AUSMON RESOURCES LIMITED

ABN 88 134 358 964

ANNUAL REPORT 2023

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CHAIRMAN'S LETTER

Dear Shareholder,

I am pleased to present the 2023 Annual Report of the Group.

It is also my pleasure to report that we have successfully completed all planned exploration activities for this year with expert planning from our Chief Technical Officer, capable contractors and service providers in spite of several disruptions from rain events. We obtained very encouraging results that propel us to undertake drilling programs in Broken Hill, New South Wales and the Limestone Coast, South Australia in the new financial year. Our reporting of analysis results from field based work experienced some delays as laboratories have been exceptionally busy with increased activities in the mineral sector.

Our prior year's applications for new tenements were satisfied with the grant of 4 licences in July 2022 in the Limestone Coast to explore for rare earth elements (REE) in ionic clay in a region where other explorers have been reporting encouraging results. REE are classified as critical minerals for the future. They are used in the manufacture of magnets for electric vehicles, wind turbines and in electronic devices. We have carried out substantive work at low cost on the tenements with studies and testing of samples from historic holes generating valuable information in preparation for the conduct of focussed drilling programs in the 2024 financial year.

In Broken Hill, a region known for base metals, including copper, zinc, nickel, lead and cobalt, and gold, we have carried out geochemical field sampling within our granted tenements with some areas indicating elevated geochemistry that encourage investigation with further sampling and shallow air core drilling. Pleasingly, elevated Total Rare Earth Element Oxide (TREEO) was detected in the samples from Mt Darling (EL 9230) which triggers further investigation for any possible REE mineralisation. An Induced Polarisation survey has been completed successfully at Enmore (EL 9220) with two areas identified for drilling in the very near future as we secure the necessary approvals and engage service providers.

Within our 2 tenements near Tumut, New South Wales we achieved significant results on potential for gold within 3 targets from a focussed geochemical sampling campaign. Further exploration is warranted in those areas.

Following application in the prior year, we have been granted 2 new tenements in Laverton, Western Australia in locations where we plan to test for presence of LCT (lithium, caesium, and tantalum). To conduct field work in those areas we need to first manage Native Title requirements.

Our policy of low cost operations continues on both technical and corporate activities. We are planning some extensive field based work programs in the 2024 financial year which include drilling and geochemical sampling. Our intention is to finance these activities with equity capital at the appropriate time, being mindful of undue dilution to our shareholders and the current tougher market for junior mineral exploration entities.

I thank all our shareholders for their continued support as we strive to create value for all stakeholders.

Boris Patkin
Chairman
21 August 2023

REVIEW OF OPERATIONS

CORPORATE

Financing

Equity

During the year the Company raised new equity capital before costs for exploration and working capital as follows:

- On 2 February 2023, $150,000 with the issue of 25 million fully paid ordinary shares and on 24 February 2023, $252,000 with the issue of 42 million fully paid ordinary shares at $0.006 per share under private placements. The issues were made under the approval of shareholders granted in accordance with ASX Listing Rule 7.1 at the Annual General Meeting held on 25 November 2022 for up to 200 million fully paid ordinary shares. The remaining balance of 133 million shares approved for issue by the shareholders have not been issued.
- On 22 February 2023, $246,000 with the issue of 41,000,000 fully paid ordinary shares at $0.006 per share under a share purchase plan ("SPP") offered to eligible shareholders.

Loan facility

In December 2022 the availability of the existing loan facility of $1.15 million has been extended from 1 October 2023 to 1 October 2024.

Junior Minerals Exploration Incentive Credits

The Company has been allocated by the Commissioner of Taxation of Junior Minerals Exploration Incentive credits that may be distributed to eligible investors when the Company raises new equity capital and conducts eligible exploration activities. $600,000 of credits have been granted in July 2022 for the income year ended 30 June 2023. Subject to confirmation of the Australian Taxation Office, the Company estimates that $159,000 of those credits may be distributed to eligible investors for that income year after the date of this report and undistributed credits may be carried forward for distribution in future income years.

In October 2022, the Company distributed exploration credits of $76,288 from the $500,000 that were allocated by the Commissioner of Taxation in September 2021 to eligible shareholders for the income year ended 30 June 2022. The undistributed credits of $423,712 may be carried forward subject to confirmation of the Australian Taxation Office for distribution in the income year ended 30 June 2023.

REVIEW OF OPERATIONS

EXPLORATION

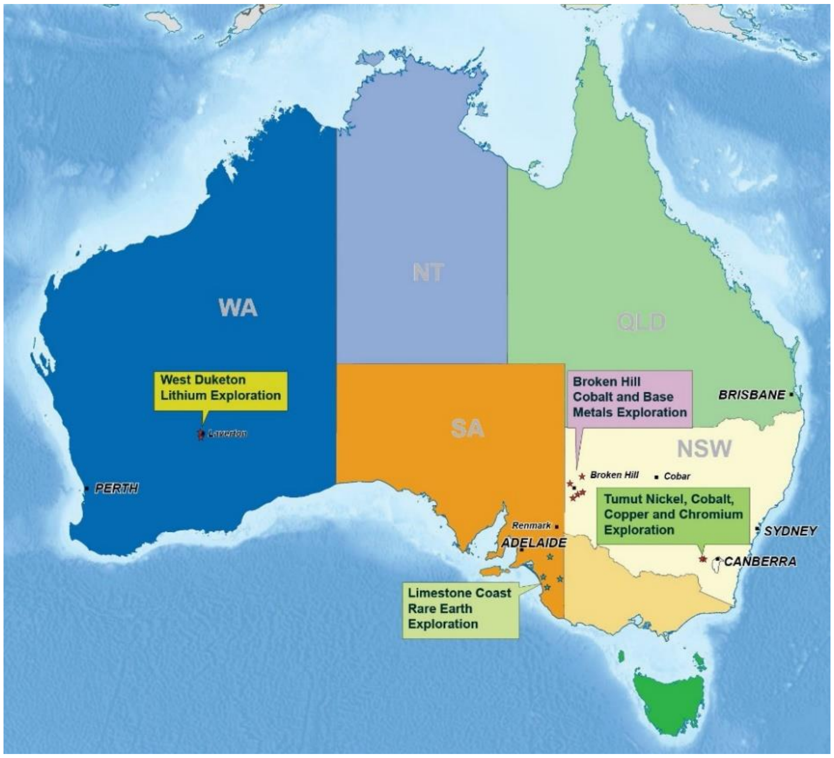

Figure 1: Location of Ausmon Exploration Projects in Australia

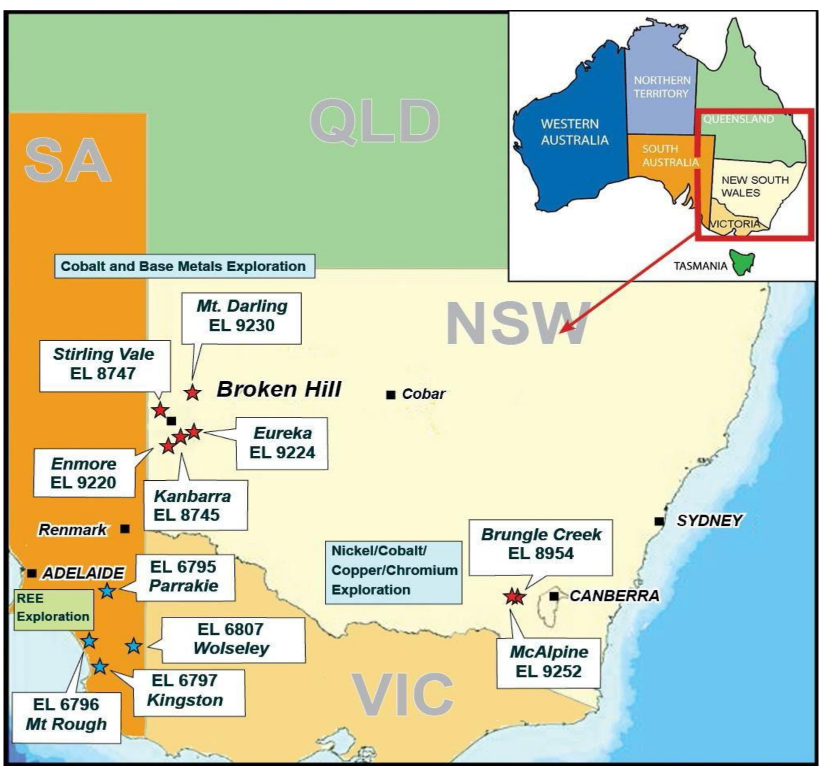

Figure 2: Location of granted licences in NSW and SA

REVIEW OF OPERATIONS

NEW SOUTH WALES EXPLORATION LICENCES

EL 8745 (Kanbarra), EL 8747 (Stirling Vale), EL 9220 (Enmore), EL 9224 (Eureka) and EL 9230 (Mt Darling)

Near Broken Hill in NSW – 100% interest
Cobalt, Copper, Lead, Zinc and Silver Exploration

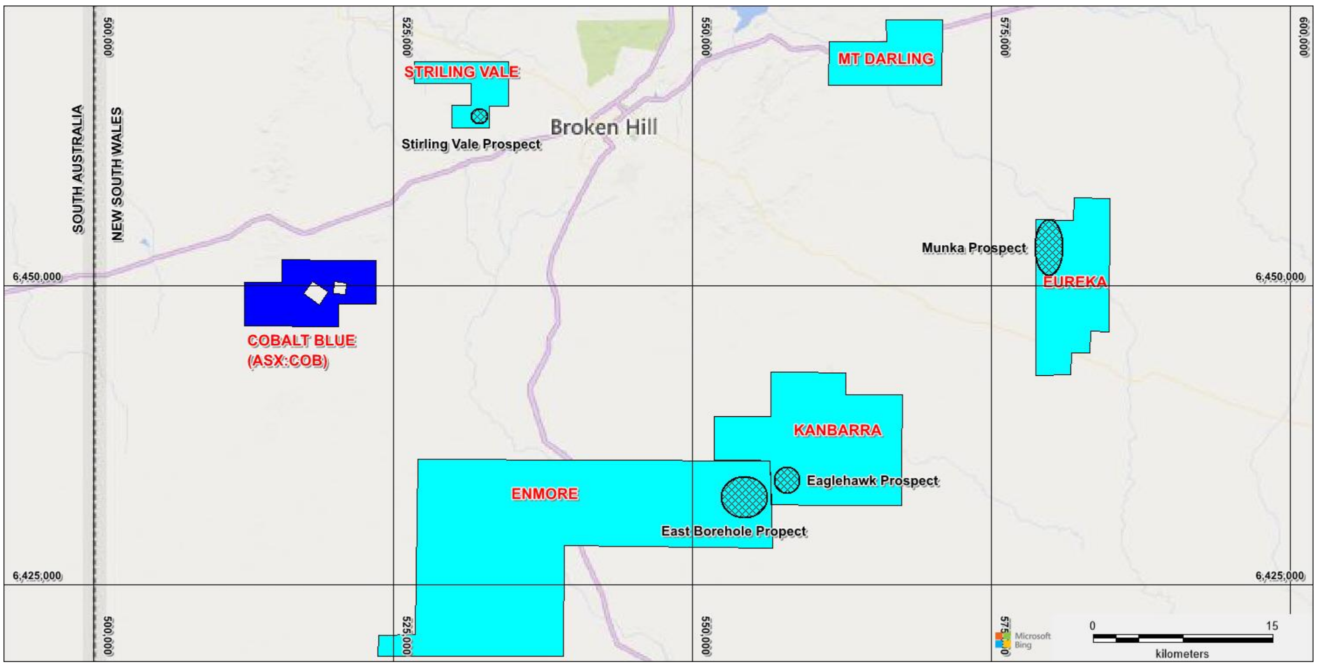

Figure 3: Location of granted Broken Hill tenements and the key prospects for exploration

The five licences cover an area of approximately 685 km^2 near Broken Hill (**Figure 3**) and in the region of the cobalt development areas of Cobalt Blue (ASX:COB).

Enmore (EL 9220), Eureka (EL 9224) and Mt Darling (EL 9230)

Within the 3 exploration licences (**Figure 3**) the Company plans to explore for Broken Hill-type Pb-Zn-Ag, Iron Oxide Cu-Au (IOCG) and cobalt mineralisation within Palaeoproterozoic Willyama Supergroup rocks as found by Cobalt Blue in their tenements.

Compilation and processing of publicly available magnetics, radiometrics and gravity for the area SE of Broken Hill were previously carried out for the Company by Southern Geoscience Consultants (SGC). **Figures 4 to 6** shows 13 targets that have been defined with a subsequent a lithostructural study. The targets are broadly associated with fault intersections, circular features (possible buried intrusion) and tightly folded stratigraphy. In addition, some areas with a low magnetic response (cool colours in the magnetic image) may represent areas of magnetic destructive alteration. As an example of the lack of outcrop of the Mt Darling area shows all surface outcrop as coloured polygons over the magnetic image.

