Infinity mining

ANNUAL REPORT

For year ended 31 March 2023

Gold
Nickel
Copper
Lithium
Rare Earth
Elements

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CORPORATE DIRECTORY

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

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Share Code: IMI

23

2. REPORT ON OPERATIONS

3. DIRECTORS REPORT

2. REPORT ON OPERATIONS

The Annual Period to 31 March 2023 has delivered very positive results for Infinity Mining Limited, at several of its projects in the Pilbara and Central Goldfields regions of Western Australia (see Figure 1).

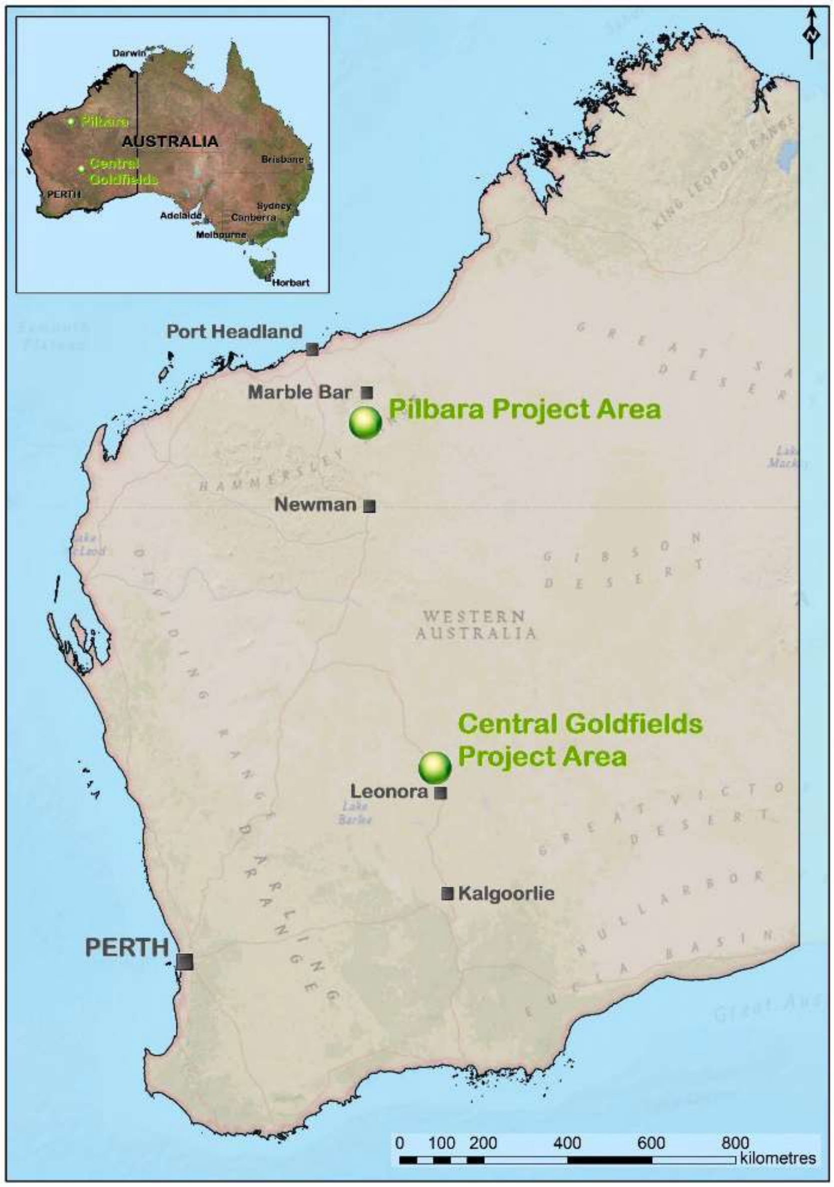

Figure 1: Location Map showing location of Infinity's Pilbara and Central Goldfields Projects

In the Pilbara, exploration work was conducted on a range of projects, primarily for Lithium, Copper and Nickel. A significant amount of work was completed at Tambourah South, where a number of new Lithium-bearing pegmatites were discovered (see details below).

In the Central Goldfields, exploration programs conducted during the Annual Period generated a number of compelling drill targets for gold. In early 2023, a 37 RC drill hole program was completed at 5 of the highest-priority projects yielding positive results. Several anomalous gold intercepts were returned from the Victor Bore Project, which warrant further work (see below).

2.1 PILBARA ASSETS

The Pilbara Assets containing 14 Exploration Licences covering an area of ~781 km^2 in the Pilbara region includes an extensive portfolio of lithium, gold, copper, and nickel exploration tenements. The package includes the Tambourah , Hillside, Panorama, Noreena Downs, Coolyia, Cookes Creek and Strelley Gorge Projects (see Table 1). The current focus in the Pilbara is Lithium as many of the tenements lie in a similar geological setting as the nearby Pilgangoora Lithium Mine operated by Pilbara Minerals Ltd (see Figure 2). The Infinity Pilbara tenements are shown below in Table 1.

Table 1: Pilbara Tenement Details

Tenement	Project	Holder	Area (km^2)	Blocks	Expiry Date
E45/4685	Hillside	Infinity Mining Ltd	19.10	6	11/01/2027
E45/4708	Hillside	Infinity Mining Ltd	85.99	27	20/11/2027
E45/4709	Hillside	Infinity Mining Ltd	70.15	22	20/11/2027
E45/4824	Hillside	Infinity Mining Ltd	206.30	65	4/12/2027
E45/4732	Panorama	Infinity Mining Ltd	137	43	20//11/2027
E45/4764	Panorama	Infinity Mining Ltd	12.77	4	9/08/2027
E45/4779	Panorama	Infinity Mining Ltd	102.57	33	15/01/2028
E45/5847	Coolyia	Infinity Mining Ltd	35.09	11	30/06/2027
E45/4848	Tambourah	Infinity Mining Ltd	3.18	1	13/12/2027
E45/5720	Tambourah	Infinity Mining Ltd	9.56	3	26/10/2027
E46/1210	Noreena Downs	Infinity Mining Ltd	44.47	14	1/07/2023
E46/1373	Cookes Creek	Infinity Mining Ltd	54.18	17	28/09/2026
E45/4735*	Strelley Gorge	Macarthur Iron Ore Pty Ltd	11.17	5	20/11/2027
E45/5324*	Tambourah	Macarthur Iron Ore Pty Ltd	12.74	4	04/04/2024

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

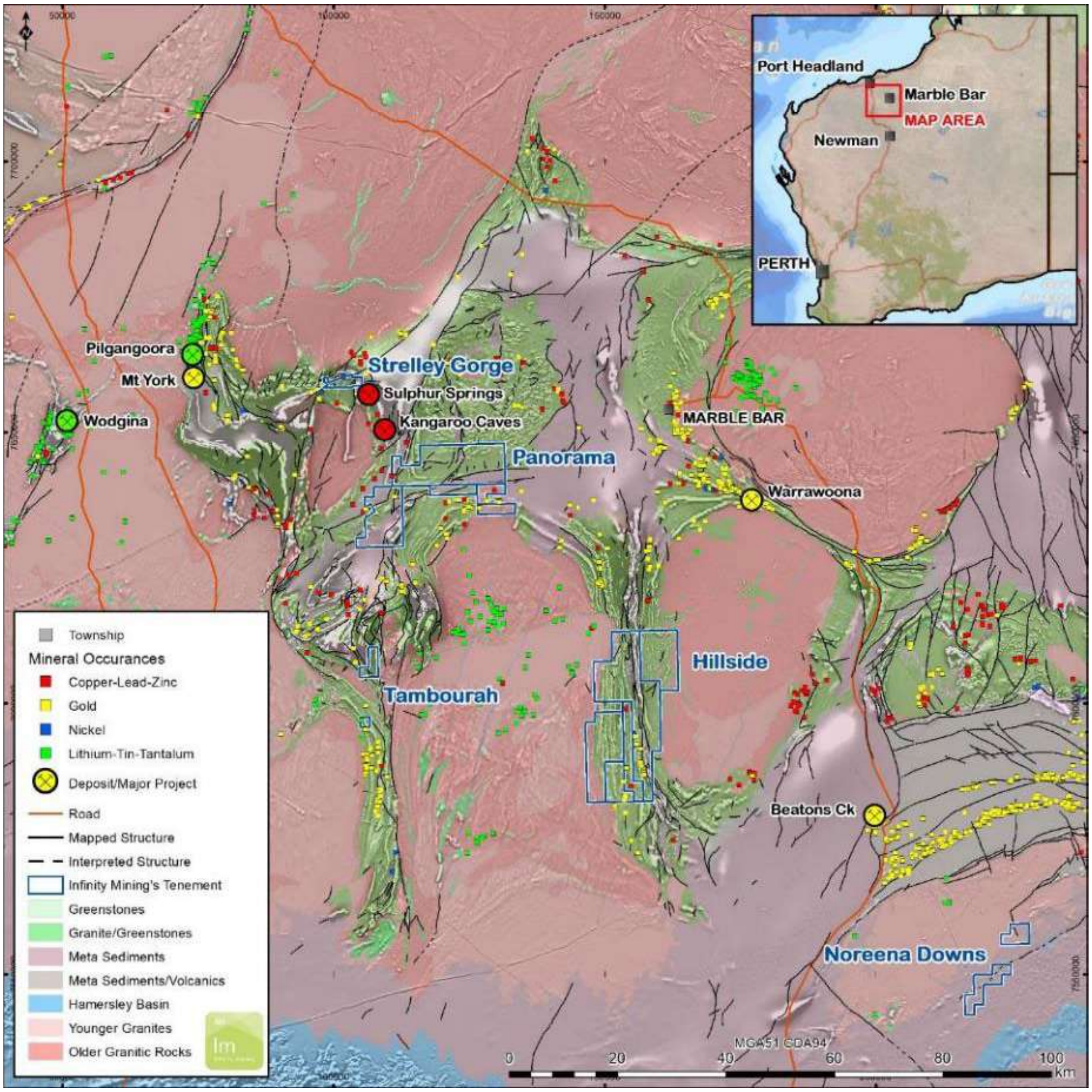

Figure 2: Location Map showing Infinity's Pilbara Projects

TAMBOURAH

The Tambourah Lithium Project consists of Exploration Licenses E45/4848 (Tambourah South) and E45/5324 (Tambourah North) located approximately 200 km southeast of Port Hedland and 80 km southwest of Marble Bar in the Pilbara region of Western Australia (see Figure 2).

The main exploration targets at Tambourah are lithium bearing pegmatites. The project lies within greenstones of the Apex Basalt and adjacent to the Yule Granite Complex, located 65 km south-east of the Pilgangoora Lithium mine operated by Pilbara Minerals Ltd (see Figure 2).

A significant amount of exploration was completed by Infinity during the annual period to 31 March 2023 at the Tambourah Project, including:

- A helicopter-supported reconnaissance program, focusing on several Lithium targets.
- Mapping of newly discovered pegmatite bodies at surface hosting Lithium minerals spodumene and lepidolite.
- Rock chip sampling of multiple pegmatite units which returned anomalous Lithium (Li), Rubidium (Rb) and Cesium (Cs) rock chip assays up to 3.86 % Li2O, 0.662 % Rb, and 611.3 ppm Cs. This work confirmed the presence of multiple highly fractionated pegmatites with fertile Li-Cs-Ta (LCT) geochemistry. See ASX Announcements dated 18 August 2022 and 15 March 2023.
- Cultural Heritage Surveys with representatives of the Palyku Native Title Group.

- RC drilling program at Tambourah South, with a total of 21 holes drilled for 1812 m. See ASX Announcement dated 24 November 2022.
- An Ambient Noise Tomography (ANT) survey was commenced in late March 2023 at Tambourah South. This new technology survey aims to map out lithium-bearing pegmatite bodies below surface, down to a depth of several hundred metres. See ASX Announcement dated 27 March 2023.

After a significant amount of surface exploration work during 2022, Infinity completed its maiden RC drilling program at Tambourah South (E45/4848) in late 2022. The drilling was designed to test multiple lithium-bearing pegmatite bodies defined by Infinity during 2022 (see Figure 3). Results will be released next period.

Figure 3: Drilling Rig at Infinity's Tambourah South Lithium Project

During the annual period, a five-year extension of term was granted for tenement E45/4848 (Tambourah South).

Further work is planned at Tambourah South during 2023, including a second phase of drilling to test the best Lithium-pegmatite targets.

HILLSIDE

The Hillside Project encompasses Exploration Licenses E45/4685, E45/4824, E45/4708 and E45/4709, held by the Company. This group of tenements is located approximately 185 km Southeast of Port Hedland and 50 km Southwest of Marble Bar in Western Australia (see Figure 2).

