>(1,945,338)</b>

**Note 32. Non-cash investing and financing activities**

	30 June 2022	30 June 2021
	\$	\$
Options issued to Directors	549,350	810,058
Options issued for the Vanatech acquisition	-	110,245
Options issued for Capital Raising Costs	-	2,223,970
Amortisation of Performance Rights under employee share plan	3,904,887	160,168
Amortisation of Performance Shares for the Ozexco acquisition	-	10,250,000
Shares issued to Stocks Digital in lieu of cash	-	350,020
Shares issued for the Vanatech acquisition	-	500,000
Shares issued for the Ozexco acquisition	-	750,000
	4,454,237	15,154,461

**Note 33. Earnings per share**

	30 June 2022	30 June 2021
	\$	\$
<b>Loss after income tax attributable to the owners of Province Resources Limited</b>	<b>(8,753,409)</b>	<b>(14,496,384)</b>

**Note 33. Earnings per share (continued)**

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	1,137,879,446	700,450,007
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,137,879,446	700,450,007
	Cents	Cents
Basic earnings per share	(0.77)	(2.07)
Diluted earnings per share	(0.77)	(2.07)

Options are considered to be potential ordinary shares. When the Company is in a loss-making position, options are not included in the determination of diluted loss per share as they are not considered to be dilutive. At 30 June 2022 there was 17,080,000 options on issue (30 June 2021: 44,850,000 options).

**Note 34. 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 Board, grant options over ordinary shares in the Company to certain key management personnel, employees and contractors of the consolidated entity. The Board may also issue options towards the Cost of Capital and the acquisition of projects.

Movements in the number of options on issue during the year are as follows:

	Number of options 30 June 2022	Weighted average exercise price 30 June 2022	Number of options 30 June 2021	Weighted average exercise price 30 June 2021
Outstanding at the beginning of the financial year	44,580,000	\$0.093	63,000,000	\$0.040
Granted	-	\$0.000	66,500,000	\$0.067
Converted	(27,500,000)	\$0.034	(84,920,000)	\$0.033
Outstanding at the end of the financial year	17,080,000	\$0.188	44,580,000	\$0.093
Exercisable at the end of the financial year	17,080,000	\$0.188	40,830,000	\$0.098

The Company's Employee Securities Incentive Plan was adopted by Shareholders on 12 September 2018, whereby the consolidated entity may, at the discretion of the Board of Directors, grant performance rights over ordinary shares in the company to certain key management personnel and employees of the consolidated entity. The performance rights are issued for nil consideration and are granted in accordance with performance guidelines established by the Board of Directors.

**Note 34. Share-based payments (continued)**

Set out below are summaries of performance rights granted under the plan:

	Number of rights	
	30 June 2022	30 June 2021
Outstanding at the beginning of the financial year	22,500,000	-
Granted	39,500,000	22,500,000
Exercised	(13,500,000)	-
Outstanding at the end of the financial year	48,500,000	22,500,000

The following performance rights were issued to Directors and employees during the year ended 30 June 2022:

Name	Issue date	Number issued Class A	Number issued Class B	Number issued Class C	Number issued Class D	Number issued Class E	Number issued total
David Frances	20/07/2021	5,000,000	5,000,000	5,000,000	-	-	15,000,000
Kylah Morrision	20/07/2021	1,666,666	1,666,667	1,666,667	-	-	5,000,000
Roger Martin	01/12/2021	1,666,666	1,666,667	1,666,667	-	-	5,000,000
Employees	01/12/2021	2,083,334	-	-	5,833,333	6,583,333	14,500,000
		10,416,666	8,333,334	8,333,334	5,833,333	6,583,333	39,500,000

#### Note 34. Share-based payments (continued)

The Performance Rights have the following vesting criteria attached to them ("The Project" refers to the HyEnergy® Project):