REVIEW OF OPERATIONS

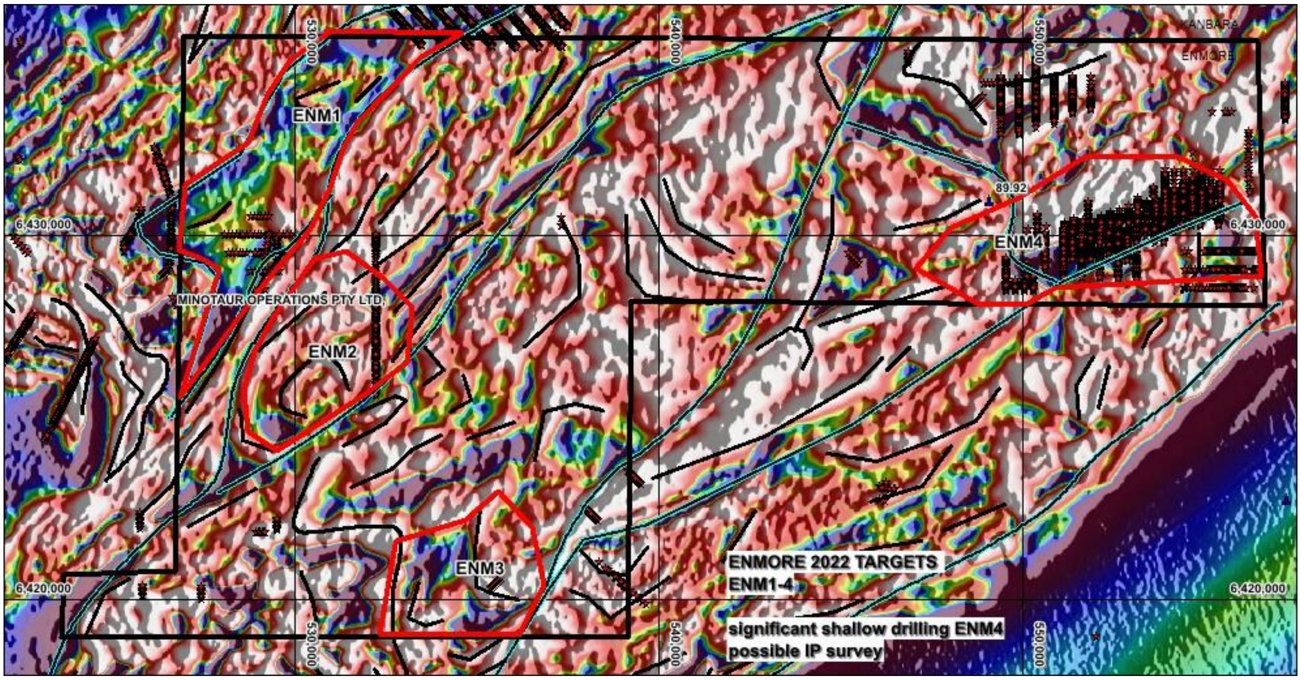

Figure 4: Enmore on 1VD RTP Magnetics showing ENM Targets and historic drill collars (NSW Geological Survey GIS Database)

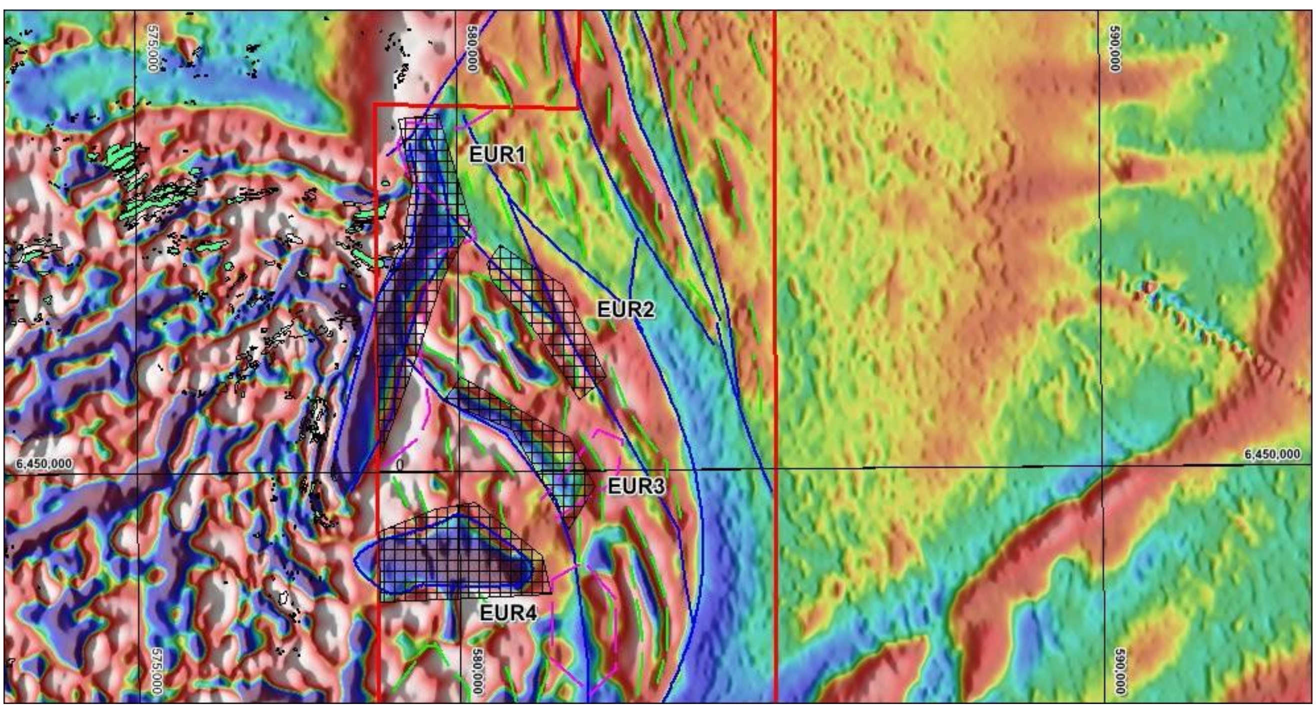

Figure 5: Eureka Tenement on 1VD RTP Magnetics showing EUR targets

REVIEW OF OPERATIONS

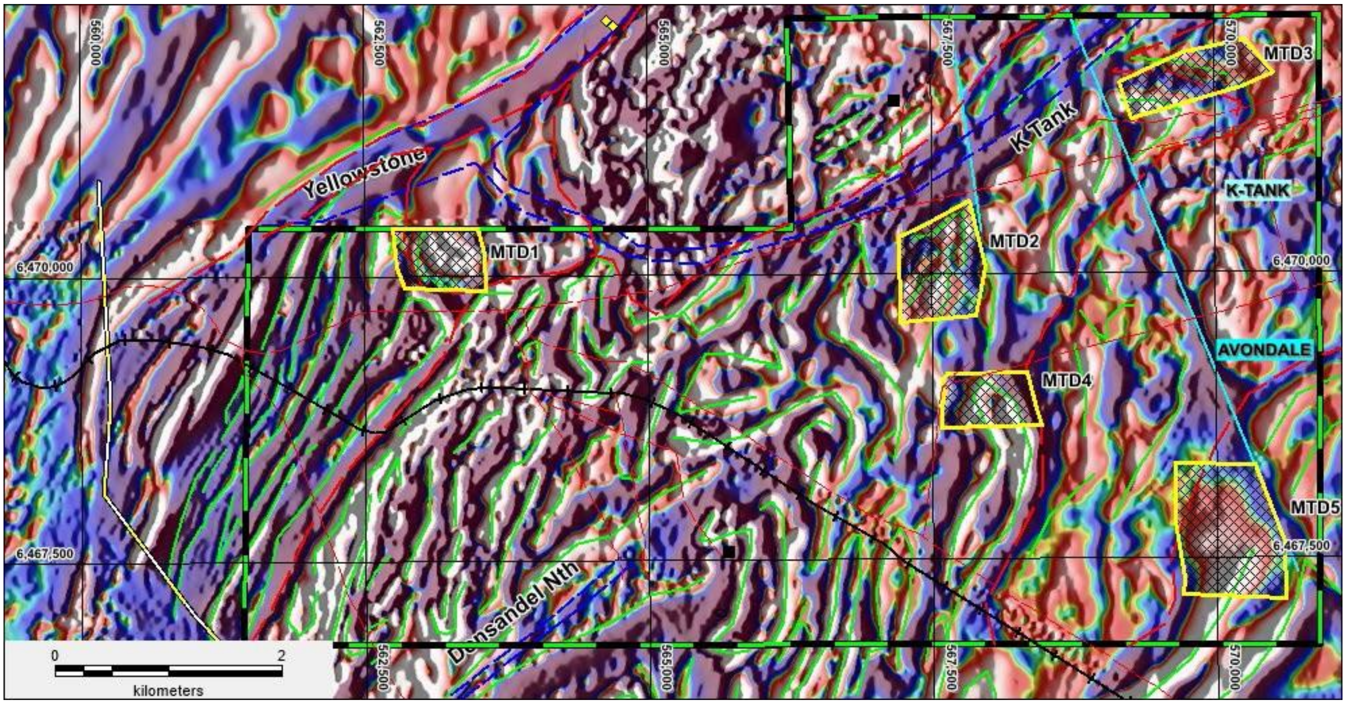

Figure 6: Mt Darling on 1VD RTP Magnetics showing MTD targets

The exploration plans prepared for financial year 2023 in the Broken Hill region have been successfully completed as follows:

Enmore – Ground IP survey at the East Borehole Prospect. Historical shallow RAB/Aircore Drilling mainly in the 1980's has intersected elevated copper, lead and zinc geochemistry at depths generally < 50 m. The ground IP survey aimed to test for sub surface zones of high chargeability that may relate to base metal mineralisation at Target ENM4 (**Figure 4**).

Eureka – Grid based surficial geochemical sampling in the NW corner of the Eureka tenement where the soil cover is thin. Collection of soil and rock samples with a view to defining anomalous geochemical trends at Target EUR1- EUR4 (**Figure 5**).

Mt Darling -– Grid based surficial geochemical sampling. Collection of soil and rock samples with a view to defining anomalous geochemical trends at Target MTD1- MTD4 (**Figure 6**).

Stirling Vale/Kanbarra – A significant amount of exploration has been completed by the Company in previous years within the Stirling Vale and Kanbarra tenements including an IP survey, drilling programs and soil sampling. A review of all exploration has been completed together with historic exploration with a view to generating additional exploration targets.

REVIEW OF OPERATIONS

Geochemical Sampling

Grid-based soils sampling at five target areas in Mt Darling (EL 9230) (**Figure 7**) and four target areas in Eureka (EL 9224) (**Figure 11**) that commenced in the March 2023 quarter was completed on 2nd April 2023. A total of 400 soil and 39 rock samples were collected across the tenements on a 200 m x 200 m grid with an average collection per day of 38 soil samples of 300 g each from 20 cm depth. The samples were submitted to SGS Adelaide for gold and multi-element analyses using the SGS proprietary Mobile Metal Ion ("MMI") technology. The MMI* technology has the ability to detect geochemical signatures beneath transported cover sediments which, in the Eureka (Munka Prospect) and Mt Darling tenements, can be up to 50 m in thickness.

**The MMI™ technology of SGS is an innovative geochemical process that uses a very different approach to the analysis of metals in soils, using extremely weak solutions of organic and inorganic compounds rather than the conventional aggressive acid digest solutions commonly used in geochemistry*.

The sampling results[1] were received at the end of May 2023 and in summary were as follows:

- Mt Darling (EL 9230)
  - A high Zn (451 ppm) in rock assay associated with an untested N-S linear magnetic high (**Figures 8 and 9**).
  - Elevated Total Rare Earth Element Oxide (TREEO) to 1,400 ppb (**Figure 10**).

- Eureka (EL 9224)
  - N-S zone of elevated Cu in soils (**Figures 12 and 13**).

1 *ASX announcement dated 1 June 2023. The Company is not aware of any new information or data that materially affects the information included in this announcement.*

Within Eureka (EL 9224) there is a distinct north-south linear Cu in soil anomaly associated with target EUR1 (**Figure 13**) that is associated with a mapped shear zone. In addition, there are several elevated Cu results associated with a circular magnetic anomaly (EUR4) (**Figure 13**).

In addition to the standard suit of elements analysed, the Rare Earth Elements (REE) were included for analysis and the results showed an elevated REE response within the Mt Darling tenement. There is a distinctive Total Rare Earth Element Oxide (TREEO) (**Figure 10**). The elevated TREEO occurs along the contact of the Cues and Lady Bassey Formations. Further exploration along the contact will be carried out to investigate the nature of any possible REE mineralisation. A high Zn in rock result of 451 ppm was obtained at the southern margin of grid MTD4 (**Figures 8 and 9**). The elevated Zn is associated with a sub cropping muscovite schist, a linear magnetic high and generally no outcrop; further prospecting is warranted across this area.