Over the annual period to 31 March 2023, Infinity completed a number of exploration programs at Hillside including:
- A helicopter-supported reconnaissance program, focusing on several Lithium targets.
- A helicopter-borne electromagnetic survey (VTEM Max), flown over key target areas on Hillside tenements E45/4685 and E45/4824.
- A rock chip sampling program within E45/4708 over a copper-stained sheared quartz vein returning assays up to 4539 ppm (0.454%) Copper (Cu), 1198ppm (0.12%) Molybdenum (Mo), 0.68g/t Gold (Au) and 14g/t Silver (Ag). See ASX Announcement dated 2 March 2023.
- Soil sampling over the same vein area, returning patchy anomalous Cu, Mo, Au, and Ag.
- Definition of high-priority Copper-Nickel EM conductive drill targets, from the 2018 Hillside helicopter-borne SkyTEM electromagnetic survey. See ASX Announcement dated 19 July 2022.
- A cultural heritage survey with representatives of the Nyamal Native Title Group.

A total of 9 of the highest-priority SkyTEM targets have been selected by Infinity for drill testing in 2023. One example of a high-priority proposed hole is shown below in more detail on Figure 4. This figure shows an oblique 3D cross-sectional view of the conductivity depth-slice, looking north, and shows the drill trace for the proposed drill hole HS22PDH011 that has been designed to intersect the EM conductive anomaly (circled area) around 300 m depth. See ASX Announcement dated 19 July 2022 for more details.

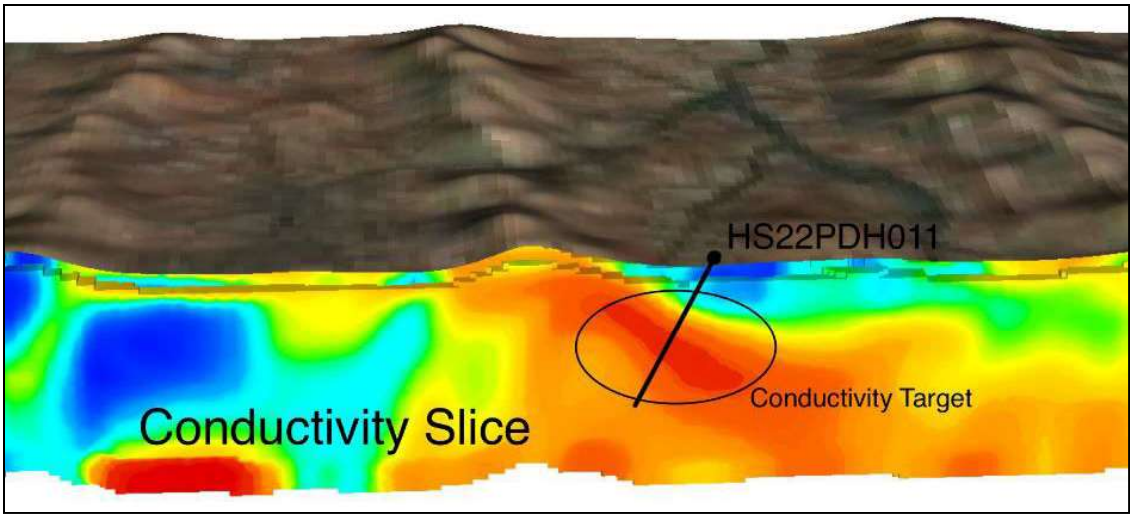

Figure 4: Hillside Project, proposed drill hole HSPDH011 designed to test a high-priority SkyTEM conductivity target.

During the annual period, five-year extensions of term were granted for tenements E45/4708, E45/4709 and E45/4824, which are part of Infinity's Hillside Project.

PANORAMA

The Panorama Project encompasses Exploration Licenses E45/4732, E454764 and E45/4779 held by the Company, covering a total of approximately 252 km^2. The Panorama Project is located 265km south-south- east of Karratha in the Pilbara Region of Western Australia (see Figure 2).

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

Over the annual period to 31 March 2023, Infinity completed a number of exploration programs at Panorama including:

- A helicopter-supported reconnaissance program, focusing on several Copper-Nickel-Lithium targets.
- A drone magnetic survey, which was flown over part of the Panorama project area. The data is being assessed and results are still being interpreted.
- A helicopter-borne electromagnetic survey (VTEM Max), flown over key target areas such as the Brisbane Nickel Prospect. This survey defined a prominent conductive target (700 x 400 m) located just 350 m east of the Brisbane Nickel Prospect. See ASX Announcement dated 15 December 2022.
- A cultural heritage survey with representatives of the Nyamal Native Title Group, surveying an area over the Brisbane Nickel Prospect.
- A rock chip sampling program at the Brisbane Nickel Prospect on the Panorama Project (E45/4779). Rock chip assays returned up to 7,636ppm (0.764%) Nickel (Ni) and 8,918ppm (0.892%) Chromium (Cr) which will be followed up during 2023. See ASX Announcement dated 15 December 2022.

The Helicopter-EM (VTEM) survey flown in November 2022 indicates a prominent conductive target (700 x 400 m) located just 350 m east of the Brisbane Nickel Prospect, which may represent a buried Ni-sulphide system, see Figure 5.

Further work is planned at Panorama during 2023 including drilling of the EM conductive drill target adjacent to the Brisbane Nickel Prospect.

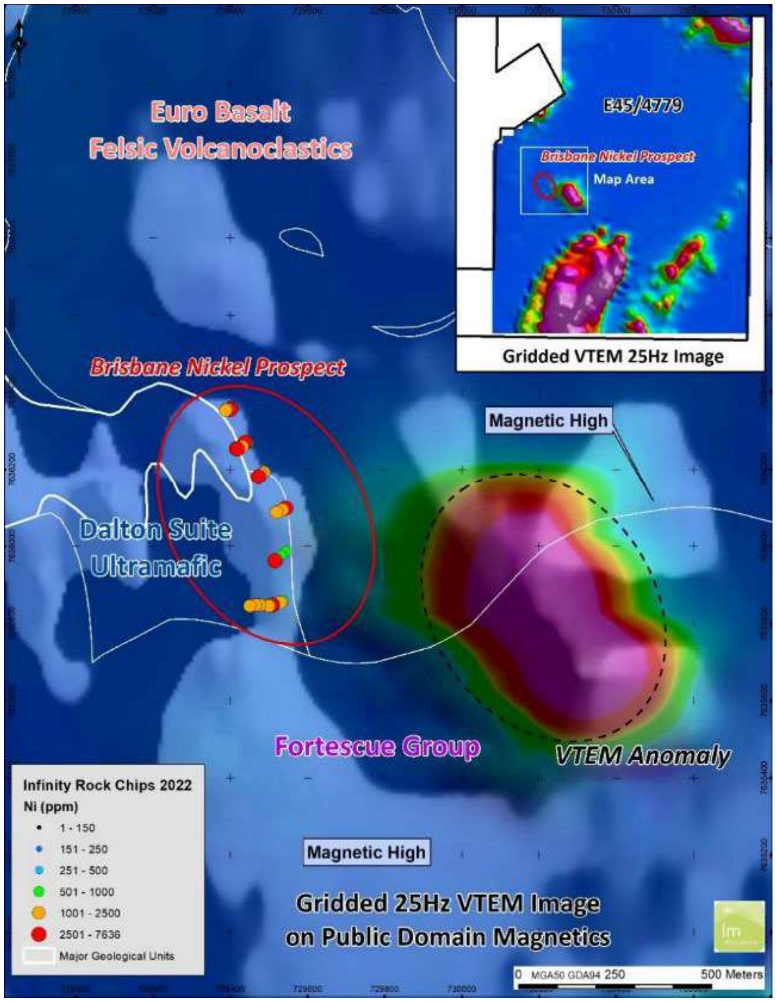

Figure 5: Panorama Project, grided 25 Hz VTEM image showing the prominent VTEM target adjacent to the Brisbane Nickel Prospect

During the annual period, five-year extensions of term were granted for tenements 45/4732, E45/4764 and E45/4779 part of Infinity's Panorama Project.

STRELLEY GORGE

The Strelley Gorge Project encompasses Exploration License E45/4735. The Strelley Gorge project lies in close proximity to the Sulphur Springs and Kangaroo Caves Copper-Zinc Deposits (see Figure 6). This project is highly prospective for Copper-Zinc Volcanic-Hosted Massive Sulphide (VHMS) mineralisation similar to that at Sulphur Springs and Kangaroo Caves.

A helicopter-borne electromagnetic survey (VTEM Max) survey was implemented during late 2022, with the aim to generate new conductive EM targets for drill testing. Interpretation of the results are on-going and follow-up exploration work is planned for 2023. During the annual period, a five-year extension of term was granted for the Strelley Gorge tenement, E45/4735.

NOREENA DOWNS

The main exploration targets at Noreena Downs are lithium bearing pegmatites. The Mosquito Creek Formation has been mapped by the Geological Survey of WA as having folded pegmatite dykes close to the faulted contact with the Kurrana Batholith. No detailed ground exploration work was conducted by the Company over the annual period to 31 March 2023. A reconnaissance field trip is planned for 2023.

TASEX TENEMENT ACQUISITION

During the annual period to 31 March 2023, Infinity acquired over 250km2 of new tenements in the Pilbara further strengthening their position in the region. Infinity acquired the tenements under a Sale Purchase Agreement (SPA) with TasEx Geological Services Pty Ltd, which includes 100% interest in tenements E45/5847, E46/1373, E45/5720 and tenement applications E45/6237 and E45/6281. The granted Tenements will only be transferred to the Company after the necessary Ministerial consents have been obtained (among other conditions precedent). The tenement applications are not able to be transferred to Infinity Mining unless and until they are granted, and such transfer will be subject to first obtaining any necessary Ministerial consents to the transfers. See ASX announcement dated 23 November 2022.

Exploration work will commence on these new tenements once the final tenement transfers to Infinity have been completed. The new tenements contain favourable geology and strong prospectivity for Lithium-bearing pegmatites, shear hosted gold systems, polymetallic VHMS deposits and paleo-placer gold deposits.

2.2 CENTRAL GOLDFIELDS ASSETS

The Central Goldfields Assets include seven Prospecting Licenses (five currently under conversion to Mining Leases), two granted Mining Leases and one Exploration Licence, located in the Leonora region, some ~220 km north of Kalgoorlie.

The Central Goldfields tenements are listed below in Table 2. A location map is included as Figure 6.

Table 2: Central Goldfields Tenement Details

Tenement	Project	Holder	Area (km^2)	Blocks	Expiry Date
E37/1442	Craig's Rest	Infinity Mining Ltd		1 Block	19/10/2026
M37/1349	Victor Bore	Infinity Mining Ltd	0.154	15.37155 Ha	10/03/2042
P37/8278^	Barlow's Gully	Infinity Mining Ltd	2.000	200 Ha	27/03/2021
M37/1359#	Barlow's Gully	Infinity Mining Ltd		200 Ha	Under application
M37/983	Chicago	Infinity Mining Ltd	0.378	38 Ha	19/02/2029
P37/8310^	Great Northern Workings	Infinity Mining Ltd	1.340	134 Ha	14/05/2021
M37/1360#	Great Northern Workings	Infinity Mining Ltd		134 Ha	Under application
P37/8325^	Camel	Infinity Mining Ltd	1.910	191 Ha	29/01/2022
M37/1367#	Camel	Infinity Mining Ltd	1.910	191 Ha	Under application
P37/8376^	Victor Bore	Infinity Mining Ltd	1.800	180 Ha	27/01/2022
M37/1368#	Victor Bore	Infinity Mining Ltd	1.800	180 Ha	Under application
P37/8468^	Craig's Rest	Infinity Mining Ltd	1.380	138 Ha	19/11/2022
M37/1377#	Craig's Rest	Infinity Mining Ltd		138 Ha	Under application
P37/8571	Specking Patch	Infinity Mining Ltd	1.087	108.69 Ha	06/12/2023
P37/9162	Coppermine	Infinity Mining Ltd	1.110	111 Ha	21/02/2027

^ Application submitted for conversion to Mining Lease(#)