Class	Vesting conditions	Last vesting date
Class A	Upon the Company announcing to ASX completion of a positive scoping study in relation to the Project, to the reasonable satisfaction of the Independent Directors of the Company, as evidenced by a decision to proceed to a pre feasibility study on the Project.	23 October 2022
Class B	Upon the Company announcing to ASX completion of a positive prefeasibility study (PFS) in relation to the Project, which demonstrates a net present value at least \$500 million with an internal rate of return of at least 25% (in each case using a 10% discount rate).	23 October 2023
Class C	Upon the Company announcing to ASX that it has:	23 October 2024
	(i) secured an off take partner, under a binding agreement, for a minimum 30% of production proposed under the PFS; or	
	(ii) an outright sale of the Project for a value of at least \$100 million.	
Class D	Upon the Company:	23 October 2023
	(i) announcing to ASX completion of a positive preliminary feasibility study in relation to the Project, to the reasonable satisfaction of the Independent Directors of the Company, as evidenced by a decision to proceed to a definitive feasibility study on the Project; or	
	(ii) completing the sale of the Project.	
Class E	Upon the Company:	23 October 2024
	(i) announcing to ASX completion of a positive definitive feasibility study in relation to the Project, to the reasonable satisfaction of the Independent Director of the Company, as evidenced by a decision to proceed to a Final Investment Decision on the Project; or	
	(ii) completing the sale of the Project.	

These performance rights were valued, using a valuation methodology based on the guidelines set out in AASB 2 *Share based payment*. The 10 day VWAP was used given the fluctuations in the Company's share price on and around the grant date.

Assumptions:	David Frances	Kyla Morrison	Roger Martin	Employees
Number	15,000,000	5,000,000	5,000,000	12,500,000
Valuation/grant date	15/06/2021	15/06/2021	21/11/2021	26/11/2021
10 day VWAP	\$0.1498	\$0.1498	\$0.1607	\$0.1716
Indicative value per Performance Right	\$0.1498	\$0.1498	\$0.1607	\$0.1716
Valuation	\$2,247,000	\$749,000	\$803,500	\$2,145,000

The performance conditions are non-market based, the probabilities of the rights vesting will need to be reassessed at every reporting period.

The value of the Performance Rights are being expensed over the deemed life of the Rights. During the period \$3,904,886, was recognised as an expense in relation to the rights.



**Note 34. Share-based payments (continued)**

	<b>30 June 2022</b>	<b>30 June 2021</b>
	<b>\$</b>	<b>\$</b>
Total value expensed in profit and loss		
7,500,000 Options issued to Patrick Burke	549,350	810,058
Performance Rights issued to Directors and employees	3,904,886	160,168
	<hr/>	<hr/>
	4,454,236	970,226

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

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

On behalf of the Directors



---

Patrick Burke  
Chairman

29 September 2022  
Perth

## Province Resources Limited

Independent auditor's report to members

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Province Resources Limited (the Company) and the entities it controlled at the year end or from time to time during the year (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- i. giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for Opinion

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

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

## 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.

KEY AUDIT MATTER		
Share based payments		How our audit addressed it
Refer also to notes 1 , 18 and 34		
Province had during the year reported \$4,454,236 of share based payment expenses in respect of options and performance rights granted during the financial year and from prior years as follows:		Our audit procedures included:
Details	No.	\$
Directors:		
David Frances	15,000,000	} 1,240,133
Kylah Morrison	5,000,000	
Roger Martin	5,000,000	
		320,307
Employees	14,500,000	571,122
Prior years	N/A	2,322,674
		<u>4,454,236</u>
Significant judgement and estimation by management is required in determining the share-based payment expense for the year.		— Understanding the terms and conditions of options and performance rights granted in the year;
		— Obtaining and assessing the calculation for fair value, including the appropriateness of the valuation model utilised to value the performance rights granted;
		— Critically reviewing management's assumptions for the achievement of performance conditions; and
		— Assessing whether management's reporting and disclosure of share based payments was in accordance with AASB 2 <i>Share Based Payments</i> .
KEY AUDIT MATTER		
Carrying value of exploration and evaluation assets		How our audit addressed it
Refer also to notes 1 and 14		
The capitalised exploration and evaluation assets comprise acquisition cost of the minerals rights in Sweden and in Western Australia.		Our audit procedures focused on evaluating management's assessment of whether the exploration and evaluation assets continue to meet the recognition criteria of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> , including:
The carrying value of these costs represents a significant asset to Province.		— Obtaining evidence that Province has valid rights to explore the areas represented by the capitalised exploration costs;
This is considered a key audit matter as significant judgement is applied in determining whether the asset continues to meet the recognition criteria based on AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> . As noted in Note 3 of the financial report significant judgement is required in determining whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment.		— Enquiring of management and reviewing the cashflow forecast to verify that substantive expenditure on further exploration for and evaluation of mineral resources in Province's areas of interest was planned; and