REVIEW OF OPERATIONS (continued)

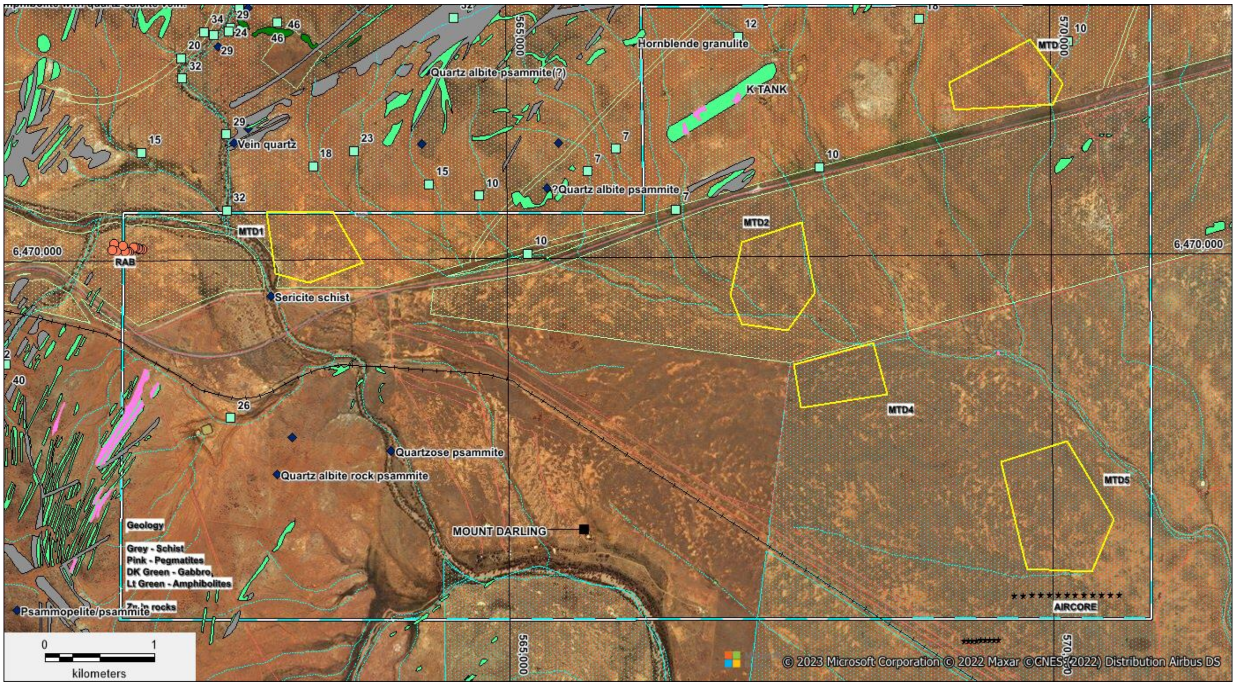

Figure 7: Mt Darling tenement showing the targets in yellow

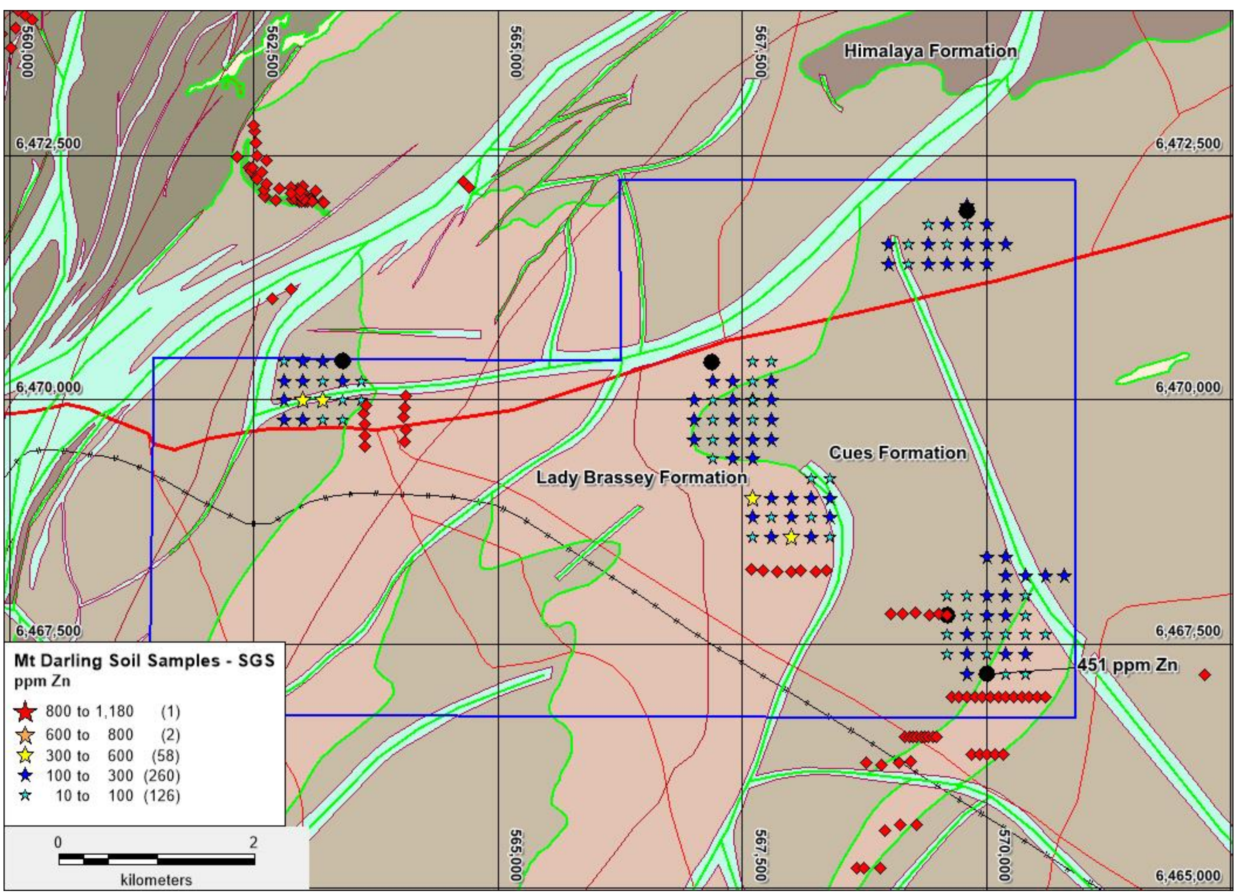

Figure 8: Mt Darling MMI Soil Survey showing Zn results in ppb over geology

REVIEW OF OPERATIONS (continued)

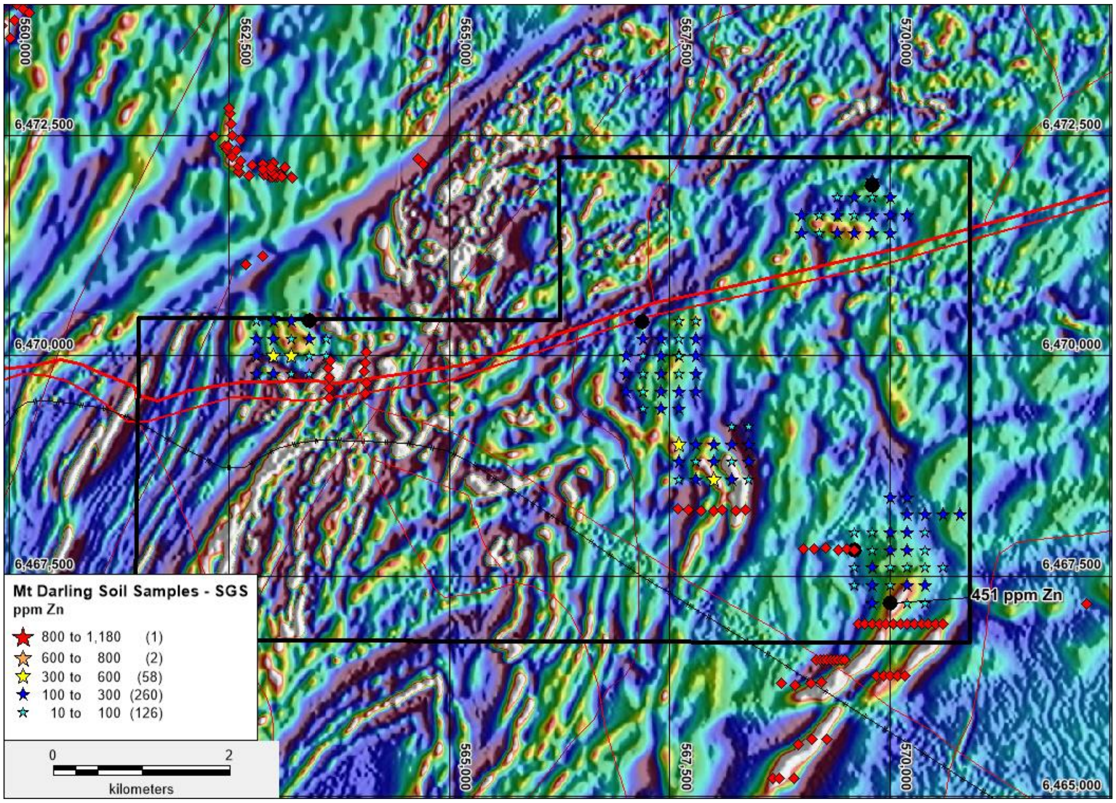

Figure 9: Mt Darling MMI Soil Survey showing Zn results in ppb over airborne magnetic image

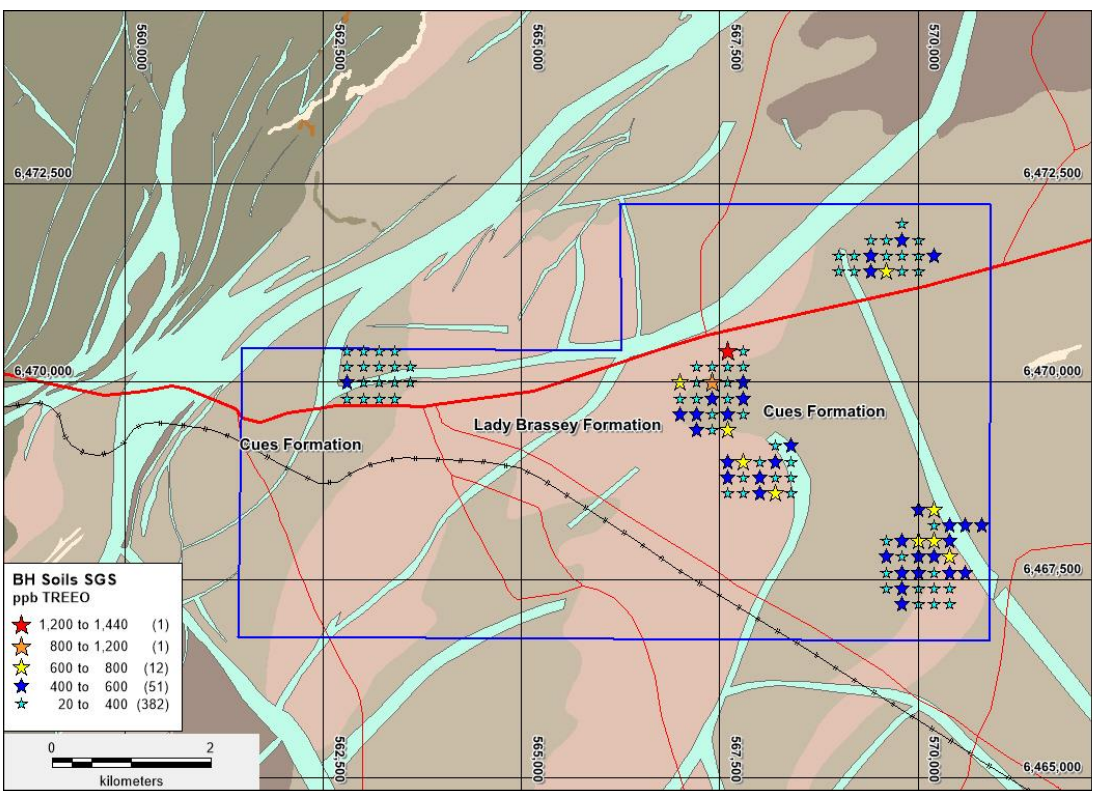

Figure 10: Mt Darling MMI Soil Survey showing (TREEO) results in ppb over geology

REVIEW OF OPERATIONS (continued)

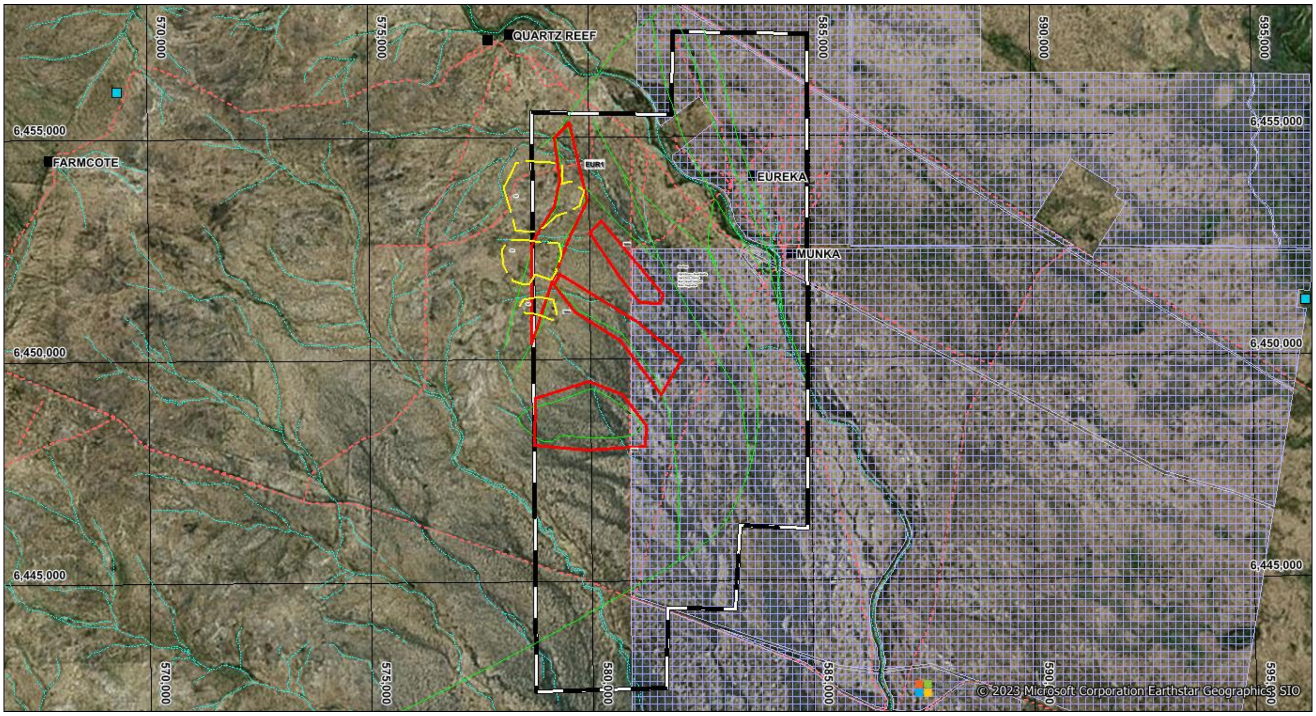

Figure 11: Eureka tenements showing the target areas in red and outcrop in yellow