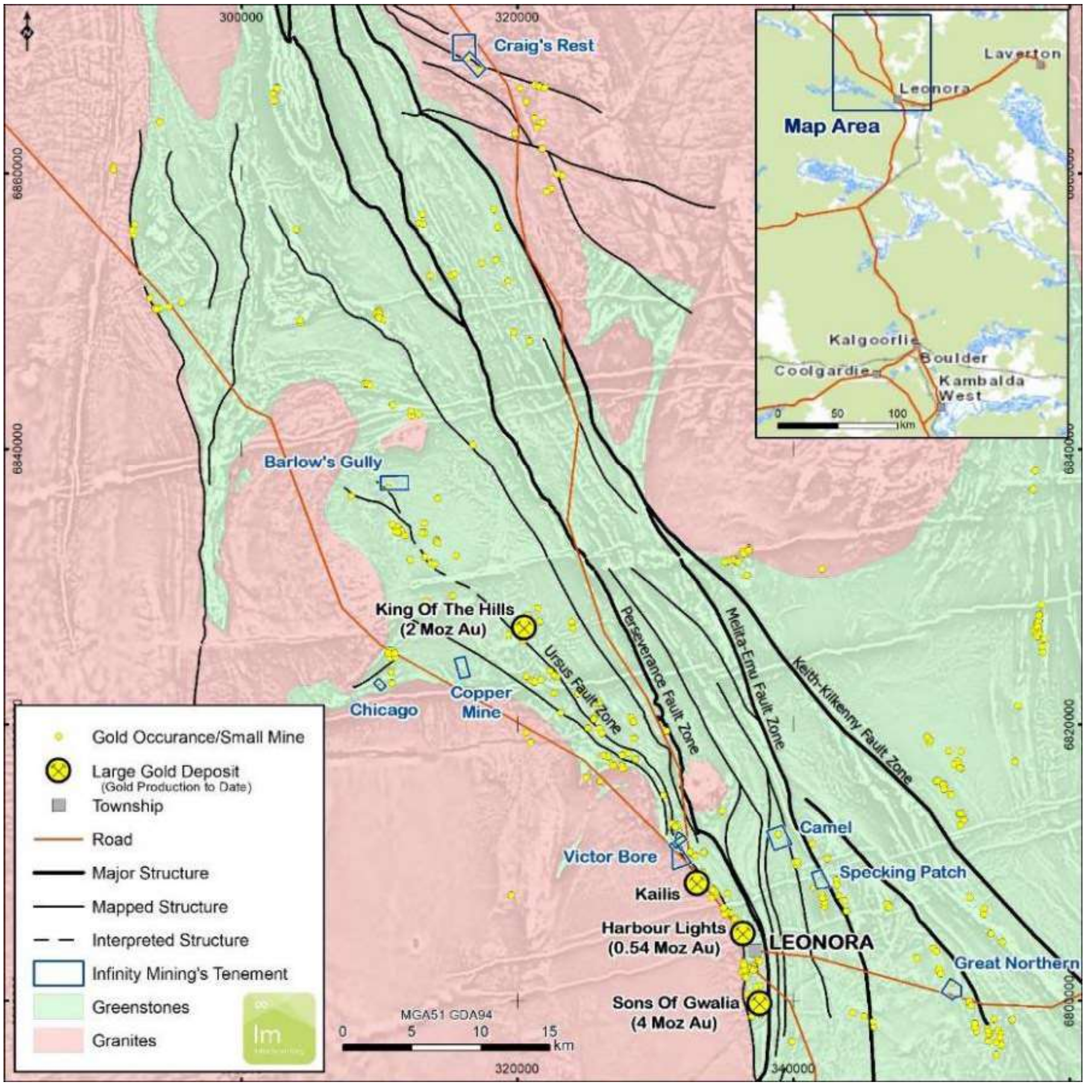

Figure 6: Location Map showing Infinity's Central Goldfields Projects

OVERVIEW OF EXPLORATION WORK

During the annual period to 31 March 2023, Infinity completed a number of exploration programs at the Central Goldfields including:

- Capturing data from previous drilling campaigns at several projects including Craig's Rest, Coppermine and Camel.
- Geological mapping and rock chip sampling at several projects including Craig's Rest, Barlow's Gully, Victor Bore, Coppermine and Camel.
- Auger soil sampling, conventional soil sampling and shallow aircore drilling programs at Barlow's Gully and Craig's Rest Projects.
- A drone magnetic survey was flown at four Central Goldfields projects including the Victor Bore, Coppermine, Camel and Chicago Gold Projects.
- An RC drilling campaign of 37 holes for a total advance of 3851 m of drilling, was completed at the Coppermine, Barlow's Gully, Victor Bore, Camel and Great Northern Projects in early 2023.

VICTOR BORE

The Victor Bore Project includes 2 tenements (P37/8376, M37/1349) and lies adjacent to the Kailis deposit currently being mined by Northern Star (see Figure 6). The project is less than ten km drive from Leonora alongside the sealed Goldfields Highway. Rock chip sampling at Victor Bore returned high-grade gold assays up to 28.4 g/t Au (see ASX Announcement dated 28 July 2022). The drone magnetic survey also revealed some magnetic targets of interest.

The Victor Bore Project has no publicly available drilling records. A total of 16 RC drill holes were completed by Infinity in early 2023 (see drill collar locations on Figure 8). The RC drilling targeted a series of NNE-trending structural zones containing quartz veins at surface. Several shallow historical workings are located along these structural trends, which extend several 100's metres along strike in places.

Assays from the first five (5) holes at Victor Bore were received in March 2023 (see ASX Announcement dated 9 March 2023). Significant gold intercepts from the first five (5) holes include:

- 7 m @ 1.96 g/t Au, from 32 m depth in hole VB23RC004.
    - Including 2 m @ 5.08 g/t Au, from 34 m depth.
    - Including 1 m @ 8.67 g/t Au, from 34 m depth.
- 6 m @ 1.40 g/t Au, from 25 m depth in hole VB23RC005.
    - Including 1 m @ 7.33 g/t Au, from 29 m depth

The gold assay results for an additional eleven (11) RC holes at Victor Bore will be reported next period. Further work is planned at Victor Bore.

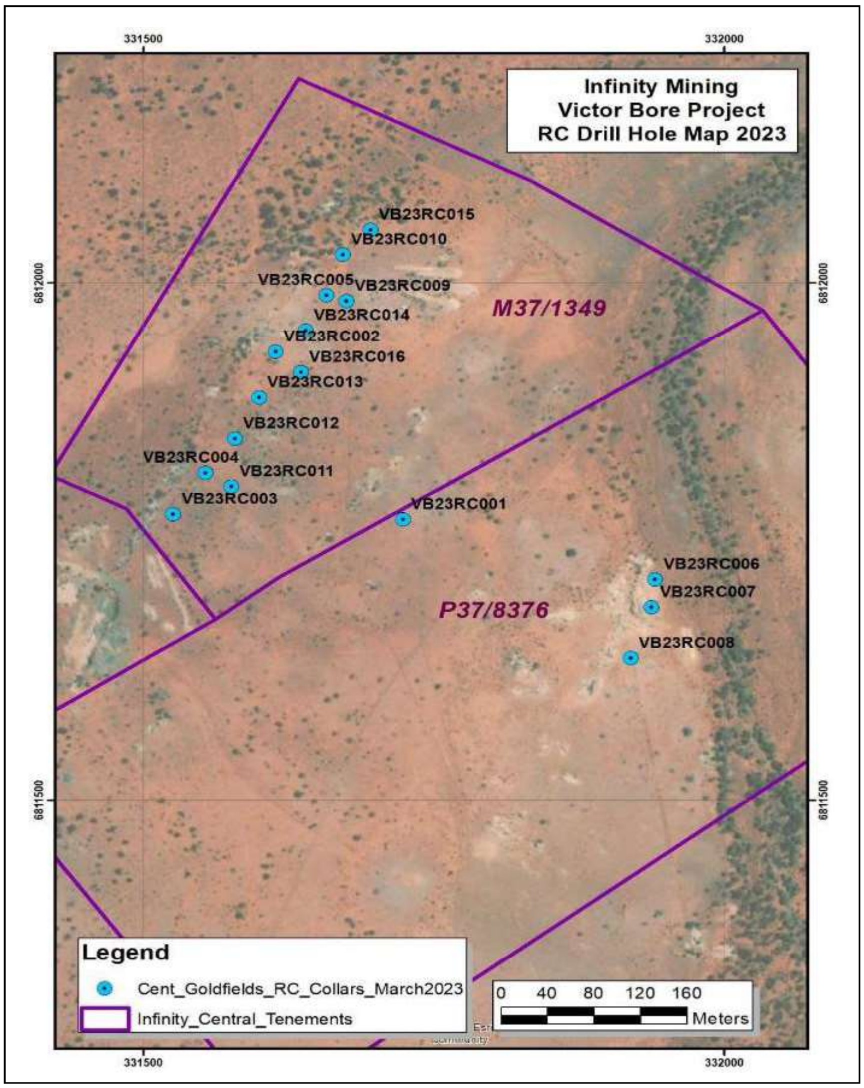

Figure 8: Victor Bore 2023 RC Drill Hole Location Map

BARLOW'S GULLY

Barlow's Gully (P37/8278) lies over an area of mapped greenstone, situated along a major regional structure, the Ursus Fault Zone, which also hosts other major gold mining operations (e.g., King of the Hills, Kailis). Numerous historical shallow workings and prospecting pits occur at Barlow's. Until Infinity's involvement, the licence was held in private hands for many years and has not seen any modern-day exploration.

Rock chip sampling at the Barlow's Gully during the annual period returned assays up to 15.5 ppm Au. Subsequent aircore drilling and soil sampling across the Barlow's tenement defined three significant gold targets - the largest being 480 x 100 m in area (see Figure 7). The three surface geochemical anomalies contain anomalous levels of gold up to 0.681 ppm Au (see [ASX Announcement dated 30 June 2022](#)).

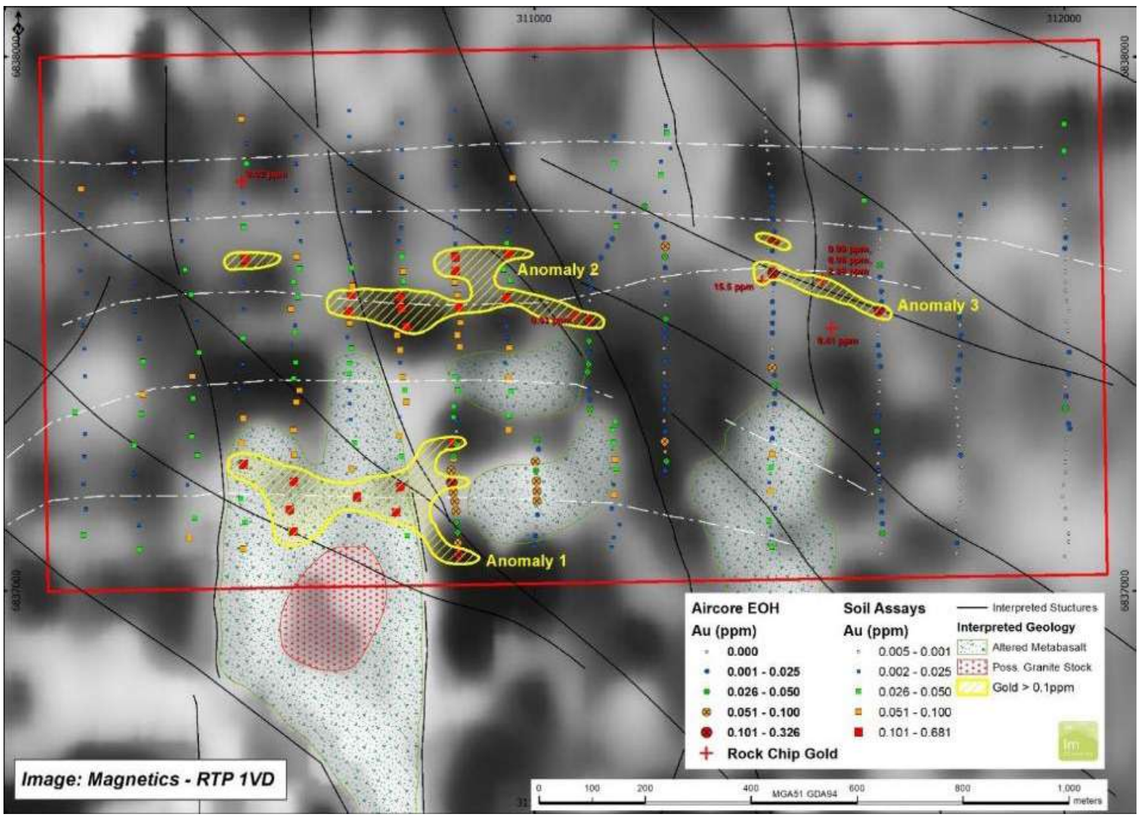

Figure 7: Aircore and soil sampling results for gold showing 3 significant geochemical anomalies

An RC drilling program (9 holes) was completed in early 2023 at Barlow's Gully and was aimed at testing these high-priority geochemical targets. Assay results from this drilling will be reported next period.

CRAIG'S REST

The Craig's Rest project area is located approximately 60km north-north-west of Leonora (see Figure 6). The project includes a significant amount of historic gold mining activity, consisting of a number of shallow shafts, bell pits and adits located across the tenement.

Rock chip sampling around several old gold mine workings at Craig's Rest returned six anomalous assays over 1 g/t Au, with a maximum of 37.64 g/t Au. A number of prospective structural target zones have been identified along strike from the main three gold prospects (see [ASX Announcement dated 21 September 2022](#)).

The Craig's Rest project area was host to six campaigns of previous RC / RAB drilling (1985 to 2007), which yielded significant gold intercepts at the Garden Well, Katalina and Craig prospects, including:

- 4 m @ 4.47 g/t Au from 30 m depth (Aztec RC hole GW15).
- 8 m @ 2.17 g/t Au from 61 m depth (Aztec RC hole GW20).
- 4 m @ 3.81 g/t Au from 50 m depth (Mt Edon RC hole GWRC05).
- 10 m @ 2.4 g/t Au from 2 m depth (Mt Edon RC hole GWRC07).
- 2 m @ 26.6 g/t Au from 58 m depth (Tarmoola RC hole KLRC002).
- 5 m @ 57.9 g/t Au from 16 m depth (Tarmoola RAB hole GWRB005

A map highlighting some of the best significant gold intercepts is included as Figure 9. This map shows that the gold mineralisation at Craig's Rest occurs over a wide area. Many of the previous drill holes have never been followed-up. Details are outlined in [ASX Announcement dated 12 October 2022](#).