- |  |   |
|--|---|
|  | <ul style="list-style-type: none"><li>— Enquiring with management, reviewing announcements made and reviewing minutes of director meetings to verify that Province had not decided to discontinue activities in any the areas of interest that has capitalised exploration costs.</li></ul> |
|--|---|

## Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 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 do not express any form of assurance conclusion thereon.

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

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

## Responsibilities of the Directors for the Financial Report

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

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

## Auditor's Responsibilities for the Audit of the Financial Report

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

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

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf)

This description forms part of our independent auditor's report.

## Report on the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 12 to 18 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Province Resources Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

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

William Buck

William Buck Audit (WA) Pty Ltd  
ABN 67 125 012 124

Amar Nathwani

Amar Nathwani  
Director

Dated this 29<sup>th</sup> day of September 2022

The shareholder information set out below was applicable as at 15 September 2022.

#### Distribution of equitable securities

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

	Ordinary shares			Options over ordinary shares		
	Number of holders	% of total shares issued	expiring 13/11/2022 @ \$0.04 Number of holders	% of total shares issued	expiring 28/05/2024 @ \$0.25 Number of holders	% of total shares issued
1 to 1,000	613	-	-	-	-	-
1,001 to 5,000	3,202	1.0	-	-	-	-
5,001 to 10,000	4,201	2.7	-	-	-	-
10,001 to 100,000	9,675	29.6	1	2.1	-	-
100,001 and over	1,908	66.7	1	97.9	1	100.0
	19,599	100.0	2	100.0	1	100.0
Holding less than a marketable parcel	3,899	1.0	-	-	-	-

  

	Performance rights		Performance shares		Performance rights	
	vendors Number of holders	% of total shares issued	vendors Number of holders	% of total shares issued	Director Class B Number of holders	% of total shares issued
1 to 1,000	-	-	-	-	-	-
1,001 to 5,000	-	-	-	-	-	-
5,001 to 10,000	-	-	-	-	-	-
10,001 to 100,000	-	-	-	-	-	-
100,001 and over	1	100.00	1	100.00	4	100.00
	1	100.00	1	100.00	4	100.00

  

	Director Class C		Director Class D		Director Class E	
	Number of holders	% of total shares issued	Number of holders	% of total shares issued	Number of holders	% of total shares issued
1 to 1,000	-	-	-	-	-	-
1,001 to 5,000	-	-	-	-	-	-
5,001 to 10,000	-	-	-	-	-	-
10,001 to 100,000	-	-	-	-	-	-
100,001 and over	4	100.00	4	100.00	4	100.00
	4	100.00	4	100.00	4	100.00

## Equity security holders

### Twenty largest quoted equity security holders

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

	Number held	Ordinary shares % of total shares issued
CITICORP NOMINEES PTY LIMITED	32,319,346	2.7
S3 CONSORTIUM HOLDINGS PTY LTD <NEXTINVESTORS DOT COM A/C>	22,540,000	1.9
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	13,833,979	1.2
SUPERHERO SECURITIES LIMITED <CLIENT A/C>	11,954,439	1.0
OLI PRIVATE INVESTMENT PTY LTD	10,450,000	0.9
OLI FUNDS MANAGEMENT PTY LTD	10,182,819	0.9
PUISSANCE HOLDINGS PTY LTD <THE NYANG SUPER A/C>	10,000,000	0.8
PUISSANCE HOLDINGS PTY LTD <GIRO A/C>	10,000,000	0.8
BNP PARIBAS NOMS PTY LTD (DRP)	9,110,762	0.8
MR YIXUAN ZHU	6,643,256	0.6
MR YAN ZHANG	5,000,000	0.4
MRS YE ZHAO	4,748,967	0.4
BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	4,500,873	0.4
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,494,877	0.4
MISS FANG GAO	4,400,000	0.4
LHO LA PTY LTD <ACME FOUNDATION A/C>	4,373,333	0.4
MR LUO QI	4,142,400	0.4
PAW TAYLOR PTY LTD <PAW TAYLOR SUPER FUND A/C>	4,000,000	0.3
MS HAO GENG	3,955,597	0.3
ROBWARD PTY LTD <ROBWARD INVESTMENT A/C>	3,900,000	0.3
	180,550,648	15.3