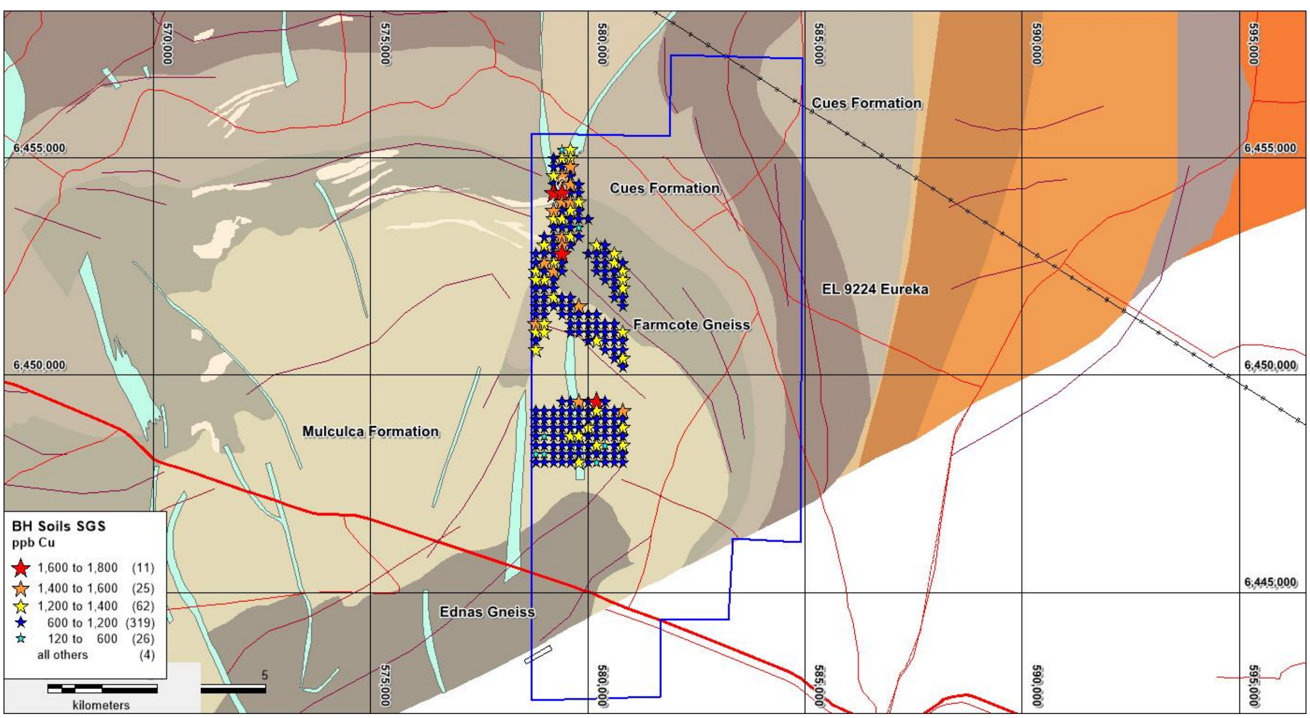

Figure 12: Eureka MMI Soil Survey showing Cu results in ppb over interpreted geology (NSW Geological Survey)

REVIEW OF OPERATIONS (continued)

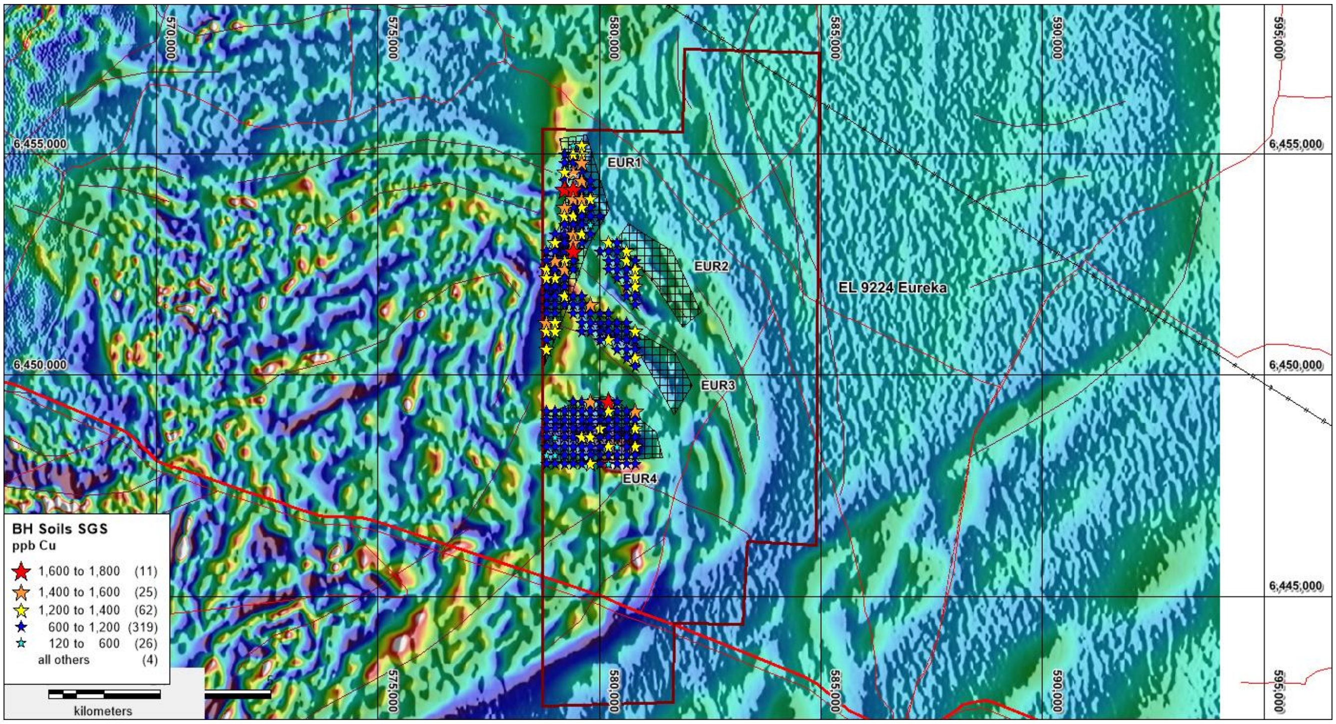

Figure 13: Eureka MMI Soil Survey showing Cu results in ppb over airborne magnetic image

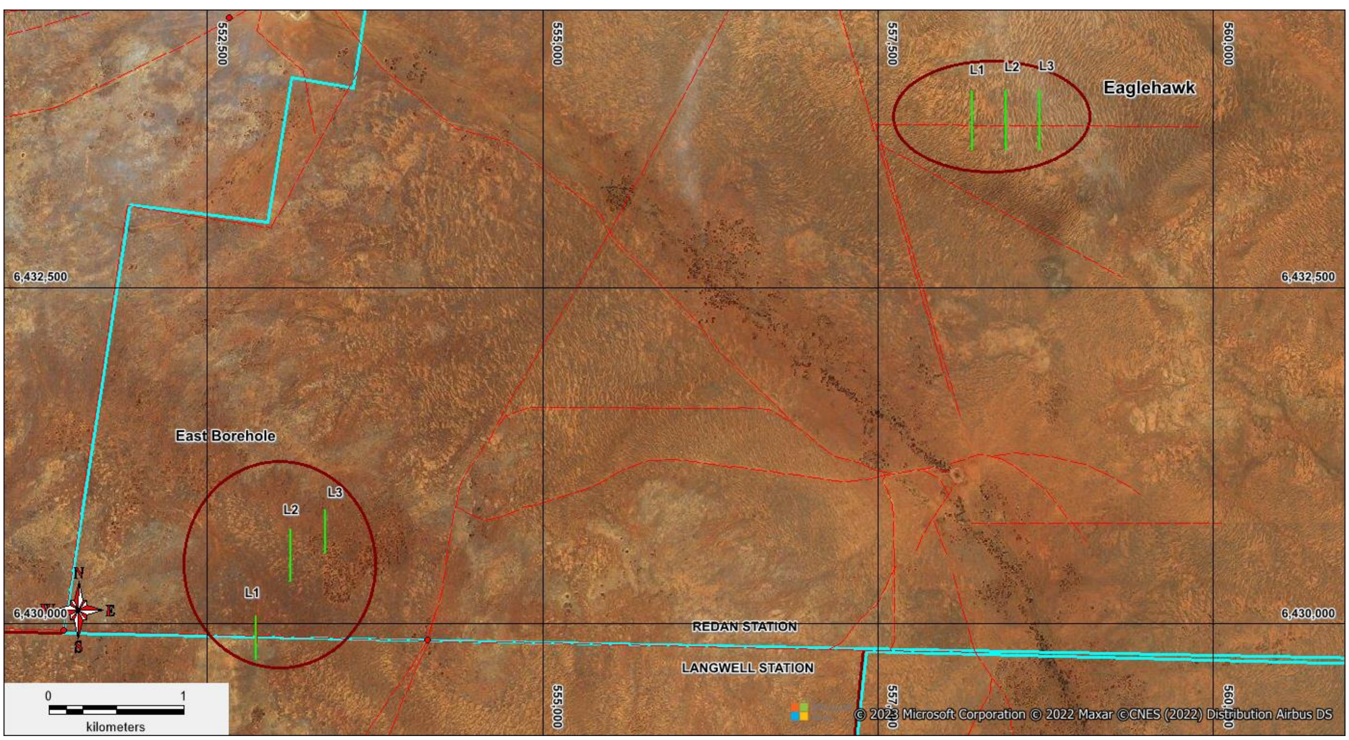

Figure 14: Eaglehawk and East Borehole prospects showing the orientation MMI soil lines in green

REVIEW OF OPERATIONS (continued)

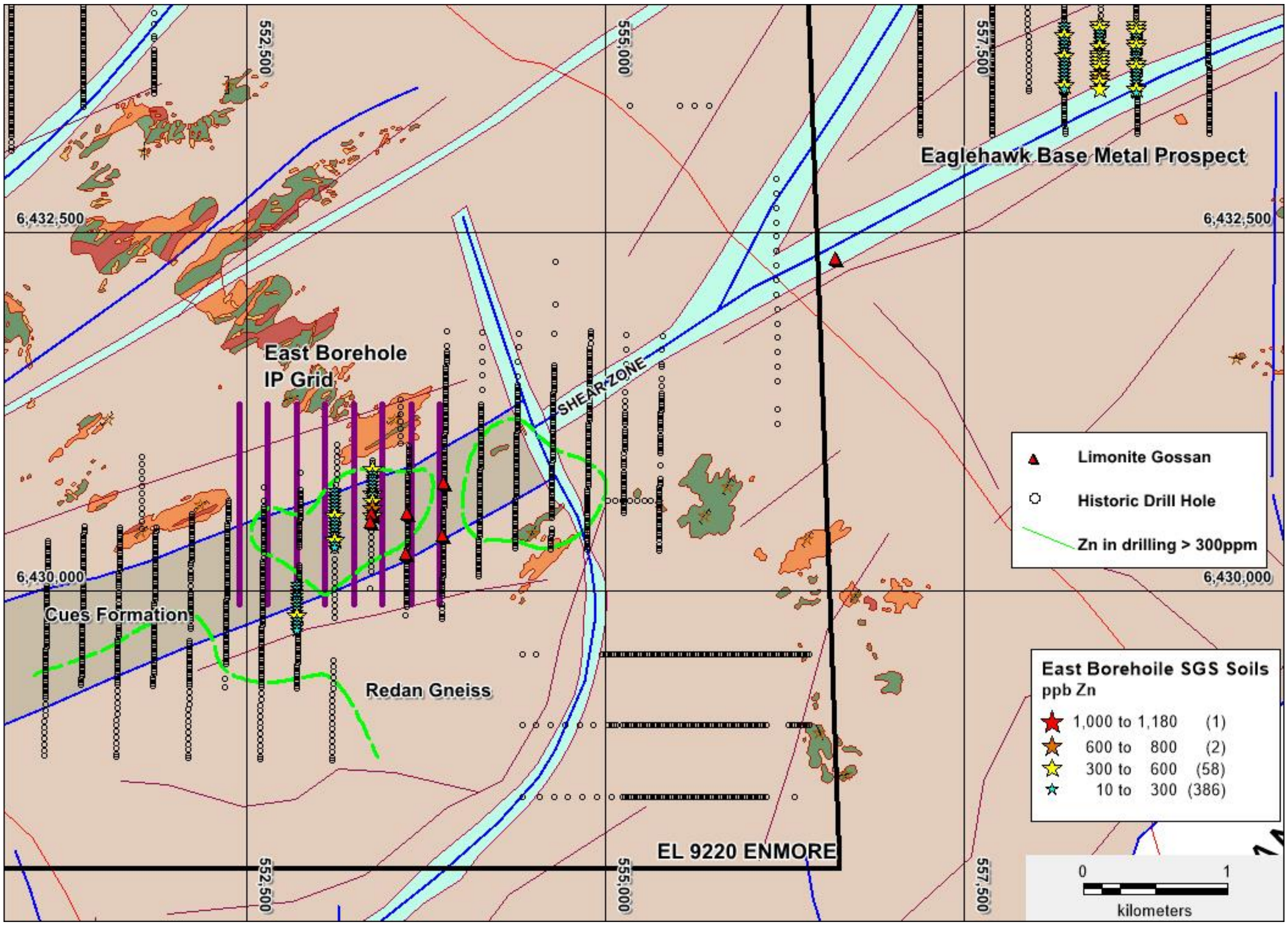

Figure 15: Orientation Soil Sampling at East Borehole and Eaglehawk Prospects

During the sampling program in March 2023, three orientation soil lines have been completed also using the MMI technique within each of the prospects Eaglehawk (Kanbarra (EL 8745) and East Borehole (Enmore (EL 9220) (**Figures 3 and 14**) to orientate the MMI sampling technique in two areas with known sub surface base metal mineralisation.