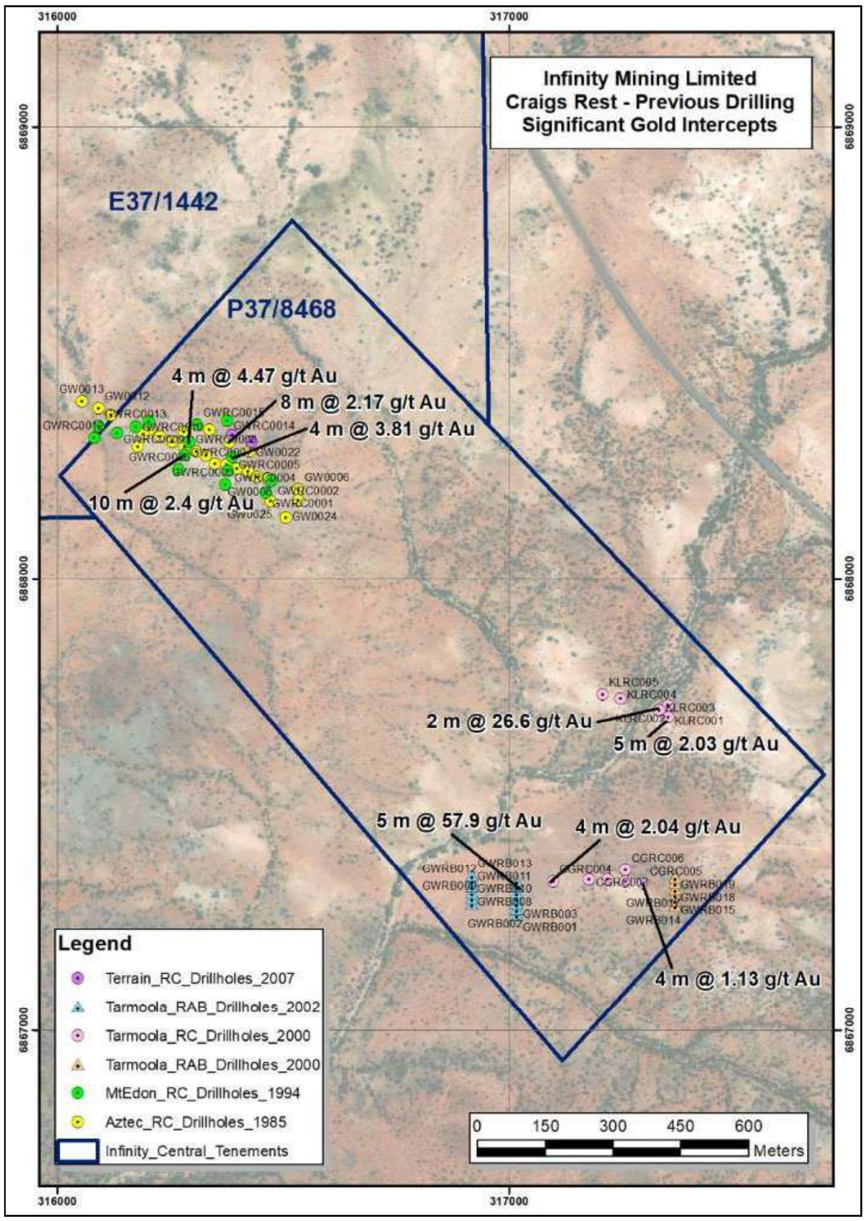

Figure 9: Craig's Rest map showing previous RC / RAB holes and some of the highest significant gold intercepts.

Aircore and Auger drilling programs were also completed at Craig's Rest during the annual period. The Aircore and Auger drilling programs were planned to follow up a range of structural targets along strike from the areas of old gold mining and previous anomalous drilling. A drilling program has been planned to test a range of targets at Craig's Rest and will be implemented next annual period.

COPPERMINE

The Coppermine Project is located 5km southwest of the 4.12 Moz King of the Hills gold mine owned by Red 5 Limited (see Figure 6). The project area contains Archean greenstones of the Leonora-Leinster greenstone belt which appear to be underlain by the Archean granite that outcrops to the south of the licence. The Archean greenstones are poorly exposed in the Coppermine licence area and are mostly covered by thick Recent alluvium and colluvium making surface exploration difficult. This project is highly prospective for poly-metallic Volcanic-Hosted Massive Sulphide (VHMS) mineralisation.

A drone magnetic survey flown in 2022 revealed a 350 m long magnetic high target beneath historical copper workings. Rock chip samples returned up to 2.06 % Cu, 3791 ppm Zn and 0.33 ppm Au, coincident with the magnetic high target, which could be associated with buried VHMS-style copper mineralisation (see ASX Announcement dated 4 August 2022).

Three RC drill holes were drilled in early 2023 into the prospect area and magnetic targets. Assays from this drilling will be reported next period.

CAMEL

The Camel Project (P37/8325) is hosted in greenstones of the Gindalbie Group, in particular the meta-felsic volcanics of the Melita Formation and lies along the Melita-Emu Fault. The tenement is approximately 8 km north of Leonora and 6 km northeast of the Kailis Gold Deposit (see Figure 6). Camel is highly prospective for Archaean shear-hosted gold systems.

A drone magnetic survey flown in 2022 revealed a high-priority linear magnetic high target, which lies ~100 m west of the old gold mine workings and may represent a sub-parallel gold-bearing structure. Previous RC drilling at the Camel Project in 1986 returned drill intercepts up to 5 m @ 2.24 g/t Au, which upgrades the linear magnetic high target (see ASX Announcement dated 1 September 2022).

Four RC drill holes were drilled in early 2023 into the prospect area and magnetic targets at Camel. Assays from this drilling will be reported next period.

GREAT NORTHERN WORKINGS

The Great Northern Project lies 15 km east of Leonora (see Figure 6). This project includes a number of old gold workings that have been drilled by previous companies (e.g. Melita 1987). In early 2022 (last Annual period), Infinity completed a 12-hole RC drilling program at Great Northern (see ASX Announcement dated 25 March 2022). The results from this RC drilling program were sufficiently encouraging to follow-up with a second RC drilling campaign in early 2023.

Five RC drill holes were drilled in early 2023 into the prospect area to follow-up anomalous RC drilling results from 2022. Assays from the 2023 drilling campaign will be reported next period.

CHICAGO

The Chicago Project is hosted in mafic and ultramafic units of the Archaean Trevor's Bore Formation which have been cut by a number of ENE-trending cross structures at Chicago. The project lies approximately 10 km WSW of the King of the Hills Gold Deposit (see Figure 6) and is highly prospective for Archaean shear-hosted gold systems.

A drone magnetic survey flown at Chicago revealed two magnetic high targets adjacent to the old gold mine workings. Rock chip sampling by Infinity returned up to 2.37 g/t Au, in proximity to the magnetic high targets, upgrading these targets (see ASX Announcement dated 19 September 2022).

A drilling program has been planned to test the magnetic targets and will be implemented next annual period.

SPECKING PATCH

This small tenement area (see Figure 6) has received some minor historical gold exploration work by previous explorers. Geological data over this tenement is being compiled and interpreted by the Infinity geological team. No exploration work was completed during the annual period to 31 March 2023. New exploration programs will be implemented next Annual Period.

3. DIRECTORS REPORT

The Directors present their report together with the financial statements of the consolidated entity (referred to hereafter as the Group) consisting of Infinity Mining Limited ACN 609 482 180 and Infinity Mining Civil Pty Ltd which was incorporated on 8 November 2022, the entity it controlled at the end of, or during the financial year ended 31 March 2023.

3.1 DIRECTORS

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

Independence

Mr Phillips is currently the Executive Chairman of Infinity Mining and was Managing Director of Macarthur Minerals Limited until 31 August 2022 (substantial shareholder of Infinity Mining) and is not considered to be independent.

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

Independence

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

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

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

Independence

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

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

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

Independence

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

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

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

3.2 COMPANY SECRETARY

MIMA WIRAKARA, COMPANY SECRETARY

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

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

3.3 PRINCIPAL ACTIVITIES

Infinity Mining Limited holds 100% interest in 681.53km^2 of tenements in the East Pilbara and 13.81 km^2 in the Central Goldfields regions of Western Australia. The Company also has several pending applications in the East Pilbara totalling ~211km^2. These tenements are in highly prospective Lithium, Nickel, Copper, and Gold terranes. The Company's business strategy is to develop near-term gold targets in the Central Goldfields to support the longer-term investments needed to develop the East Pilbara tenements (Lithium, Nickel, Gold, Copper projects).

The nature of the Group principal activities during the financial year was mineral exploration and evaluation.

3.4 DIRECTORS MEETINGS

The number of meetings of the Company's board of directors held during the year ended 31 March 2023, and the number of meetings attended by each director were:

	Number of Board Meetings Attended	**Number Eligible**
J Phillips	3	3
J Groot	3	3
C McCall	3	3
M Kale	3	3
H Groot	3	3

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

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

3.5 OPERATING AND FINANCIAL REVIEW

The Directors present the Operating and Financial Review for the year ended 31 March 2023. The information provided in this review forms part of the Directors' Report and provides information to assist users in assessing the operations, financial position and business strategies of the Company.

<u>OPERATING PERFORMANCE</u>

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

(1) TASEX GEOLOGICAL SALE PURCHASE AGREEMENT

On 22 November 2022, the Company entered into a Sale Purchase Agreement with TasEx Geological Services Pty Ltd (Seller) to acquire 100% interest in tenements E45/5847, E46/1373, E45/5720 and tenement applications E45/6237 and E45/6281 for a total purchase price of $300,000 allocated as follows:

(a) $50,000 cash and $150,000 Infinity Mining Shares issued on 28 November 2022 at a price of $0.29 per share subject to voluntary escrow restriction for tenements E45/5847, E46/1373 and E45/5720;
(b) $50,000 Infinity Mining Shares issued on 28 November 2022 at a price of $0.29 per share subject to voluntary escrow restriction for tenement application E45/6237; and
(c) $50,000 Infinity Mining Shares issued on 28 November 2022 at a price of $0.29 per share subject to voluntary escrow restriction for tenement application E45/6281.

In the unlikely situation if the conditions relating to the granted tenements are not met, provided that the parties terminate the agreement, as the Infinity Mining consideration shares are subject to voluntary escrow restriction, the shares will not be released from Escrow and shares will be subsequently cancelled. The cash component of $50,000 will be refunded to the Company by the Seller.

The following conditions precedent must be satisfied or waived in accordance with the agreement by 30 November 2024 or such other date as mutually agreed by the parties:

(a) Applications being granted;
(b) All necessary Ministerial Consents for the transfer of the granted Tenements being given under the Act;
(c) All necessary third-party consents to the disposal of a Seller's rights and obligations under any Contract5s have been obtained; and
(d) The Seller and the Purchaser have received all necessary shareholder (if required) and board approvals for the signing of this document and the issue of the Shares as applicable.

<u>FINANCIAL PERFORMANCE</u>

Operating Results

The Group consolidated comprehensive loss of the year ended 31 March 2023 amounted to $2,164,410 after income tax. As an exploration and evaluation company, the Company expects to continue to report losses until such time as profit is earned from potential production activities.

	Year ended 31 March 2023 $	Year ended 31 March 2022 $
Operating Expenses	(2,299,861)	(2,069,379)
Total comprehensive profit(loss) for the year	(2,164,410)	(2,068,104)

Financial Position

	Year ended 31 March 2023 $	Year ended 31 March 2022 $
Cash and cash equivalents	3,323,785	8,235,792
Exploration and Evaluation assets	12,640,150	9,241,242
Property, Plant and Equipment	184,495	3,923
Total Assets	16,411,008	17,655,530
Accounts payable and accrued liabilities	371,637	140,029
Total Liabilities	371,637	187,311
Net Assets	16,039,371	17,468,219
Net Working Capital	3,214,726	8,270,336

At 31 March 2023 the Group had net assets of $16,039,371 compared to a $17,468,219 at 31 March 2022. The decrease is due largely to a decreased cash balance after the current years' exploration activities and operations.

The Group cash and cash equivalents balance was $ 3,323,785 at 31 March 2023 which was a decrease of $ 4,912,007 from 31 March 2022. The decrease is due largely to the current periods drilling expenses and exploration activities.

The Group net working capital at 31 March 2023 was $ 3,214,726 compared with net working capital of $ 8,270,336 at 31 March 2022.

As disclosed in the financial report, the Group recorded an operating loss of $2,164,410 (2022: Loss of $2,068,104) and a cash outflow from operating activities of $2,258,623 for the year ended 31 March 2023 (2022: $2,263,785). As at 31 March 2023 the Group had cash of $3,323,785. The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to continue to secure funds by raising capital from equity markets, monetizing non-core assets and managing cash flows in line with available funds.