### Unquoted equity securities

	Number on issue	Number of holders
PRLOPT1 - UNLISTED OPTIONS EXP 13/11/2022 @ \$0.04	3,830,000	2
PRLOPT3 - UNLISTED OPTIONS EXP 28/05/2024 @ \$0.25	12,000,000	1
PRLDPRB - DIRECTOR PERFORMANCE RIGHTS - CLASS B	15,833,334	4
PRLDPRC - DIRECTOR PERFORMANCE RIGHTS - CLASS C	15,833,334	4
PRLDPRD - DIRECTOR PERFORMANCE RIGHTS - CLASS D	5,833,333	4
PRLDPRE - DIRECTOR PERFORMANCE RIGHTS - CLASS E	6,583,333	4
PRLVPRB - VENDOR PERFORMANCE RIGHTS - CLASS B	16,666,667	3
PRLVPRC - VENDOR PERFORMANCE RIGHTS - CLASS C	16,666,667	3

The following persons hold 20% or more of unquoted equity securities:

Name	Class	Number held
3VL PTY LTD	VENDOR PERFORMANCE RIGHTS	16,666,666
PHEAKES PTY LTD	VENDOR PERFORMANCE RIGHTS	8,333,334
MR MARK JONATHON SANDFORD	VENDOR PERFORMANCE RIGHTS	8,333,334
PUISSANCE HOLDINGS PTY LTD	DIRECTOR PERFORMANCE RIGHTS	20,000,000
ROWAN HALL PTY LTD	PRLOPT1 - UNLISTED OPTIONS EXP 13/11/2022 @ \$0.04	3,750,000
INYATI FUND PTY LTD	PRLOPT3 - UNLISTED OPTIONS EXP 28/05/2024 @ \$0.25	12,000,000



#### **Substantial holders**

There are no substantial holders in the Company.

#### **Voting rights**

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

##### *Ordinary shares*

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

For personal use only

There are no other classes of equity securities.

#### Tenements - Australia

Name	Tenement number	Interest owned %
Pascalle	E 45/5316	100
Pascalle	E 45/5756	100
Gnama	E 63/1933	100
Gnama	E 63/1934	100
Gnama	E 63/1935	100

#### Tenement Applications - Australia

Name	Tenement
HyEnergy Project	ELA 09/2507
HyEnergy Project	ELA 09/2508
HyEnergy Project	ELA 09/2510
HyEnergy Project	ELA 09/2511
HyEnergy Project	ELA 09/2512
HyEnergy Project	ELA 09/2513
HyEnergy Project	ELA 09/2514
HyEnergy Project	ELA 09/2528
HyEnergy Project	ELA 09/2529
HyEnergy Project	ELA 09/2530
HyEnergy Project	ELA 09/2537
HyEnergy Project	ELA 09/2486
HyEnergy Project	ELA 09/2487
HyEnergy Project	ELA 09/2488
HyEnergy Project	ELA 09/2489
HyEnergy Project	ELA 09/2490
HyEnergy Project	ELA 09/2491
HyEnergy Project	ELA 09/2492
Pascalle	ELA 45/5754
Pascalle	ELA 45/5755

#### Tenements - Sweden

Name	Tenement number	Interest owned %
Killeröd	EP 93/2018	100
Virrestad	EP 94/2018	100
Andrarum	EP 469/2018	100
Fågeltofta 1	EP 299/2018	100
Fågeltofta 2	EP 471/2018	100
Flagabro	EP 470/2018	100
Hörby	EP 475/2018	100
Tosterup	EP 476/2018	100
Hammenhög	EP 473/2018	100
Järrestad	EP 474/2018	100
Gislövshammar	EP 472/2018	100