The results received in June 2023 (**Figure 15**) showed elevated Zn response between 600 ppb and 1,180 ppb over East Borehole and Eaglehawk. The orientation lines at East Borehole show the elevated Zn in soils located within the area where the Company has conducted an IP survey during the June quarter (*see ASX Announcements of 18 May, 16 June and 5 July 2023)*.

Next phase of exploration at Eureka and Mt Darling

- Further prospecting and soil sampling in the areas of elevated geochemistry.
- Shallow Aircore drilling to test the elevated Cu response in Eureka and REE response in Mt Darling.

REVIEW OF OPERATIONS (continued)

Induced Polarisation Survey

A Ground Induced Polarisation (IP) survey commenced in mid-May 2023 at the East Borehole Prospect within Enmore (EL 9220) (**Figures 16 and 17**). The survey was planned for 8 lines (**Table 1 and Figure 17**) spaced 200 m apart for Ground IP of 1.4 km long N-S oriented across a 1.5 km base metal exploration target identified during earlier field sampling.

Merlin Geophysics conducted the survey applying the dipole-dipole array method with 50 m electrode spacing and long enough to achieve 300 m depth penetration. Equipment used included a Phoenix TXU-30A transmitter and a Smartem 24 receiver system. Receiving electrodes were standard non-polarising porous pots and transmitter electrodes were buried steel plates. Rama Geoscience interpreted the data in 2D and 3D models.

Due to rain events that prevented access to the ground during work at Line 7 the survey was paused for several days. During that time the interpretation of the then collected data continued and it provided valuable geological insight for a change in the area of focus resulting in moving Line 8 from its the originally planned location of east of Line 7 to west of Line 1.

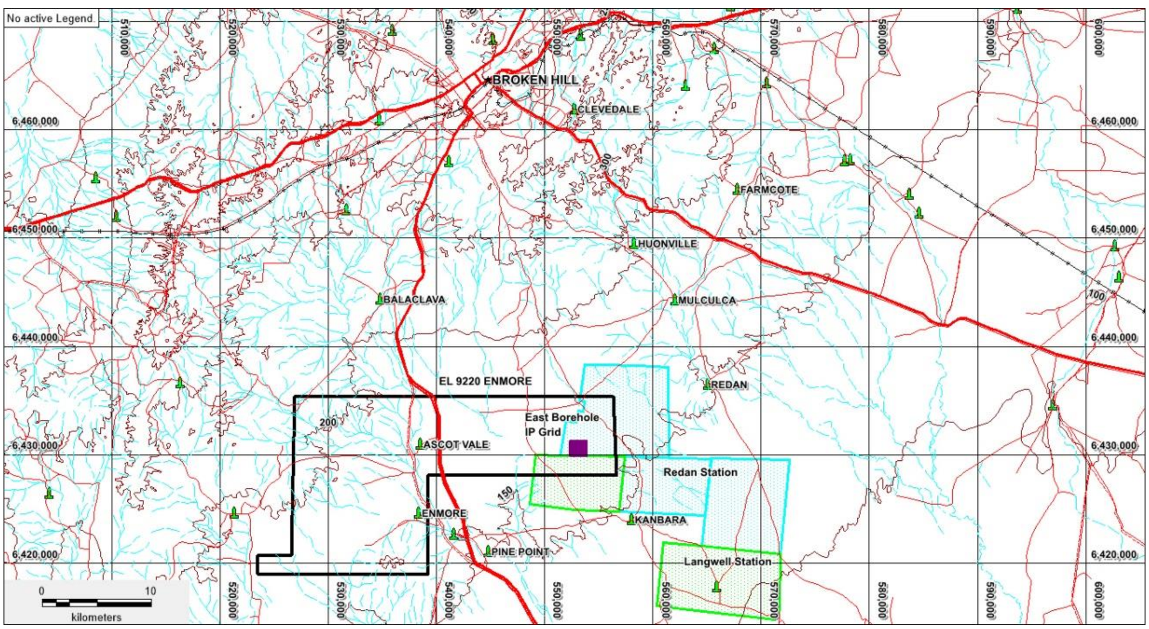

***Figure 16: East Borehole Prospect Location within EL 9220 Enmore* southeast of Broken Hill**

Line	South	North	Length (m)
552250E	6429600N	6431550N	1950
552450E	6429650N	6431550N	1900
552650E	6429600N	6431550N	1950
552850E	6429600N	6431550N	1950
553050E	6429600N	6431500N	1900
553250E	6429600N	6431550N	1950
553450E	6429600N	6431550N	1950
553650E	6429600N	6431550N	1950

Table 1. East Borehole DDIP 2023 Survey Specifications. Coordinates are GDA94/MGA54

REVIEW OF OPERATIONS (continued)

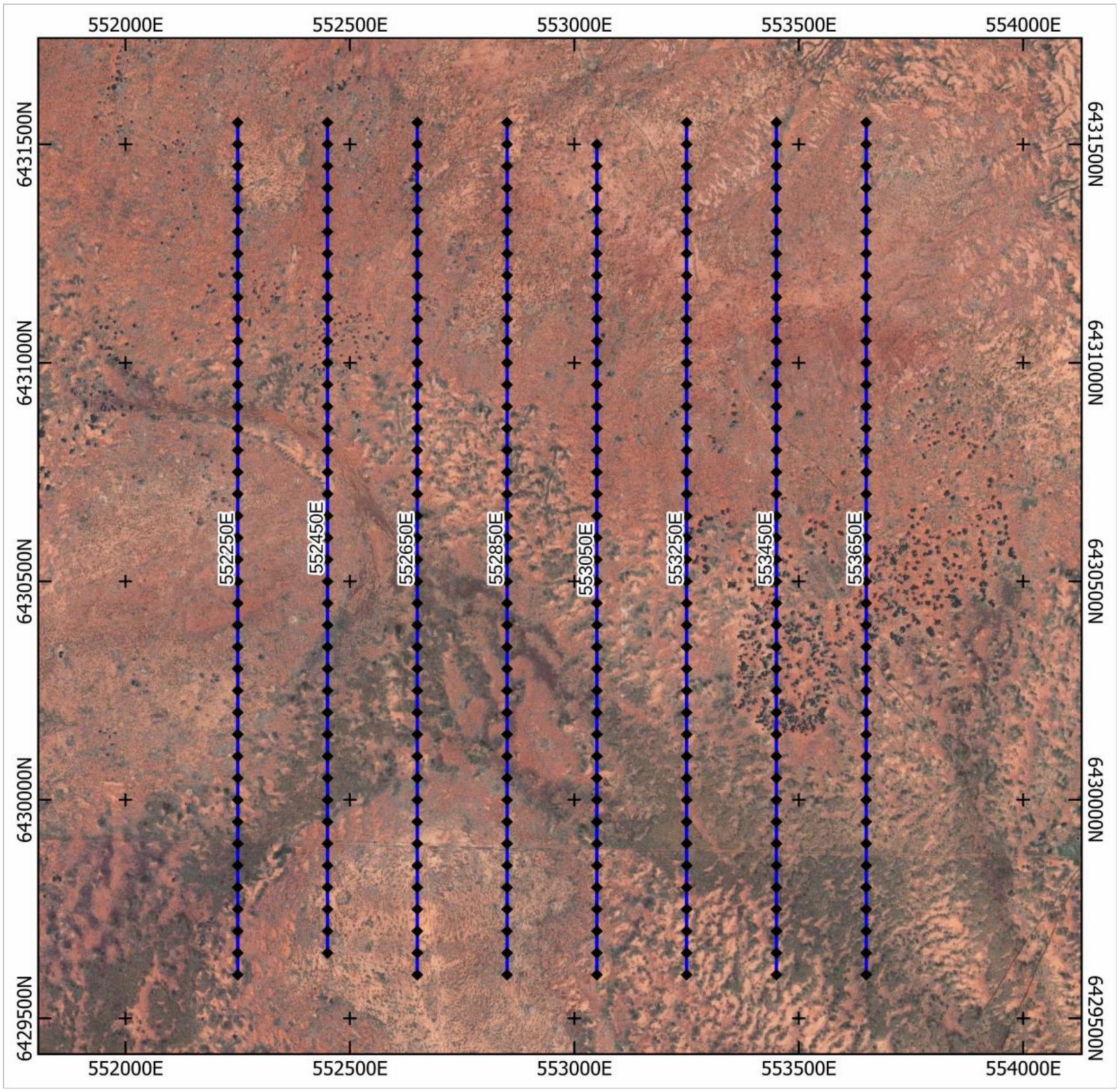

Figure 17: East Borehole DDIP 2023 Survey Location Map (GDA94/MGA54).
Black dots are DDIP electrode locations.

The field survey was completed on 27 June 2023 and the interpretation results were released in the ASX Announcement of 5 July 2023 (*the Company is not aware of any new information or data that materially affects the information included in this announcement)*.

Two main chargeability zones have been defined by the IP survey

On the western line 552250E there is a resistive and chargeable zone (up to 20 mV/V) at around 6430600N which appears to be coincident with outcropping Redan Gneiss.

REVIEW OF OPERATIONS (continued)

There is a similar resistive and chargeable signature in the north-east corner of the survey area, which is also coincident with outcropping Redan Gneiss. Both of these responses extend to depth, and it is likely that these broad responses at depth are also lithological responses related to the Redan Gneiss, although it is not clear why this unit should have high chargeability. Ground inspection of the outcrops is recommended by the geophysicist to look for chargeable material within the Redan Gneiss.

Of more potential interest are two moderately chargeable zones (10-12 mV/V) located to the south of the northern contact between the Cues Formation and the Redan Gneiss (**Figure 18**).

They are best illustrated in depth slices through the 3D chargeability inversion model which show the two zones as ENE trending chargeable highs possibly bisected by a NW trending fault (**Figure 17**, 105 m and 155 m depth slices through the chargeability model).

The two zones are also indicated in **Figures 18 and 19**. The western zone starts from about 100 m deep, has 150 m - 200 m of depth extent, and around 500 m strike extent. The eastern zone is a little deeper starting at around 150 m deep but extends to depth and has a more broad and diffuse response (**Figure 20)**. The eastern zone has around 300 m of strike extent defined but is open to the east (**Figure 21)**.

These two anomalies are located in proximity to geochemical anomalism (Zn > 300 ppm in historic drilling) and are possible targets for sulphide mineralisation within the Cues Formation. Proposed drillholes to test the two targets are listed in **Table 2** and are shown in **Figures 19, 20 and 21**.

Hole	East (MGA54)	North (MGA54)	Elevation	Dip	Azim (MGA54)	Depth
EB1	552450	6430450	174	-60	180	275
EB2	553650	6430870	178	-60	180	325

Table 2. Proposed drillholes to test the two chargeability targets in the Cues Formation

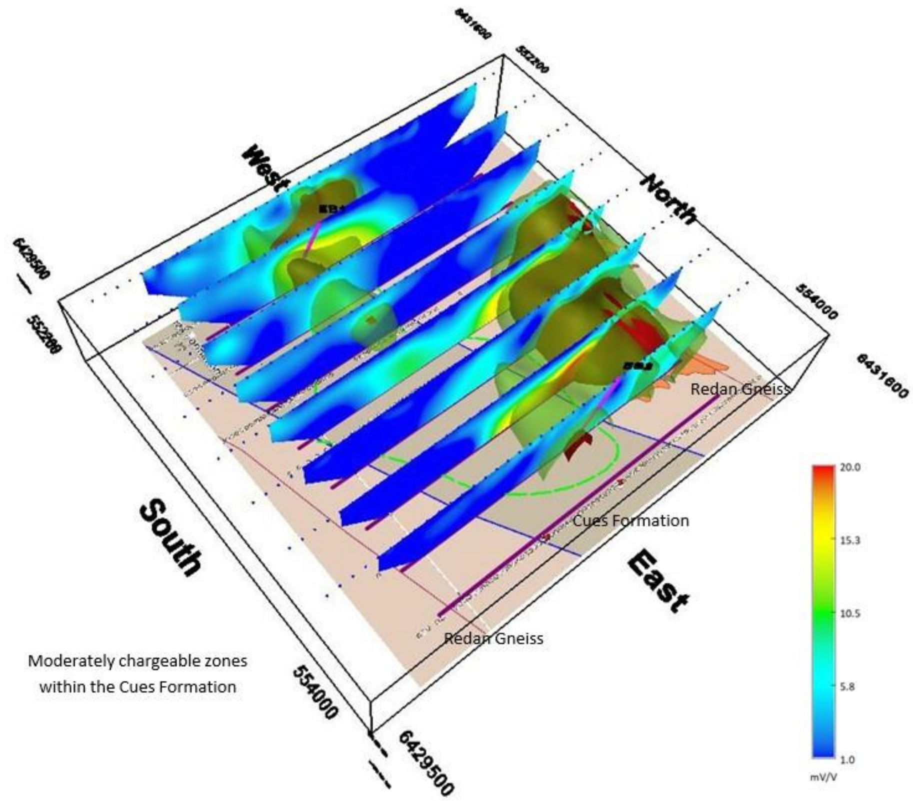

Figure 18: Perspective view looking from the SE. Sections are 2D inverted chargeability. Shells are from the 3D inverted chargeability model (7 mV/V transparent green, darker shell 10 mV/V). Geology map supplied by Ausmon. Green dashed line represents Zn > 300ppm in historic drilling. Proposed drillholes EB1 and EB2 shown as pink traces.