During the year ended 31 March 2023, 2,497,500 options issued as part of its 2021 Initial Public Offering were exercised to the value of $ 749,250.

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to continue to secure funds by raising capital from equity markets, monetizing non-core assets, and managing cash flows in line with available funds.

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

3.6 DIVIDENDS

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

3.7 EVENTS SUBSEQUENT TO REPORTING DATE

(1) 5 YEAR LICENCE EXTENSION FOR STRELLEY GORGE TENEMENT

Exploration licence E45/4735, the Strelley Gorge Project has been granted a further 5-year extension to 20 November 2027. The Company holds the rights to explore for and extract all minerals other than iron ore on this tenement pursuant to the Tenement Sale and Non-Iron Ore Rights Agreement dated 11 August 2021.

(2) CO-FUNDED DRILLING PROGRAM

The Company has been awarded $ 117,810 by the Government of Western Australia’s Department of Mines, Industry Regulation and Safety under the Exploration Incentive Scheme (EIS) to undertake a maiden Nickel drilling program at the Brisbane Nickel Prospect on the Panorama Project E45/4779 in the Pilbara region of WA.

(3) GRANTED TENEMENTS E45/5720, E45/5847 and E46/1373

The transfer of E45/5720, E45/5847, and E46/1373 from TasEx Geological Services Pty Ltd to Infinity Mining Ltd was registered by the WA Department of Mines, Industry Regulations and Safety (DMIRS) on 16 May 2023. On 28 November 2022, pursuant to the Sale Purchase Agreement (SPA), 517,241 Infinity Mining Shares were issued for a value of $150,000 at a price of $0.29 per share. These shares were subject to voluntary escrow restriction and were released from escrow on 16 June 2023. The SPA states that the escrow restriction will end and any holding lock corresponding to those Consideration Shares will be released upon the completion of the transfer of the Exploration Licenses. All conditions for the transfer of the Exploration Licenses have been met, and completion has taken place. As per the Voluntary Escrow Deed, the holding lock corresponding to the relevant Purchase Price will be released upon each completion of the Exploration Licenses or each one of the Applications.

3.8 LIKELY DEVELOPMENTS

There are no additional matters or likely developments in the operations of the Group and the expected results of those operations in future financial years that have not been included in this report. The Group’s key business risk associated with future plans relate to the ability to successfully identify a resource and develop the Company’s projects.

3.9 INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

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

The Company has provided an indemnity for each director to the maximum extent permitted by law, against any liability for legal costs incurred in respect of a liability incurred by them, by virtue of their holding office as and acting in the capacity of, an officer of the Company, except where the liability arises out of conduct involving lack of good faith. Pursuant to an indemnity within the constitution and Deeds of Indemnity entered into with the directors and officers of the Company, the Company is indemnifying the respondent directors and officers for the reasonable legal costs of defending an action against them (subject to certain restrictions, including restrictions contained in the Corporations Act 2001 (Cth).

3.10 PROCEEDINGS ON BEHALF OF COMPANY

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

3.11 ENVIRONMENTAL REGULATIONS

The Group is subject to significant environmental regulation in respect to its exploration activities.

The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of an is in compliance with all environmental legislation. The directors of the Group are not aware of any breach of environmental legislation for the year under review.

3.12 OPTIONS OVER UNISSUED SHARES

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

Date Options Granted	Expiry Date	Issue Price of Shares	Number under options
10 Dec 2021	10 Jun 2023	$0.30	22,502,500
10 Dec 2021	10 Jun 2024	$0.25	5,000,000
			27,502,500

3.13 REMUNERATION REPORT

(1) INTRODUCTION

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

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

Role of Remuneration and Nomination Committee

The Remuneration and Nomination Committee is responsible for (or in its absence the Board) overseeing performance evaluations of senior executives on an annual basis. As at 31 March 2023, the Remuneration and Nomination Committee was comprised of Michael Kale (Chairman), Cameron McCall and Harley Groot who have direct experience that is relevant to their responsibilities in executive compensation.

(2) REMUNERATION POLICY

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

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

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

(3) REMUNERATION STRUCTURE

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

(4) PERFORMANCE BASED REMUNERATION

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

(5) RELATIONSHIP BETWEEN REMUNERATION POLICY AND GROUP PERFORMANCE

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

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

The following table provides employment details of persons who are and were, during the financial year and, as at the date of this report, members of KMP of the Consolidated Group. The table also illustrates the proportion of remuneration that was performance and non-performance based.

Name	**Position held**	**Contract details**	**Non-salary cash-based incentives**	**Shares**	**Fixed salary/ fees**
Executive Directors					
J Phillips	Executive Chairman	No fixed duration, 12 months' notice	-	-	125,000 *
J Groot	CEO and Director	No fixed duration, 12 months' notice	-	-	125,000 **
Non-executive Directors					
C McCall	Non-executive Director	No fixed duration, 3 months' notice	-	-	60,000
M Kale	Non-executive Director	No fixed duration, 3 months' notice	-	-	70,000
H Groot	Non-executive Director	No fixed duration, 3 months' notice	-	-	60,000

*Effective from 1 January 2023, fee was increased to $250,000 pa. As of 1 June 2023, Joe Phillips has elected to reduce the fee by 50% to $125,000 and accrue the remaining amount for future payments.

** Effective from 1 January 2023, fee was increased to $250,000 pa. As of 1 June 2023, Joe Groot has elected to reduce the fee by 50% to $125,000 and accrue the remaining amount for future payments.

(7) REMUNERATION REPORT

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

2023	**Short Term Employee Benefits**				**Post-Employment Benefits**		**Share Based Payments**	
Executive Directors:	Cash Salary & Fees	Accrued Salaries	Cash Bonus	Non-monetary benefits	Super-annuation	Retirement Benefits	Options/RSUs	Total
	$	$	$	$	$	$	$	$
J Phillips	107,500	-	-	-	-	-	-	107,500
J Groot	175,000	-	-	-	-	-	-	175,000
Non-Executive Directors:								
C McCall	41,250	-	-	-	-	-	-	41,250
M Kale	43,750		-	-	-	-	-	43,750
H Groot	41,250	-	-	-			-	41,250
Total	408,750	-	-	-	-	-	-	408,750

(7) REMUNERATION REPORT (continued)

Remuneration accrued and payable to key management personnel as at 31 March 2023 was $157,500

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

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

a) Ordinary Shares

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

	Balance at Beginning of the Year	**Granted as Remuneration**	**Issued on Exercise of Options**	**Other Changes During the Year**	**Balance at End of the Year**
J Phillips	-	-	-	952,546	952,546
J Groot	11,271,874	-	137,500	1,816,374	13,225,748
C McCall	-	-	-	-	-
M Kale	255,000	-	-	496,511	751,511
H Groot	600,000	-	200,000	500,000	1,300,000
	12,126,874	-	337,500	3,765,431	16,229,805

b) Options

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

	Balance at Beginning of the Year	**Granted as remuneration**	**Number Exercised**	**Other Changes During the Year**	**Balance at End of the Year**
J Phillips	-	-	-	-	-
J Groot	127,500	-	127,500-	-	-
C McCall	-	-	-	-	-
M Kale	85,000	-	-	-	85,000
H Groot	200,000	-	200,000	-	-
	412,500		327,500	-	85,000

Equity instruments held by KMP

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

Director	Ordinary Shares	Options
J Phillips	1,602,546	-
J Groot	13,728,198	-
C McCall	-	-
M Kale	751,511	85,000
H Groot	1,300,000	-
	17,382,255	85,000

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

3.14 NON-AUDIT SERVICES

The Directors, in accordance with advice from the Audit and Risk committee, is satisfied that the provision of non-audit services during the year is comparable with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed in Note 3 to the financial statements did not compromise the auditor's independence.

3.15 AUDITORS INDEPENDENCE DECLARATION

A copy of auditor's independence declaration is required under section 307C of the Corporations Act 2001(Cth) and is set out on page 34.

Signed in accordance with a resolution of the Directors.

Alan Joseph Phillips
Executive Chairman
20 June 2023

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4. FINANCIAL REPORT

INFINITY MINING LIMITED AND CONTROLLED ENTITY

ABN 73 609 482 180

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Financial Statements
For the Year Ended 31 March 2023

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Independent Audit Report

To the members of Infinity Mining Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Infinity Mining Limited (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 31 March 2023, 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, which includes significant accounting policies, and the directors' declaration.

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

a) giving a true and fair view of the Group's financial position as at 31 March 2023 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and *Corporations Regulations 2001.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company and 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	How our audit addressed the key audit matter
Going concern	
The financial statements have been prepared on a going concern basis using managements critical accounting estimates and judgements as outlined in Note 2.2. The Group has in the current financial year recorded a total comprehensive loss of \$2.16m (2022: \$2.07m loss) in the statement of profit or loss and other comprehensive income.	In assessing the appropriateness of the going concern assumption used in preparing the financial statements, our procedures included, but were not limited to: • considering the cashflow requirements of the Group over 15 months from 31 March 2023 based on budgets and forecasts. • gaining an understanding of what budgeted expenditures are committed and what could be considered discretionary.

Key audit matter	How our audit addressed the key audit matter
We considered the going concern assumption a key audit matter as there is inherent uncertainty associated with estimates and judgements associated with the Group's stage in operations and the going concern assumption relies on existing working capital, planned operations and uncertain future events generating sufficient cashflows to cover necessary expenditures.	• considering the liquidity of existing assets on the balance sheet and their capacity to increase working capital. • considering potential downside scenarios of management assumptions and the resultant impact on available funds. • considering whether the disclosures in the financial statements were in compliance with accounting standards.
Exploration and evaluation expenditure As at 31 March 2023 the carrying value of exploration, evaluation and development assets is $12.6m (2022: $9.2m). The Group's accounting policy in respect of exploration, evaluation and development assets is outlined in Note 1. The carrying value of exploration, evaluation and development assets is a key audit matter as it is the significant asset of the Group, it is material to the Group's financial statements, and significant judgement is applied in determining whether the capitalized exploration and evaluation assets meet the recognition criteria set out in AASB 6 *Exploration for and Evaluation of Mineral Resources*.	Our procedures included, but were not limited to: • obtaining evidence as to whether the rights to tenure of the areas of interest remained current at balance date and that rights to tenure are expected to be renewed for tenements that will expire in the near future. • obtaining evidence of the future intentions for the areas of interest, planned expenditure and related exploration programmes. • obtaining an understanding of the status of ongoing exploration programmes, for the areas of interest. • reviewing a sample of capitalised costs to supporting documentation to ensure they had been capitalised in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*. • evaluating the Group's assessment that there had been no indicators of impairment for its capitalised exploration and evaluation assets, including inquiries with management and directors to develop an understanding of the current status and future intentions for the Group's exploration projects. • considering the adequacy of disclosures included within Note 8 of the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 March 2023, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the remuneration report included in pages 22 to 25 of the directors’ report for the year ended 31 March 2023.

In our opinion, the remuneration report of Infinity Mining Limited, for the year ended 31 March 2023, 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.

Victor Uson
Director
Vincents Assurance & Risk Advisory

Brisbane QLD
20 June 2023

Auditor's Independence Declaration

To the directors of Infinity Mining Limited

As lead auditor of Infinity Mining Limited for the year ended 31 March 2023, I declare that, to the best of my knowledge and belief, there have been:

(i) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Infinity Mining Limited and the entity it controlled during the year.