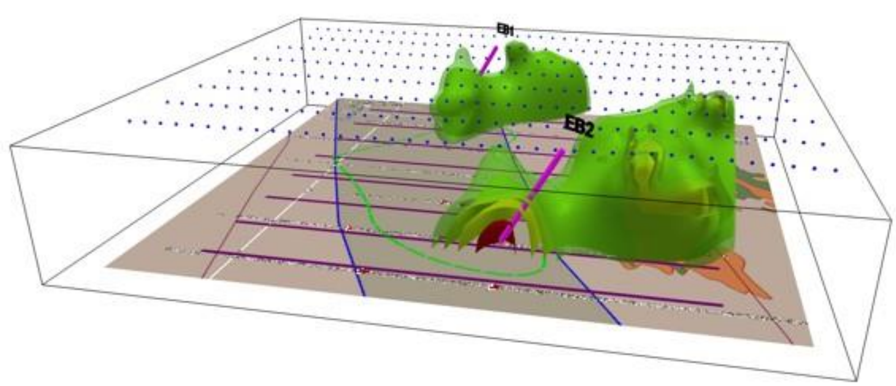

Figure 19: Perspective view looking from the East. Sections are 2D inverted chargeability. Green shells are from the 3D inverted chargeability model (7 mV/V transparent green, darker shell 10 mV/V). Geology map supplied by Ausmon. Green dashed line represents Zn > 300ppm in historic drilling. The proposed drill traces of the two proposed drill holes EB1 and 2 are shown in purple and Cues Formation outlined in blue.

REVIEW OF OPERATIONS (continued)

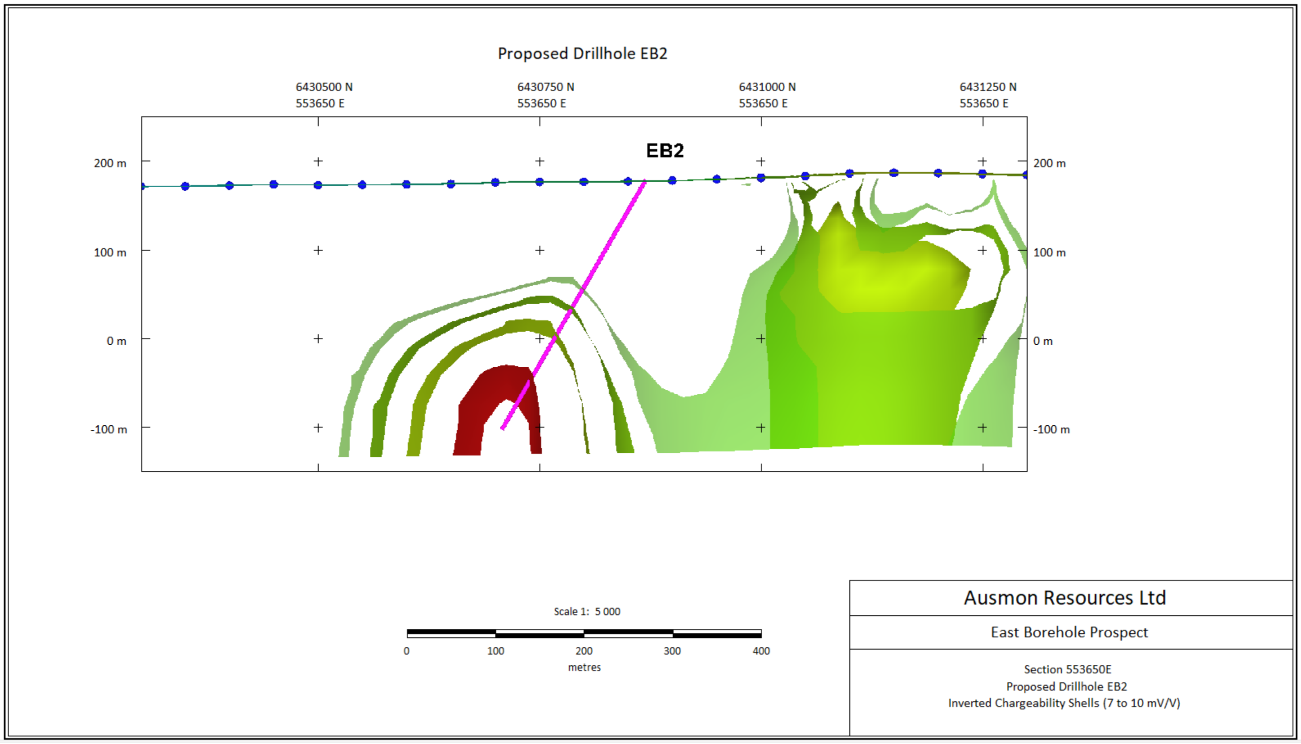

Figure 20: Cross section showing proposed hole trace for EB1 intersecting the western chargeability anomaly

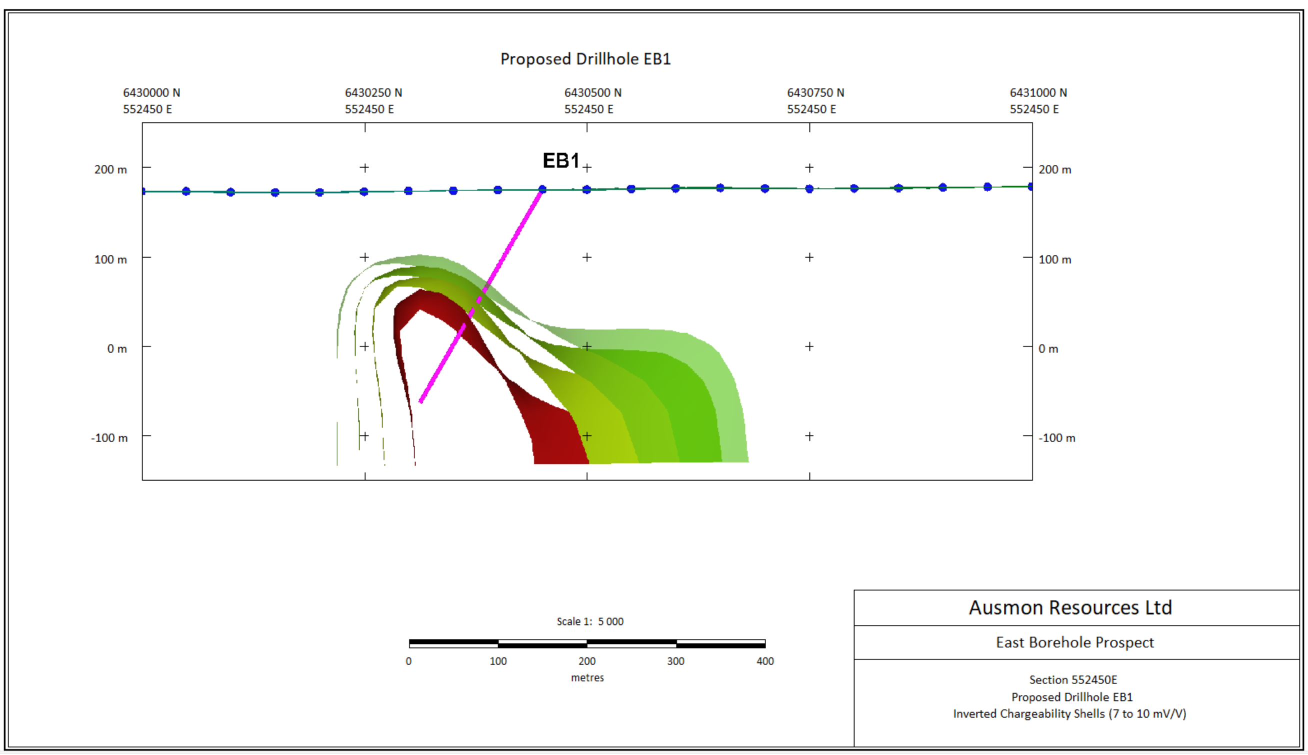

Figure 21: Cross section showing proposed hole trace for EB2 intersecting the western chargeability anomaly

REVIEW OF OPERATIONS (continued)

Next Phase of Exploration at Enmore EL 9220

- Review all historic exploration in light of the recent Ground IP Survey

- Geological mapping in the vicinity of the large chargeability high in the NE of the survey area to determine if it is a lithological response.

- Fine fraction soil grid sampling of the Clues Formation in the NW of the tenement where there has been very little exploration apart from a small historic shallow drilling program in the south of the area (**Figure 23**).

- Plan drill testing of East Borehole IP chargeability anomalies.

Geology of the area

The Enmore tenement is located in the Thackaringa Group and underlying gneissic units located stratigraphically below the Broken Hill Group that hosts the world class Broken Hill Orebody Pb Zn Ag orebody currently being mined adjacent and to the south of Broken Hill Township (**Figures 22** to **24**).

The Enmore tenement is dominated by the Redan Gneiss in the east and Edna/Farmcote Gneisses, Mulculca Formation in the west. The Cues Formation of the Thackaringa Group outcrops as the East Borehole Prospect and in the far northwest of the tenement. The Cues Formation at the East Borehole Prospect comprises predominantly felsic biotite schist flanked by quartz feldspar gneiss of the Redan Gneiss (**Figure 22**).The Cues formation from GSNSW drilling database shows several drill holes to have intersected limonitic gossanous within the Cues Formation that regionally includes "Psammitic and pelitic metasediments with the Cues Formation locally including garnet-quartz +/- magnetite rocks and granular quartz-iron oxide/sulphides rocks".

The intersection of limonite gossanous intervals in the East Borehole Drilling (historic) may be the surface expression of deeper sulphide mineralisation that is being tested by the IP survey. The NE-NW trending Cues Formation at the East Borehole Prospect (**Figures 23** and **24**) show the Cues Formation as having a low magnetic response and the Redan Gneiss adjacent and to the north as having a linear magnetic response. The IP survey has been designed to test the linear magnetic low and adjacent linear magnetic high in the Redan Gneiss.

REVIEW OF OPERATIONS (continued)

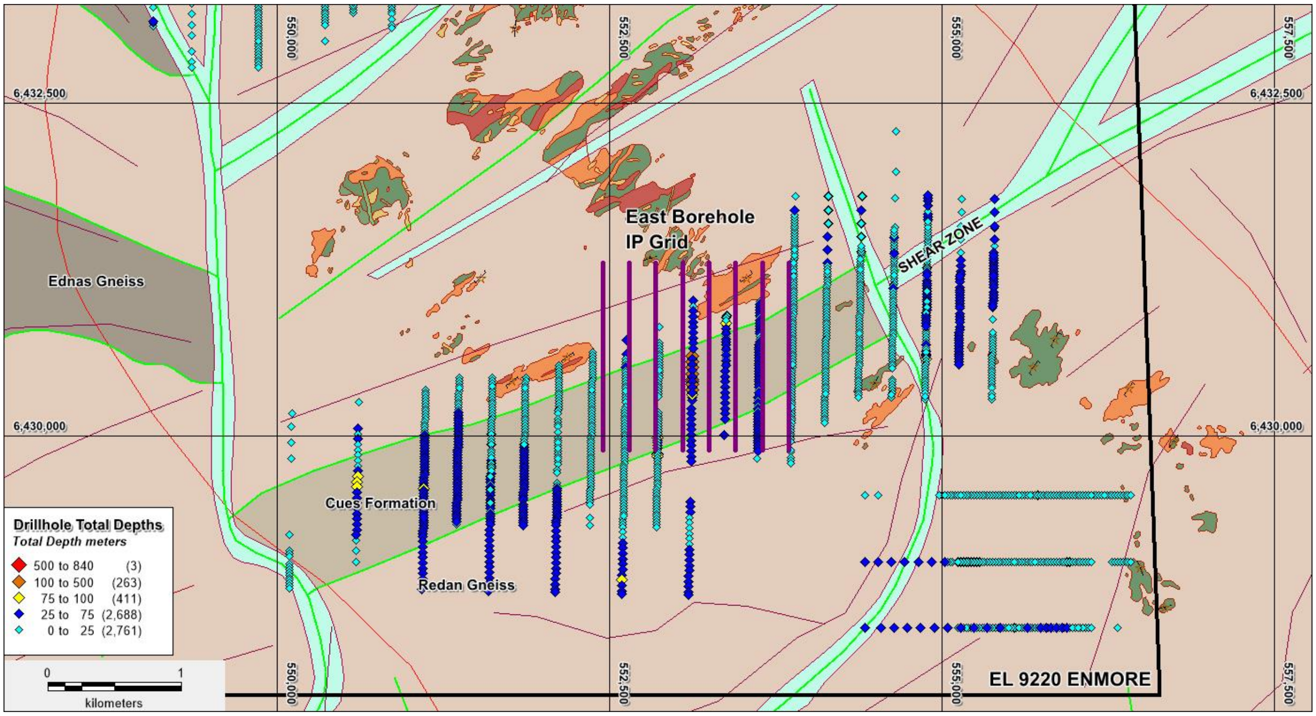

Figure 22: East Borehole Solid Geological Interpretation - GSNSW Minview GIS Website

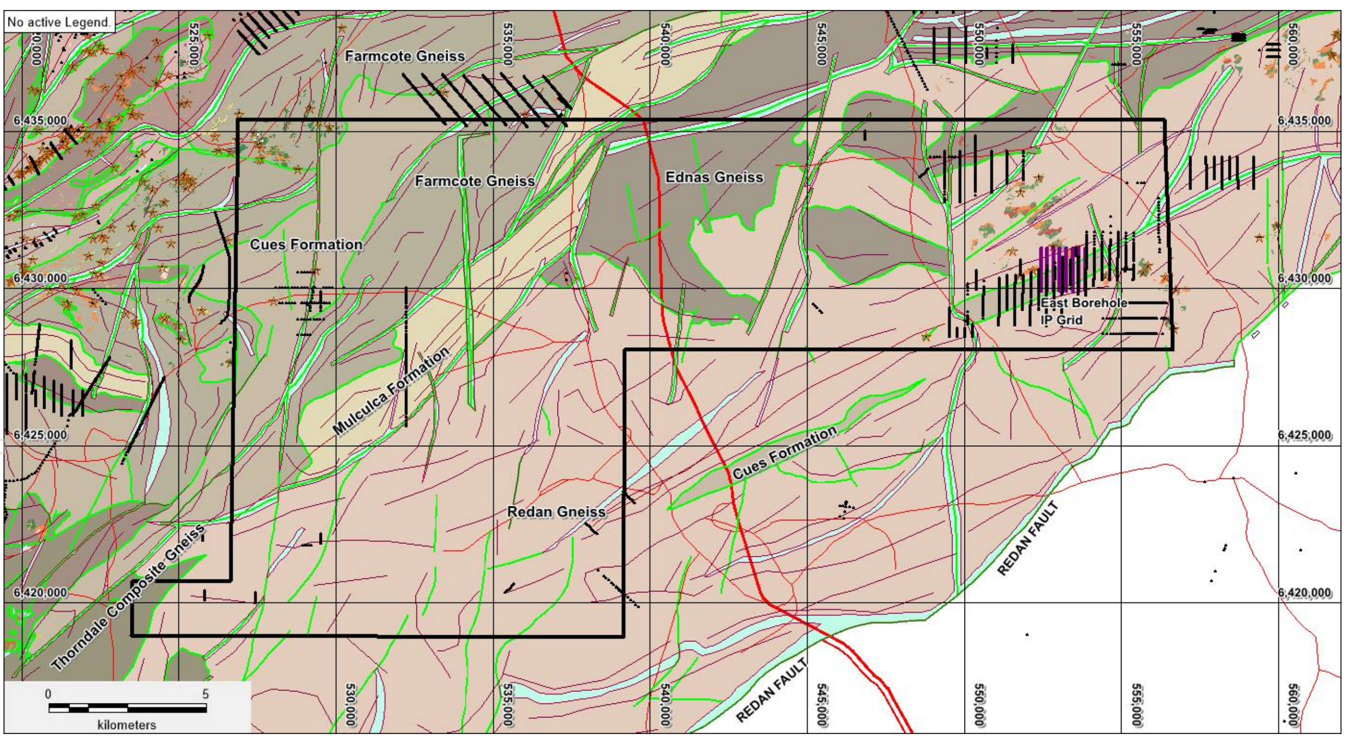

Figure 23: East Borehole Solid Geological Interpretation with GSNSW 1:25,000 Redan mapping outcrop polygons overlaid. Also shown is the GSNSW Minview Drilling Dataset codes for depth of drilling in meters.

REVIEW OF OPERATIONS (continued)

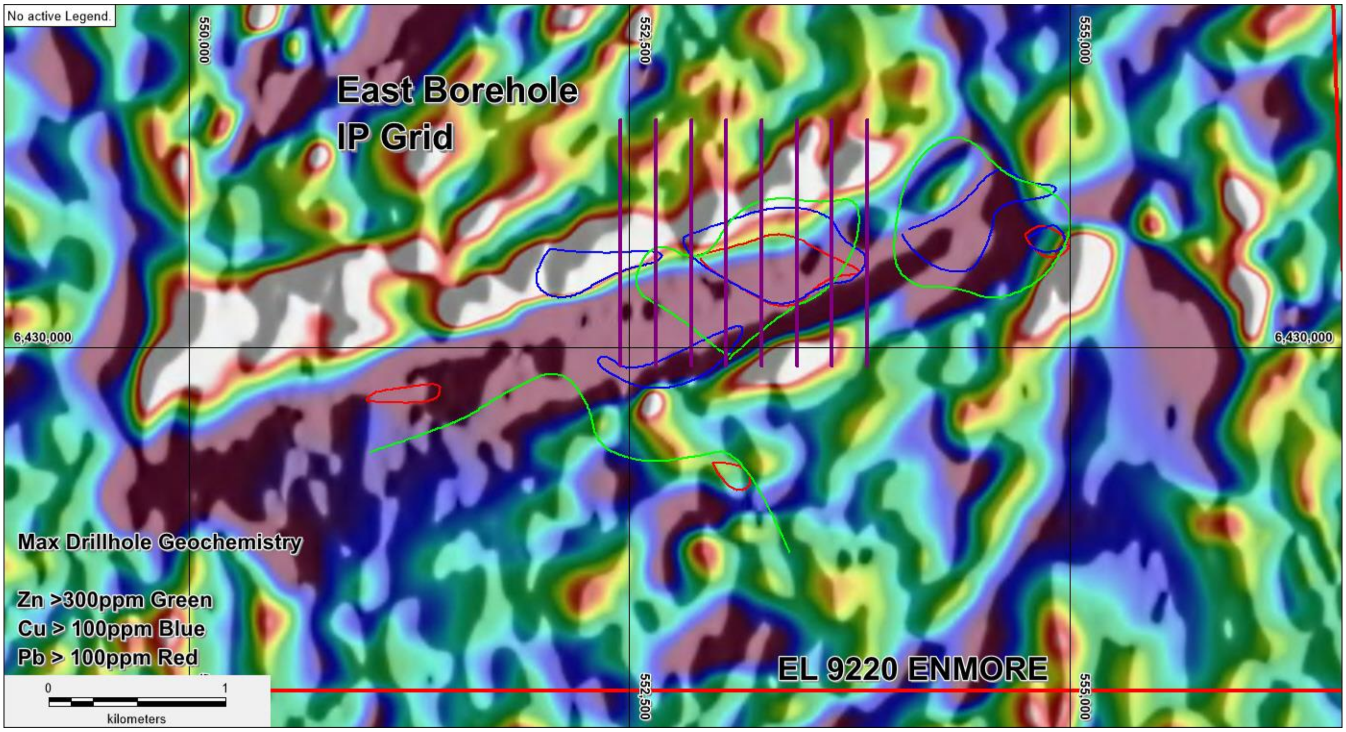

Figure 24: Aeromagnetic RTP Magnetic Image showing the East Borehole IP Grid in purple and the associated low magnetic response of the Cues

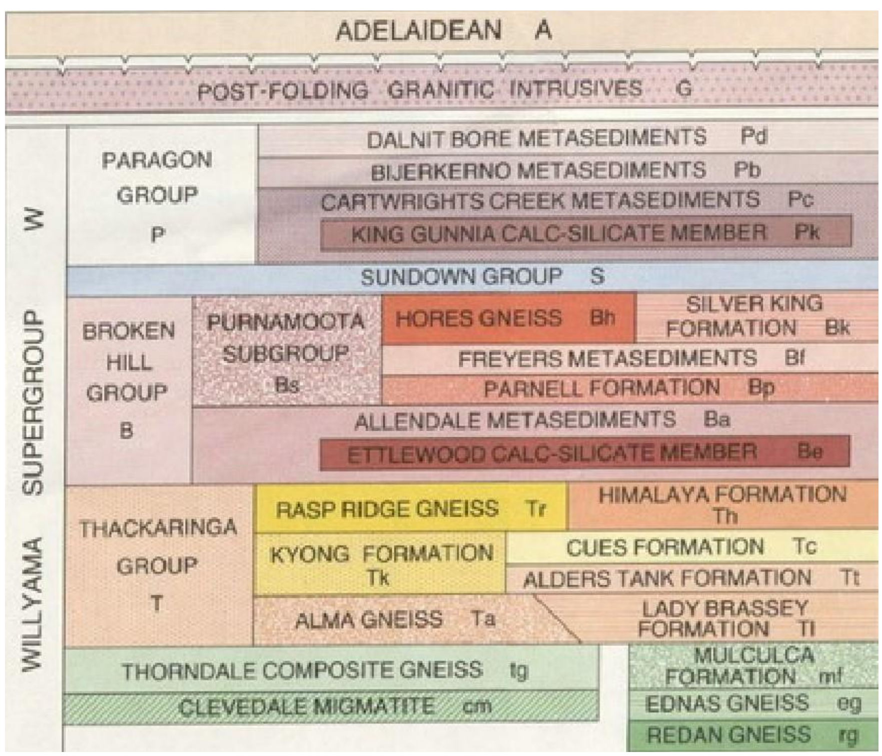

Figure 25: Broken Hill Regional Stratigraphic Column

REVIEW OF OPERATIONS (continued)

ELs 8954 (Brungle Creek) and 9252 (Mc Alpine)

Near Tumut in NSW – 100% interest
Cobalt and Base Metals (copper, chromite and nickel) Exploration

EL 8954 (Brungle Creek) and EL 9252 (McAlpine) cover a total area of approximately 106 square kilometres within in an exciting exploration region with potential for Cobalt, Copper, Chromite, Gold and Nickel 15 km north-east of Tumut, 15 km south east of Gundagai and adjacent to the serpentine ridge of the Honeysuckle Range (**Figure 38**). EL 9252 covers the McAlpine Copper and Chromite historical workings, is adjacent and to the west of EL 8954.

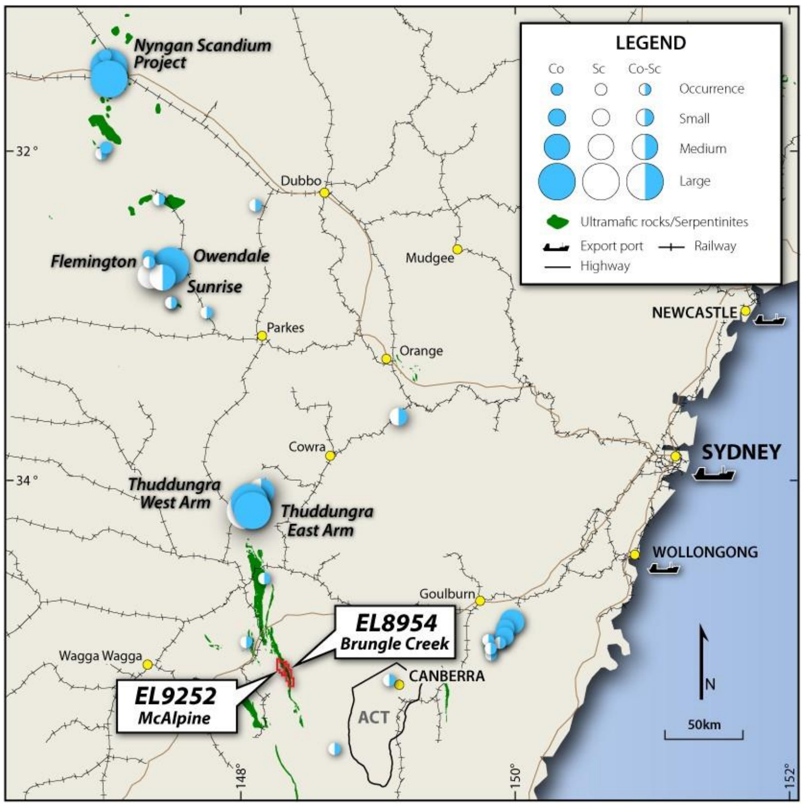

Figure 26: Location of Cobalt Projects near the McAlpine and Brungle Creek Prospects NSW

During the year, Internode Seismic completed for the Company the reprocessing and interpretation of a mid-1980's, BMR (now Geoscience Australia) seismic line. The seismic line traverse runs E-W and crosses the 2 tenements as shown in **Figure 27**. The seismic receiving stations are shown as purple dots and the Coolac Serpentinite Belt focus of exploration in the Brungle Creek and McAlpine tenements occurs as a dark coloured ridge in the centre of the 3D photograph.

Processing of seismic data has improved significantly since the mid-1980s with the original seismic data shown with the interpretation of the same time period shown adjacent to the seismic data. Internode Seismic believes modern processing of 40 year old seismic data and the associated interpretation will lead to a greatly increased interpretation of 3D structures that will enhance our exploration efforts. The delineation of sub surface structures is shown in **Figure 28**.