Victor Uson
Director
Vincents Assurance & Risk Advisory

Brisbane QLD
20 June 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	NOTE	2023 $	2022 $
Other income	**2**	135,451	1,275
Marketing expenses		(143,737)	(61,599)
Finance costs		(1,143)	-
Corporate expenses	**3 (b)**	(400,805)	(85,723)
Depreciation, amortisation	**3 (c)**	(27,976)	(637)
Employee expenses	**3 (d)**	(520,739)	(451,323)
Administration expenses	**3 (e)**	(385,363)	(150,282)
Tenement expenses	**3 (f)**	(251,910)	(241,561)
Legal & professional support	**3 (g)**	(159,438)	(230,754)
Directors fees		(408,750)	(157,500)
Share Based Payments		-	(690,000)
Loss before income tax	**3**	(2,164,410)	(2,068,104)
Income tax expense	**4**	-	-
Loss for the year attributable to members of the parent entity		(2,164,410)	(2,068,104)
Other comprehensive income		-	-
Total comprehensive income for the year attributable to members of the parent entity		(2,164,410)	(2,068,104)
Basic loss per ordinary share from operations attributable to the owners		(0.652)	(0.592)
Basic and diluted weighted average number of ordinary shares outstanding		112,621,991	108,812,422

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	NOTE	2023	2022
ASSETS		**$**	**$**
CURRENT ASSETS			
Cash and cash equivalents	**5**	3,323,785	8,235,792
Trade and other receivables	**6**	213,922	79,096
Prepayments	**7**	48,656	95,477
TOTAL CURRENT ASSETS		3,586,363	8,410,365
NON-CURRENT ASSETS			
Property, plant and equipment	**9**	184,495	3,923
Exploration,evaluation and development assets	**8**	12,640,150	9,241,242
TOTAL NON-CURRENT ASSETS		12,824,645	9,245,165
TOTAL ASSETS		16,411,008	17,655,530
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	**10**	357,950	140,029
Provisions	**11**	13,687	-
TOTAL CURRENT LIABILITIES		371,637	140,029
NON-CURRENT LIABILITIES			
Other liabilities	**11**	-	47,282
TOTAL NON-CURRENT LIABILITIES		-	47,282
TOTAL LIABILITIES		371,637	187,311
NET ASSETS		16,039,371	17,468,219
EQUITY			
Issued capital	**13**	20,351,470	19,615,908
Reserves	**13**	262,508	690,000
Retained earnings		(4,574,607)	(2,837,689)
TOTAL EQUITY		16,039,371	17,468,219

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Note	Issued Capital $	Reserves $	Retained Earnings $	Total $
Balance at 1 April 2021		493,227	-	(769,585)	(276,358)
Comprehensive income					
Loss for the year	**3**	-	-	(2,068,104)	(2,068,104)
Other comprehensive income for the year		-	-	-	-
Share based payment transactions			690,000	-	690,000
Shares issued during the year		19,916,555	-	-	19,916,555
Transaction costs		(793,874)	-	-	(793,874)
		-	-	-	-
Total comprehensive income/(loss) for the year attributable to members of the entity		19,122,681	690,000	(2,068,104)	17,744,577
Balance at 31 March 2022		**19,615,908**	**690,000**	**(2,837,689)**	**17,467,219**
Balance at 1 April 2022		19,615,908	690,000	(2,837,689)	17,467,219
Comprehensive income					
Loss for the year	**3**	-	-	(2,164,410)	(2,164,410)
Other comprehensive income for the year		-	-	-	-
Share based payment transactions		-	(427,492)	427,492	-
Shares issued during the year		1,543,624	-	-	1,543,624
Transaction costs		(807,562)	-	-	(807,562)
Total comprehensive income/(loss) for the year attributable to members of the entity		736,062	(427,492)	(1,736,918)	(1,428,348)
Balance at 31 March 2023		**20,351,470**	**262,508**	**(4,574,607)**	**16,039,371**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	NOTE	2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		(134,827)	-
Payments to suppliers and employees		(2,258,104)	(2,265,060)
Interest received		135,451	1,275
Finance costs		(1,143)	-
NET CASH USED IN OPERATING ACTIVITIES	**14**	(2,258,623)	(2,263,785)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of property, plant, and equipment		(31,048)	-
Payment for exploration and evaluation assets		(3,452,148)	(750,629)
NET CASH USED IN INVESTING ACTIVITIES		(3,483,196)	(750,629)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from / (repayment of) loans		-	(257,660)
Proceeds from share issue		840,460	11,501,250
Dividends paid		-	-
NET CASH FROM FINANCING ACTIVITIES		840,460	11,243,590
Net increase/(decrease) in cash held		(4,912,007)	8,229,176
Cash at the beginning of the year		8,235,792	6,616
CASH AT THE END OF THE YEAR	**5**	3,323,785	8,235,792

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. CORPORATE INFORMATION

The consolidated financial reports for Infinity Mining Limited (the "Company" or the "Parent") and its subsidiaries (together referred to as the "Group" and individually as "Group entities") for the year ended 31 March 2023 were authorised for issue in accordance with a resolution of the Board of Directors on 20 June 2023. The Directors have the power to amend and re-issue the financial report.

The Company is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Company are described in the Directors' Report.

The presentation currency of the Group is Australian dollar ($).
The nature of the operations and principal activities of the Group are described in the Directors' Report.

2. BASIS OF PREPARATION

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report also complies with IFRS as issued by the International Accounting Standards Board.

The financial report has been prepared on a historical cost basis, except for financial assets that have been measured at fair value.

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the new and amended accounting standards and interpretations which became mandatory for the first time this reporting period commencing 1 April 2022.

2.1. New, revised or amending Accounting Standards and Interpretations adopted

The Group has adopted all Australian Accounting Standards and Interpretations effective from 1 April 2022.

In the year ended 31 March 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current financial year. None of these had a material impact on the Group.

2.2 Going Concern

These financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial report, the Group recorded an operating loss of $2,164,410 (2022: Loss of $2,068,104) and a cash outflow from operating activities of $2,258,623 for the year ended 31 March 2023 (2022: $2,263,785). As at 31 March 2023 the Group had cash of $3,323,785. The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to continue to secure funds by raising capital from equity markets, monetizing non-core assets and managing cash flows in line with available funds.

During the year ended 31 March 2023, 2,497,500 options issued as part of its 2021 Initial Public Offering were exercised to the value of $ 749,250.

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to continue to secure funds by raising capital from equity markets, monetizing non-core assets and managing cash flows in line with available funds.

Should the Group be unsuccessful in securing additional funds or monetizing non-core assets, there is a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern, however, notwithstanding this, the accounts have been prepared on a going concern basis.

The directors are satisfied that at the date of signing of the financial report, there are reasonable grounds to believe that the Group will be able to continue to meet its debts as and when they fall due and that it is appropriate for the financial statements to be prepared on a going concern basis. The directors have based this on the following pertinent matters:

Going Concern (continued)

- The Directors believe that future funding will be available to meet the Group's objectives and debts as and when they fall due, including through raising additional capital through equity placements to existing or new investors.
- The Group has approved capacity to issue additional equity under the Corporation Act 2001 and ASX Listing Rule 7.1 or otherwise;
- The Company's commitment to exploration expenditure is discretionary and expenditure requirements are minimal;
- The Group has the capacity, if necessary, to reduce its operating cost structure in order to minimise its working capital requirements; and
- Subject to successful capital raising and/or monetization of non-core assets, the cash flow forecast for the period to 30 September 2024 indicates sufficient cash available for planned activities and operations.

The financial report does not include adjustments relating to the recoverability or classification of the recorded assets nor to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

2.3 Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March each year.

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

Intercompany transactions, balances, and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

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

a) Income Tax

The corporate tax rate for eligible companies will reduce from 30% to 25% by 31 March 2023 providing certain turnover thresholds and other criteria are met. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised, or the liability is settled.

The Directors have determined that the deferred tax balances be measured at the tax rates stated. Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except;

When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

When the deductible temporary difference is associated with investments in subsidiaries, associates, or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.
Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

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

Tax consolidation

Infinity Mining Limited and its wholly owned Australian subsidiary have formed an income tax consolidated Group under tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiary are immediately transferred to the head entity. The tax consolidated Group has entered a tax-funding arrangement whereby each Group in the Group contributes to the income tax payable by the Group in proportion to their contribution to the Group's taxable income.

b) Goods and Services Taxes (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).
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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

c) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis.
The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use.
The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation rate
Plant and equipment	5% to 33.3%
Motor Vehicles	20% to 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount with the impairment loss recognised in the statement of profit or loss and other comprehensive income.

Derecognition and disposal

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

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

d) Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

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

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Group commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.
Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

I. *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

II. *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a Group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors (or a Group of debtors) are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account, or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

f) Employee Benefits

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

<u>Other long-term employee benefits</u> (continued)

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

g) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

h) Issued Capital

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

i) Share Based Payments

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

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

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

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability. Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

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

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

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

j) Exploration and Evaluation Expenditure

The recoupment of exploration and evaluation carried forward is dependent on the successful development and commercial exploitation or sale of the respective areas.

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the rights of tenure are current, and the following conditions are satisfied:

- 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; or
- exploration and evaluation activities in the area of interest have not 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.

Costs include acquisition of rights to explore, studies, exploratory drilling, trenching, assaying, sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to exploration activities in a particular area of interest.
A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where carried forward expenditure does not satisfy the policy stated above it is written off to the statement of profit or loss and other comprehensive income in the period in which the decision is made to write off. Accumulated costs in relation to an abandoned area are written off to the statement of profit or loss and other comprehensive income in the period in which the decision to abandon the area is made.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

k) Cash and Cash Equivalents

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

l) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

m) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.
Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer above for further discussion on the determination of impairment losses.

n) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

o) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each Group entity 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 and presentation currency.

p) Segment Reporting

The Group has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker in assessing performance and determining the allocation of resources. The Group is managed on the basis it is a mineral exploration company operating in the geographical region of Western Australia.

The mineral assets targeted are gold and lithium, and each asset is considered a separate business segment. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Group.

q) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

r) Critical Accounting Estimates and Judgments

The preparation of the Group's consolidated financial statement requires management to make judgments in the process of applying the Group's accounting policies and estimates that effect the reported amounts of revenue, expenses, assets, and liabilities. Judgements and estimates which are material to the financial report are as follows:

I. Share-based Payment Transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined taking into account the terms and conditions upon which the instruments were granted.

The accounting estimates and assumptions relating to equity-settled share-based payments transactions would have no impact on the carrying amounts of assets or liabilities within the next annual reporting period but may impact profit or loss or equity.

Refer to Note 17 for further details.

II. Carrying Value of Exploration and Evaluation Costs

The ultimate recoupment of the value of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation assets.

Impairment tests are carried out on a regular basis to identify whether the asset carrying values exceed their recoverable amounts. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

The key areas of judgement and estimation include:

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

No impairment has been recognised in respect of capitalised exploration and evaluation costs at the end of the reporting period.

	2023 $	2022 $
NOTE 2 - OTHER INCOME		
Interest income	135,451	1,275

Other income consists of interest income. Interest income is recognised as the interest accrues (using the effective interest method, which is the method that exactly discounts estimated future cash receipts through the life of the financial asset) to the net carrying amount of the financial asset.

NOTE 3 - LOSS FOR THE YEAR

Loss before income tax expense has been determined after:

Administration, consulting and other expenses

		2023 $	2022 $
(a)	Remuneration of the auditor of the parent entity for:		
	Auditing the financial report	18,348	13,808
(b)	Significant corporate Expenses include		
	Accounting & Advisory fees	47,088	35,002
	Management & Share Service fees	199,074	42,500
	Rent	53,156	2,323
	Share Registry Costs	64,851	4,548
	Other Corporate Costs	36,636	1,350
		400,805	85,723
(c)	Depreciation & amortisation		
	Depreciation of property, plant & equipment	27,976	637
(d)	Employee benefits expenses		
	Salaries, wages & related on-costs	479,783	424,055
	- Superannuation	40,956	27,268
		520,739	451,323
(e)	Significant administration expenses include		
	Travel & accommodation	211,019	23,205
(f)	Significant tenement expenses include		
	Project Manager Fees	206,250	-
(g)	Significant legal & professional expenses include		
	CFO advisory fees (Pro You Shared Services)	137,833	-
	Legal fees	17,636	229,232

An employee benefits expense is recognised when the entity consumes the economic benefit arising from services provided by an employee in exchange for employee benefits. The Group's employee benefits comprise wages, salaries, superannuation, annual leave expense and long service leave expense. Liabilities for wages and salaries, including non-monetary benefits, and annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The liabilities are presented as current employee benefit obligations in the statement of financial position.
See note 11 for the Group's provisions balances.

	2023 $	2022 $

NOTE 4 - INCOME TAX

The prima facie tax payable / (benefit) on Loss before income tax is reconciled to the income tax expense as follows:

Prima facie tax payable on Loss before income tax at 30% (2022: 30%)	(649,323)	(620,431)
Increase/(decrease) in income tax expense due to:		
Non-deductible expenses	-	-
Prior years under provision	649,323	620,431
Income tax attributable to operating profit	-	-

The group has a carried forward tax loss of $1,296,754 as at 31 March 2023.
The group had a carried forward tax loss of $ 620,431 as at 31 March 2022.

	2023 $	2022 $

NOTE 5 - CASH AND CASH EQUIVALENTS

Cash at bank	3,323,785	8,235,792
	3,323,785	8,235,792

Reconciliation of cash
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

Cash and cash equivalents	3,323,785	8,235,792
Balance as per cash flow statement	3,323,785	8,235,792

Cash at bank earns interest at floating rates based on daily bank deposit rates. The carrying value approximates fair value.

NOTE 6 - TRADE AND OTHER RECEIVABLES

Current		
Trade receivables	19,280	-
Other receivables	194,642	79,096
Total Trade and Other Receivables	213,922	79,096

Other receivables consist of GST receivable from government authorities. They are non-interest bearing and generally due in 30 days. They are neither past due nor impaired. The amount is fully collectible. Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value.

NOTE 7 - Prepayments

Prepayments	48,656	95,477
	48,656	95,477

Prepayments included prepaid Directors and Officers insurance for the 12-month period ending 31 October 2023.

NOTE 8 - EXPLORATION AND EVALUATION EXPENDITURE

	2023 $	2022 $
	12,640,150	9,241,242
Expenditure brought forward	9,241,242	81,328
Expenditure incurred	3,348,908	1,517,858
Acquisition of tenement assets	50,000	7,642,056
Expenditure carried forward	12,640,150	9,241,242

The above capitalised costs of $12,640,150 (2021: $9,241,242) have been included in cash flows from investing activities in the statement of cash flows for the Company.

Tenements acquired during the period are as a result of the Company entered into a Sale Purchase Agreement with TasEx Geological Services Pty Ltd on the 22 November 2022.

The recoupment of exploration and evaluation carried forward is dependent on the successful development and commercial exploitation or sale of the respective areas
Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the rights of tenure are current, and the following conditions are satisfied:

* 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; or

* exploration and evaluation activities in the area of interest have not 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

Costs include acquisition of rights to explore, studies, exploratory drilling, trenching, assaying, sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to exploration activities in a particular area of interest.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Where carried forward expenditure does not satisfy the policy stated above it is written off to the statement of profit or loss and other comprehensive income in the period in which the decision is made to write off. Accumulated costs in relation to an abandoned area are written off to the statement of profit or loss and other comprehensive income in the period in which the decision to abandon the area is made.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT

	2023 $	2022 $
Office equipment	37,128	6,080
Less Accumulated Depreciation	(7,400)	(2,157)
	29,728	3,923
Motor Vehicles	177,500	-
Less Accumulated Depreciation	(22,733)	-
	154,767	-
Total property, plant and equipment	184,495	3,923

NOTE 9 - PROPERTY, PLANT AND EQUIPMENT (continued)

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

2023	**Office Equipment $**	**Motor Vehicles $**	**Total $**
Balance at the beginning of the year	3,923	-	3,923
Additions	31,048	177,500	208,548
Depreciation Expense	(5,243)	(22,733)	(27,976)
Balance at the end of the year	29,728	154,767	184,495

2022	**Office Equipment $**	**Motor Vehicles $**	**Total $**
Balance at the beginning of the year	-	-	-
Additions	6,080	-	6,080
Depreciation Expense	(2,157)	-	(2,157)
Balance at the end of the year	3,923	-	3,923

NOTE 10 - TRADE AND OTHER PAYABLES

	2023 $	**2022 $**
Unsecured		
Trade Creditors	281,728	140,029
Sundry Creditors	46,949	-
Employee benefits	29,273	-
	357,950	140,029

Included in trade creditors is a balance of $53,716 owing to Macarthur Minerals Limited and a balance of $58,564 owing to Zanil Pty Ltd (2022: $nil), related parties of the Company. Refer to note 16 for related party details and transactions.

Employee benefits include wages, PAYG and superannuation payable within the next quarter.

Non-Current
Unsecured

Other payables	-	47,282

During the current and prior periods, there were no defaults or breaches on any loans. The loan is unsecured, interest free and deemed long term in nature.

NOTE 11 - PROVISIONS

Current

Employee benefits	13,687	-

The provision for employee benefits represents annual leave entitlements accrued.

NOTE 12 - COMMITTMENTS

Exploration Commitments

Amounts below relate to minimum tenement expenditure required on tenements held by the Company

	< 12 months	**1-5 years**	**Total**
Exploration Commitments	604,720	83,800	688,520

The above represents the minimum statutory commitments as conditions of tenure of certain mining tenements with the Western Australia department of Mines, Natural Resources and Forestry (DMIRS).

NOTE 13 - ISSUED CAPITAL

(a) Ordinary Shares

	Number of shares	2023 $	Number of shares	2022 $
Balance at beginning of the year	108,812,422	19,615,908	488,397	493,227
Shares issued for cash	-	-	66,250,000	19,916,555
i) Shares issued for acquisition of exploration assets	862,069	250,000	42,074,025	-
ii) Shares issued on exercise of Unlisted Options with an exercise price of $0.30	2,497,500	1,230,124	-	-
iii) Bonus Shares issued to Staff	450,000	63,000	-	-
Shares issue costs	-	(807,562)	-	(793,874)
Balance at the end of the year	112,621,991	20,351,470	108,812,422	19,615,908

i) During December 2021, the Company issued and allotted 862,069 ordinary shares to Tasex, the vendor. This allotment is part of the consideration under the terms of the agreement. A further issued of shares will be made once the tenements acquired by the Company have been successfully transferred to the Company.

ii) During December 2021, the Company raised an additional $1,230,124 pursuant to the exercise of 2,497,500 Unlisted Options with an $0.30 exercise price and 10 June 2023 expiry date.

iii) During August 2021 the Company issued bonus shares to staff under the Employee Share Option Plan. The share price on issue date was $0.14 and shares remain in escrow for 12 months.

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at shareholders' meetings. In the event of winding up the company, all shareholders participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Transfers of shares are restricted and must be approved by the Directors.

Owners may have their share entitlements forfeited and on-sold at the discretion of the company where levies are outstanding for a period greater than 12 months.

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

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

NOTE 13 - ISSUED CAPITAL (continued)

(b) Options

Options transactions with an Australian Dollar exercise price issued under the private placements and the number of options outstanding and their related weighted average exercise prices are summarised as follows:

	2023		2022	
	Number of Options	**Weighted Average Exercise Price**	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of year	**30,000,000**	**$ 0.30**	30,000,000	$ 0.30
Granted	-	**$ -**	-	$ -
Expired	-	**$ -**	-	$ -
Forfeited	-	**$ -**	-	$ -
Exercised	**(2,497,500)**	**$ 0.29**	-	$ 0.30
Outstanding, end of year	**27,502,500**	**$ 0.29**	30,000,000	$ 0.30
Options exercisable, end of year	**27,502,500**	**$ 0.29**	30,000,000	$ 0.30

No options have been issued during the current and prior years.

During the current year 2,497,500 options were exercised.

Refer note 13 (a) for further details relating to the exercised options.

(c) Options outstanding

	2023	2022
As at the date of exercise, the weighted average share price of options exercised during the year	$ 0.29	$ 0.30
The weighted average exercise price of outstanding options at the end of the reporting period	$ 0.29	$ 0.30
The weighted average remaining contractual life of options outstanding at year end (years)	0.38	1.75

(d) Weighted Average Fair Value of Options

The weighted average fair value of the options granted during the year was $0.29 (2022: $0.30). These values were calculated by using the Black-Scholes Option Pricing Model & applying the following inputs:

Grant Date:	21-Dec-21	21-Dec-21
Expiry Date	10-Jun-23	10-Jun-23
Share Price at Grant Date ($)	$ 0.20	$ 0.20
Exercise Prices ($)	$ 0.30	$ 0.25
Weighted Average Life of Option (years):	0.19	1.19

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern to maintain a strong capital base sufficient to maintain future exploration and development of its projects. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to increase cash. The Group's focus has been to raise enough funds through equity to fund exploration and evaluation activities. The Group monitors capital on the basis of net working capital. There are no external borrowings as at reporting date.

The Group manages working capital as capital in light of changes in economic conditions and the requirements of the business with respect to exploration commitments, approved programs, and net working capital. There were no changes in the Group's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting. There were no changes in the Group's approach to capital management during the year. Neither the Company nor its subsidiaries is subject to externally imposed capital requirements.

NOTE 13 - ISSUED CAPITAL (continued)

(e) Capital Risk Management

	2023 $	2022 $
Cash and cash equivalents	**3,323,785**	**8,235,792**
Trade and other receivables	262,578	174,573
Less: trade, other payables and provisions	(371,637)	(187,311)
Net cash and cash equivalents position	**3,214,726**	**8,223,054**
Total Equity	**16,039,371**	**17,468,219**

(f) Reserves

	262,508	690,000

Share Based Payment & Options Reserve

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

Refer notes 13 (b) & 13 (c) for additional information regarding Options.

(g) Earnings per Share ("EPS")

Basic profit/(loss) per share is calculated as net profit or loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted profit/(loss) per share is calculated as net profit or loss attributable to members of the parent, adjusted for:

- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses;
- costs of servicing equity (other than dividends) and preference share dividends; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

	2023 $	2022 $
i) Reconciliation of earning to Loss from Continuing Operations		
Total Comprehensive loss	(2,164,410)	(2,068,104)
Loss attributable to Non-Controlling Interest	436,561	231,571
Earnings used to calculate basic EPS from continuing operations	**(1,727,849)**	**(1,836,533)**
ii) Basic and diluted earning/(loss) per share from continuing operations	(0.652)	(0.592)
iii) Net profit/(loss) from continuing operations attributable to ordinary equity holders of the Company ($)	(1,727,849)	(1,836,533)
iv) Weighted average number of ordinary shares used in calculating basic and diluted earnings per share (No.)	112,621,991	108,812,422

NOTE 14 - CASH FLOW INFORMATION

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

Net loss after income tax	(2,164,410)	(2,068,104)
Adjustment for non-cash items		
Depreciation	27,976	637
Share based payments	-	690,000
Adjustment for changes in assets and liabilities		
Decrease/(increase) in:		
Trade & other receivables	(134,827)	(72,137)
Other assets	(46,821)	(95,477)
Exploration & evaluation	(26,681)	(1,115,460)
Increase/(decrease) in:		
Trade & other payables	116,062	396,756
Other liabilities	-	-
Current tax liability	-	-
Provisions	(29,922)	-
Net cash used in operating activities	(2,258,623)	(2,263,785)

(a) Non-cash financing activities

This interest is a non-cash financing activity and as such has not been reported in the Consolidated Statement of Cash Flows.

NOTE 15 - CONTROLLED ENTITY

Infinity Services Pty Ltd is a wholly owned subsidiary of Infinity Mining Ltd, a company incorporated & domiciled in Australia.

		Country of Incorporation	**Percentage owned**	
(a)	**Controlled Entity**		**2023**	**2022**
	Subsidiary of Infinity Mining Limited			
	Infinity Mining Services	Australia	100%	0%

(b) **Acquisition of Controlled Entities**

During Jan 2023 the Company registered and invested in Infinity Mining Services Pty Ltd with a total share capital of $100. The Company is the sole shareholder of Infinity Mining Services Pty Ltd.

Infinity Mining Services did not trade nor have any significant transactions during the current year.

NOTE 16 - RELATED PARTY TRANSACTIONS

(a) Directors' Names

The names of directors who have held office during the financial year and their interest in timeshares are:

Joe Phillips
Harley Groot
Cameron McCall
Joe Groot
Michael Kale

(b) The Company's main Related Parties

i) Macarthur Minerals Limited, a company incorporated in Australia and owns 21.14% of Infinity Mining Limited.

ii) Zanil Pty Ltd is a private company registered in Australia of which Joe Groot is the Director.

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

RELATED PARTY TRANSACTIONS (continued)

(c) Transactions with Related Parties

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

(d) Transactions with directors and directors related entities:

(i) Management and Shared Service Fees totalling $225,232 (2022: $39,789) were paid in the ordinary course of business to Macarthur Minerals Limited, a company of which Joe Phillips and Cameron McCall are directors.

(ii) Exploration expenditure and camp fees of $255,893 (2022: $34,681) were paid in the ordinary course of business to Zanil Pty Ltd.

(e) Balances with related entities:

At the end of the current year the Company had a balance of $53,716 owing to Macarthur Minerals Limited and a balance of $58,564 owing to Zanil Pty Ltd (2022: $nil). These balances are included within Trade and Other Payables.

NOTE 17 - FINANCIAL INSTRUMENTS

Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and accounts payable.

The directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to manage cash flow.

The company does not have any derivative instruments at 31 March 2023.

I. Treasury Risk Management

The directors of the company meet on a regular basis to review interest rates and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

II. Financial Risks

The main risks the company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed through floating rate bank accounts.

Cash flow sensitivity analysis for variable rate instruments

The sensitivity analysis has been determined based on the exposure of the company to interest rates for non-derivative financial instruments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 1% increase or decrease is used when reporting interest rates internally to key management personnel and represents management's assessment of the possible change in interest rates.

At 31 March 2023, if the interest rates had changed by 1% from the period-end rates with all other variables held constant, post-tax profit for the year for the company would have been $13,990 lower/higher mainly as a result of lower/higher interest income on cash and cash equivalents.

There has been no change to the company's exposure to interest rate risk or the manner in which it manages and measures the risk from the previous year.

NOTE 17 - FINANCIAL INSTRUMENTS (continued)

The following table summarises the sensitivity of the company's financial assets and financial liabilities to interest rate risk.

	Carrying amount 2023	Carrying amount 2022	1.00% Profit	1.00% Equity	-1.00% Profit	-1.00% Equity
	$	$	$	$	$	$
Financial assets						
Cash and cash equivalents	3,323,785	8,235,792	13,990	13,990	(13,990)	(13,990)
Total increase/(decrease)			13,990	13,990	(13,990)	(13,990)

The amounts of the company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates on those financial assets and financial liabilities, is as follows:

	Floating Interest Rate	Non-Interest Bearing	Total
	$	$	$
2023			
Financial Assets			
Cash and Cash Equivalents	3,323,785	-	3,323,785
Trade and other receivables	-	213,922	213,922
Total Financial Assets	3,323,785	213,922	3,537,707
Financial Liabilities			
Trade and other payables	-	357,950	357,950
Total Financial Liabilities	-	357,950	357,950
2022			
Financial Assets			
Cash and Cash Equivalents	8,235,792	-	8,235,792
Trade and other receivables	-	79,096	79,096
Total Financial Assets	8,235,792	79,096	8,314,888
Financial Liabilities			
Trade and other payables	-	140,029	140,029
Total Financial Liabilities	-	140,029	140,029

Foreign currency risk
The group is not exposed to fluctuations in foreign currencies.

Liquidity risk
The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash reserves are maintained.

Trade payables are short term in nature. The company is not exposed to any significant liquidity risk. The following are contractual maturities of financial liabilities:

31 March 2023	Carrying amount	Contractual cash flows	Less than one year	1-5 years	over 5 years
	$	$	$	$	$
Trade and other payables	357,950	357,950	357,950	-	-

31 March 2022	Carrying amount	Contractual cash flows	Less than one year	1-5 years	over 5 years
	$	$	$	$	$
Trade and other payables	140,029	140,029	140,029	-	-

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the company's maximum exposure to credit risk without taking account of the value of any collateral obtained.

The ageing of the company's trade and other receivables at the reporting date was:

	2023		2022	
	Gross	**Impairment**	Gross	**Impairment**
	$	**$**	$	**$**
Not Past due (current)	213,922	-	79,096	-
Past due 0-30 days (30 day ageing)	-	-	-	-
	213,922	-	79,096	-

The remaining balance of the past due receivables at 31 March 2023 was not impaired because it is expected that these amounts will be received in full through various recovery actions in the normal course of business.

The other classes of other receivables do not contain impaired assets and are not past due. Based on the credit history of the receivables, it is expected that these amounts will be received when due.

Price risk
The company is not exposed to any material commodity price risk.

Capital risk management
The directors manage the capital to ensure that the company is able to continue as a going concern to be able to satisfy future capital needs of the resort, through the optimisation of debt and equity balances.

The capital structure of the company consists of cash and cash equivalents and equity comprising of share capital, reserves and retained earnings.

The board reviews this structure and the associated risks with each class of capital on a regular basis.

Capital risk management policies remain unchanged from the prior year.

Net Fair Values

The net fair values of financial assets and liabilities approximate their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

NOTE 18: PARENT ENTITY DISCLOSURES

(a) FINANCIAL POSITION

	2023 $	2022 $
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	3,323,785	8,235,792
Trade and other receivables	262,578	174,573
Other current assets	12,640,151	9,241,242
TOTAL CURRENT ASSETS	16,226,514	17,651,607
NON-CURRENT ASSETS		
Property, plant and equipment	184,495	3,923
Investment in subsidiary	100	-
TOTAL NON-CURRENT ASSETS	184,595	3,923
TOTAL ASSETS	16,411,109	17,655,530
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	357,950	140,029
Provisions	13,687	-
Other liabilities	(1)	-
TOTAL CURRENT LIABILITIES	371,636	140,029
NON-CURRENT LIABILITIES		
Trade and other payables	-	-
Other liabilities	-	47,282
TOTAL NON-CURRENT LIABILITIES	-	47,282
TOTAL LIABILITIES	371,636	187,311
NET ASSETS	16,039,473	17,468,219
EQUITY		
Issued Capital	20,351,470	19,615,908
Retained earnings	(4,574,505)	(2,837,689)
TOTAL EQUITY	16,039,473	17,468,219

(b) FINANCIAL PERFORMANCE

Profit / (Loss) for the year	(2,143,191)	(2,068,104)
Other comprehensive income	-	-
Total comprehensive income	(2,143,191)	(2,068,104)

(c) COMMITMENTS FOR EXPLORATION EXPENDITURE OF THE PARENT ENTITY

i) Capital expenditure commitments
Amounts below relate to minimum tenement expenditure required on tenements held by the Company.

	< 12 months $	1 -2 years $	Total $
Exploration commitments	604,720	83,800	688,520

The above represents the minimum statutory commitments as conditions of tenure of certain mining tenements with the Government of Western Australia's Department of Mines, Industry Regulation and Safety ("DMIRS").

(d) CONTINGENT LIABILITIES OF PARENT ENTITY

i) Under the tax consolidation system, the head entity of the tax consolidated group, Infinity Mining Limited, is liable for income tax arising in relation to transactions and other events of a wholly owned subsidiary subsequent to the adoption of tax consolidation.

However, a potential liability exists for each entity in the tax consolidated group as they are jointly and severally liable for the income tax liability of the group should the head entity default on its obligations under this legislation.

ii) There are no other material contingent liabilities of the parent entity not otherwise disclosed in these financial statements (2022: Nil).

NOTE 19 - CONTINGENT LIABILITIES

There were no known material contingent liabilities not otherwise disclosed in these financial statements (2022: Nil).

NOTE 20 - EVENTS AFTER REPORTING DATE

* **5 YEAR LICENCE EXTENSION FOR STRELLEY GORGE TENEMENT**
  Exploration licence E45/4735, the Strelley Gorge Project has been granted a further 5-year extension to 20 November 2027. The Company holds the rights to explore for and extract all minerals other than iron ore on this tenement pursuant to the Tenement Sale and Non-Iron Ore Rights Agreement dated 11 August 2021.

* **CO-FUNDED DRILLING PROGRAM**
  The Company has been awarded $117,810 by the Government of Western Australia's Department of Mines, Industry Regulation and Safety under the Exploration Incentive Scheme (EIS) to undertake a maiden Nickel drilling program at the Brisbane Nickel Prospect on the Panorama Project E45/4779 in the Pilbara region of WA.

* **GRANTED TASEX TENEMENTS E45/5720, E45/5847 and E46/1373**
  The transfer of E45/5720, E45/5847, and E46/1373 from TasEx Geological Services Pty Ltd to Infinity Mining Ltd was registered by the WA Department of Mines, Industry Regulations and Safety (DMIRS) on 16 May 2023. On 28 November 2022, pursuant to the Sale Purchase Agreement (SPA), 517,241 Infinity Mining Shares were issued for a value of $150,000 at a price of $0.29 per share. These shares were subject to voluntary escrow restriction and were released from escrow on 16 June 2023. The SPA states that the escrow restriction will end and any holding lock corresponding to those Consideration Shares will be released upon the completion of the transfer of the Exploration Licenses. All conditions for the transfer of the Exploration Licenses have been met, and completion has taken place. As per the Voluntary Escrow Deed, the holding lock corresponding to the relevant Purchase Price will be released upon each completion of the Exploration Licenses or each one of the Applications.

NOTE 21 - COMPANY DETAILS

The registered office of the company is:
Infinity Mining Limited
Suite 1G, Level 1 Corporate House
Kings Row Offices
40-52 McDougal Street
Milton QLD 4066

The principal place of business is:
Infinity Mining Limited
Suite 1G, Level 1 Corporate House
Kings Row Offices
40-52 McDougal Street
Milton QLD 4066

The Directors of the Company declare that:

1. the financial statements and notes for the year ended 31 March 2023 are in accordance with the *Corporations Act 2001* and:

    a. comply with Accounting Standards, which, as stated in basis of preparation Note to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

    b. give a true and fair view of the financial position and performance of the Company;

2. the Chief Executive Officer and Chief Finance Officer have given the declarations required by Section 295A that:

    a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;

    b. the financial statements and notes for the financial year comply with the Accounting Standards; and

    c. the financial statements and notes for the financial year give a true and fair view.

3. in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

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Alan Joseph Phillips
Executive Chairman

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5. CORPORATE GOVERNANCE

6. ADDITIONAL ASX INFORMATION

5. CORPORATE GOVERNANCE

The Infinity Mining Board is committed to conducting the Company's business ethically and in accordance with high standards of corporate governance. In determining those standards, the Company supports the intent of the ASX Corporate Governance Council Principles and Recommendations 4th Edition (Principles and Recommendations) and meets the specific requirements of the Principles and Recommendations during the reporting period, unless otherwise disclosed. The Company will continue to adapt its governance practices and make changes as appropriate, having regard to the nature and scale of the Company's business.

A full copy of the Corporate Governance Statement is available on the Company's website at www.infinitymining.com.au. The practices reflect the Company's existing corporate governance policies and is current as at 20 June 2023.

6. ADDITIONAL ASX INFORMATION

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is current as at 9 June 2023.

a) Distribution of equity securities

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

	Ordinary Shares	
	Number of shares	Number of holders
1 - 1,000	2,075	16
1,001 - 5,000	356,232	109
5,001 - 10,000	1,138,131	135
10,001 - 100,000	16,446,094	392
100,001 Over	94,679,459	111
Total	**112,621,991**	**763**

b) Twenty largest shareholders

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

	Name	Number of ordinary shares	% of issued capital
1	MACARTHUR AUSTRALIA LIMITED	22,562,422	20.03
2	ZANIL PTY LTD	10,000,000	8.88
3	ALEC CHARLES POINTON	10,000,000	8.88
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,452,000	3.95
5	MR TROY BOWEN	3,528,954	3.13
6	MR JOSEPHUS GROOT & MRS CHRISTINE GROOT <J & C GROOT SUPER FUND A/C>	2,055,990	1.83
7	ORBIT DRILLING PTY LTD	1,850,000	1.64
8	BUTTONWOOD NOMINEES PTY LTD	1,850,000	1.64
9	CITYSCAPE ASSET PTY LTD <CITYSCAPE FAMILY A/C>	1,485,000	1.32
10	ONE MANAGED INVESTMENT FUNDS LIMITED <TI GROWTH A/C>	1,460,000	1.30
11	DR ROSAMUND JULIAN BANYARD & MR PHILLIP STANLEY HOLTEN <R BANYARD SUPER FUND A/C>	1,349,000	1.20
12	BNP PARIBAS NOMS PTY LTD <DRP>	1,238,000	1.10
13	H & K SUPER MANAGEMENT PTY LTD <H & K SUPER FUND A/C>	1,200,000	1.07
14	MACARTHUR MINERALS LIMITED	1,103,380	0.98
15	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	1,042,500	0.93
16	AMAL TRUSTEES PTY LTD <MCEC MICROCAP FUND 1 A/C>	1,000,000	0.89
17	MR JOSEPHUS ANTONIO GROOT	959,708	0.85
18	FIRST APOLLO CAPITAL LIMITED	952,546	0.85
19	SPO EQUITIES PTY LIMITED <MARCH STREET EQUITY A/C>	900,000	0.80
20	TASEX GEOLOGICAL SERVICES PTY LTD	862,069	0.77
Top 20 holders		**71,363,569**	**63.37**
Total Remaining Holders Balance		**41,258,422**	**36.63**

c) Voting rights

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

d) Schedule of Tenements

The Company holds or has interests in the following properties:

Tenement Number	Area(km2)	Application/Grant Date	Expiry Date	Holder	Project
E45/4685	19.10	12/01/2017	11/01/2027	IMI	Hillside
E45/4708	85.99	21/11/2017	20/11/2027	IMI	Hillside
E45/4709	70.15	21/11/2017	20/11/2027	IMI	Hillside
E45/4824	206.30	21/11/2017	20/11/2027	IMI	Hillside
E45/4732	137	21/11/2017	20/11/2027	IMI	Panorama
E45/4764	12.77	10/08/2017	09/08/2027	IMI	Panorama
E45/4779	102.57	16/01/2018	15/01/2028	IMI	Panorama
E45/5847	35.09	01/07/2022	30/06/2027	IMI	Coolyia
E45/4848	3.18	14/12/2017	13/12/2027	IMI	Tambourah
E45/5720	9.56	27/10/2022	26/10/2027	IMI	Tambourah
E46/1210	44.47	02/07/2018	01/07/2023	IMI	Noreena Downs
E46/1373	54.18	29/09/2021	28/09/2026	IMI	Cookes Creek
E37/1442	2.65	20/10/2021	19/10/2026	IMI	Craig's Rest
M37/1349	0.154	11/03/2021	10/03/2042	IMI	Victor Bore
P37/8278^	2.00	28/03/2013	27/03/2021	IMI	Barlow's Gully
M37/1359	Under application			IMI	Barlow's Gully
M37/983	0.378	20/02/2008	19/02/2029	IMI	Chicago
P37/8310^	1.340	15/05/2013	14/05/2021	IMI	Great Northern Workings
M37/1360	Under application			IMI	Great Northern Workings
P37/8325^	1.910	30/01/2014	29/01/2022	IMI	Camel
M37/1367	Under application			IMI	Camel
P37/8376^	1.800	28/01/2014	27/01/2022	IMI	Victor Bore
M37/1368	Under application			IMI	Victor Bore
P37/8468	1.380	20/11/2014	19/11/2022	IMI	Craig's Rest
P37/8571	1.087	07/12/2015	06/12/2023	IMI	Specking Patch
P37/9162	1.110	22/02/2019	21/02/2027	IMI	Coppermine
E45/5324*	12.77	Subject to MIO and IMI non-iron ore rights agreement		MIO	Tambourah
E45/4735*	11.17	Subject to MIO and IMI non-iron ore rights agreement		MIO	Strelley Gorge

^Application submitted for conversion to Mining Lease

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