REVIEW OF OPERATIONS (continued)

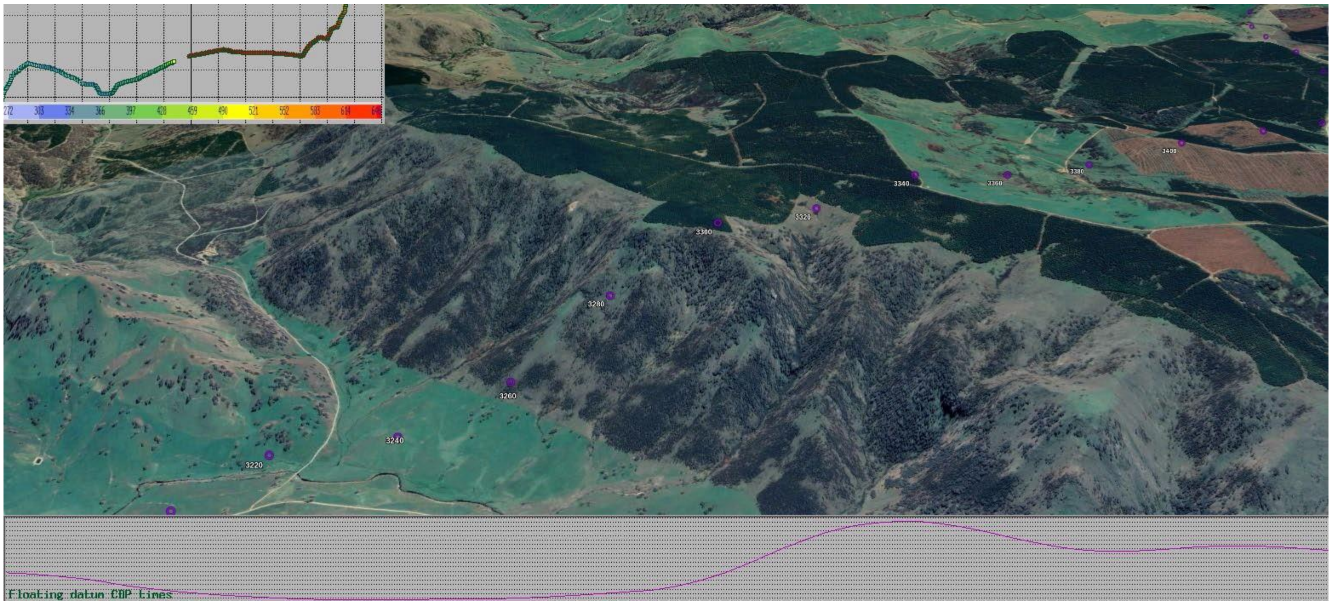

Figure 27: 3D aerial photography showing the dark Coolac Serpentinite Ridge and seismic receiving stations as purple dots

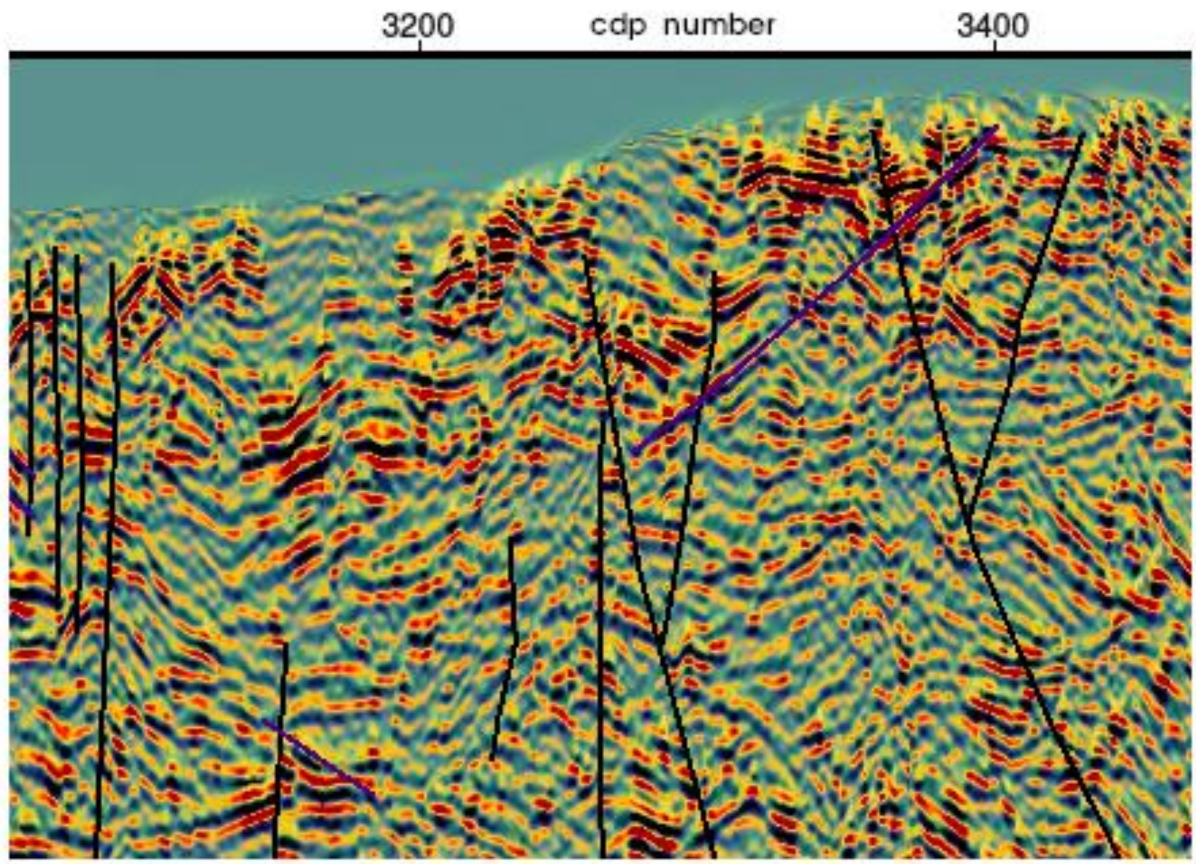

Figure 28: Reprocessed and interpreted 1980's seismic data across the Tumut Project

REVIEW OF OPERATIONS (continued)

After the interpretation of the seismic line, a two-week field-based program was conducted in December 2022 to sample Targets 1 to 7 (**Figure 29**). Six Targets 1, 2, 3, 4, 5, and 7 were geochemically sampled but access was denied by the landholder at Target 6. The targets were previously identified by the Company via a Satellite Alteration Study and a review of historic gold and copper rock chip results from previous explorers as reported in the NSW Government GIS Website – Minview.

In addition, the historical McAlpine Copper Mine and Campbells Chromite mine were geologically mapped to scope out the aerial extent of the surface mineralisation.

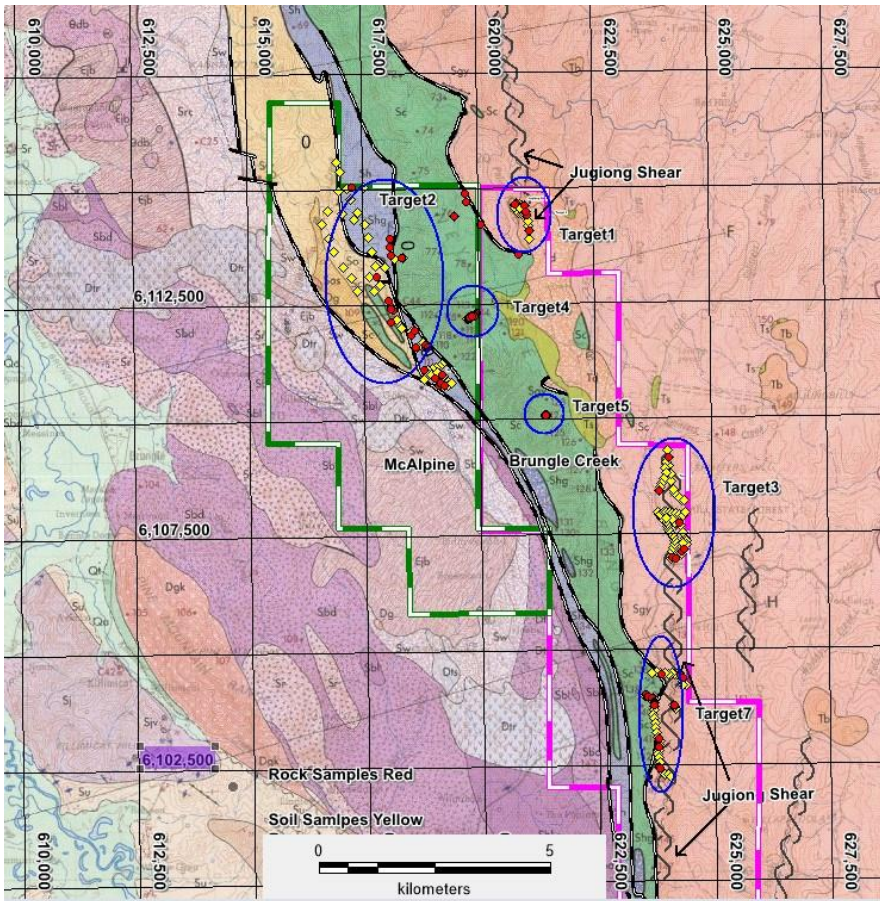

Figure 29: Brungle Creek EL8954 (Pink boundary) and McAlpine EL9252 (Dark Green boundary) 6 Target areas investigated: Red for rock sampling and Yellow for soil sampling traverses

83 rocks and 180 soils have been collected and submitted to the ALS Laboratory in Adelaide for gold and base metal analyses. Based on the results received Targets 1, 2 and 7 warrant further exploration. The significant results were as follows (*ASX Release 30 March 2023.Tthe Company is not aware of any new information or data that materially affects the information included in this announcement*):

- *Target 7 (**Figure 34**) – 3.13 g/t Au in a rock sample, iron oxide stained vein quartz in sheared granodiorite, up to 30 m wide zone of shearing and vein quartz. Elevated Au in soil to 20 ppb.*

- *Target 2 (**Figure 32**) – up to 2.2 g/t Au in current sampling and 6 g/t Au historic sampling and elevated Au in soil trend to 44 ppb.*

REVIEW OF OPERATIONS (continued)

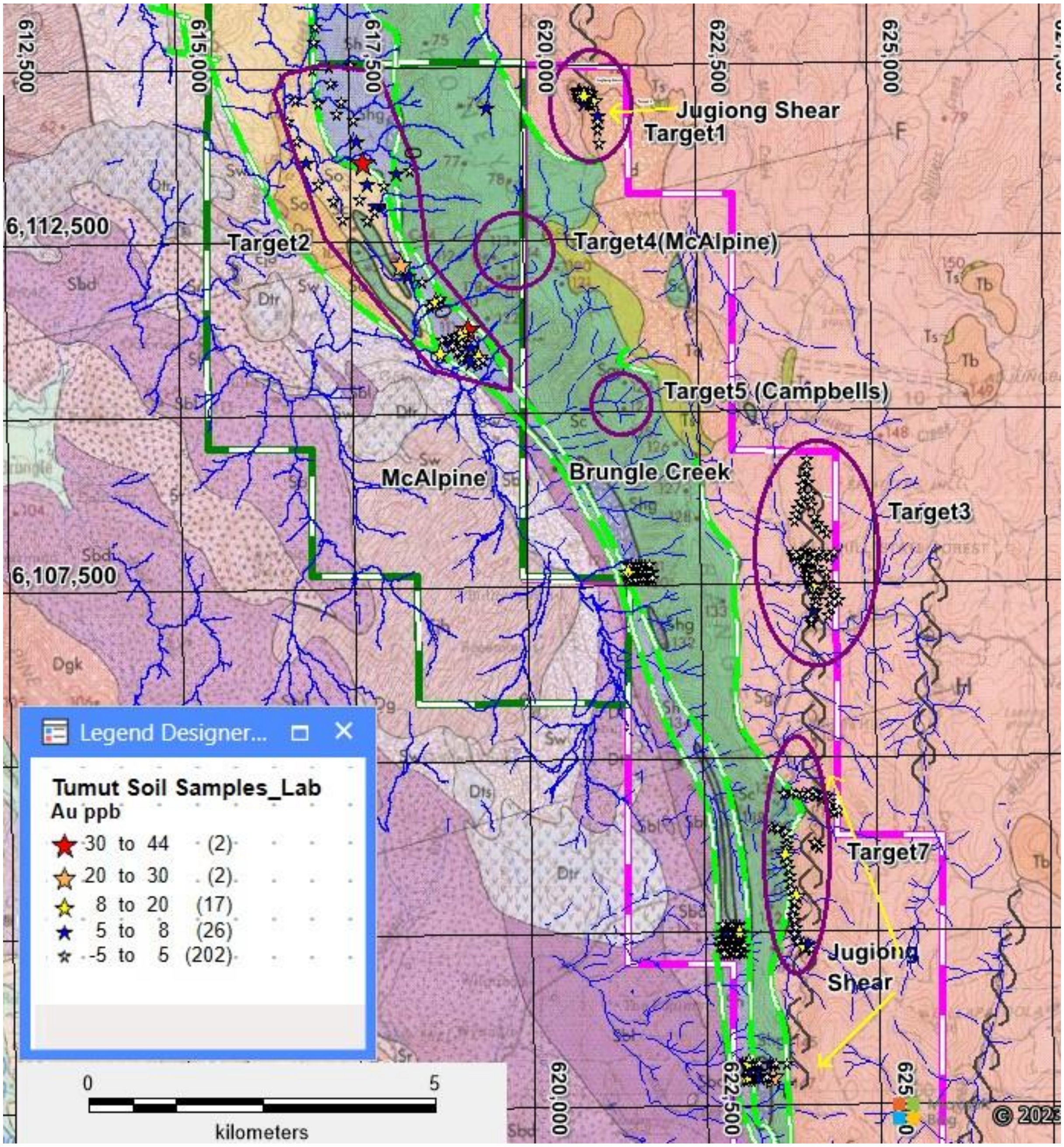

Figure 30: Brungle Creek EL8954 (Pink boundary) and McAlpine EL9252 (Dark Green boundary) showing Au ppb soil results and faults in Light Green lines

In **Figure 29** the soil sampling traverses are shown in yellow and the rock samples in red. The rock samples were analysed via method AuAA23 for Au and MEICP61 for a multielement suite. The soil samples were analysed by method pXRF30 for a restricted range of elements of interest including As, Ca, Cr, Cu, Fe, Mn, Ni, Pb, S and Zn. The Au results are shown in **Figure 30** with the samples analysed by the AuAA23 method. A total of 160 of the 183 soils samples have been analysed for Au.

REVIEW OF OPERATIONS (continued)

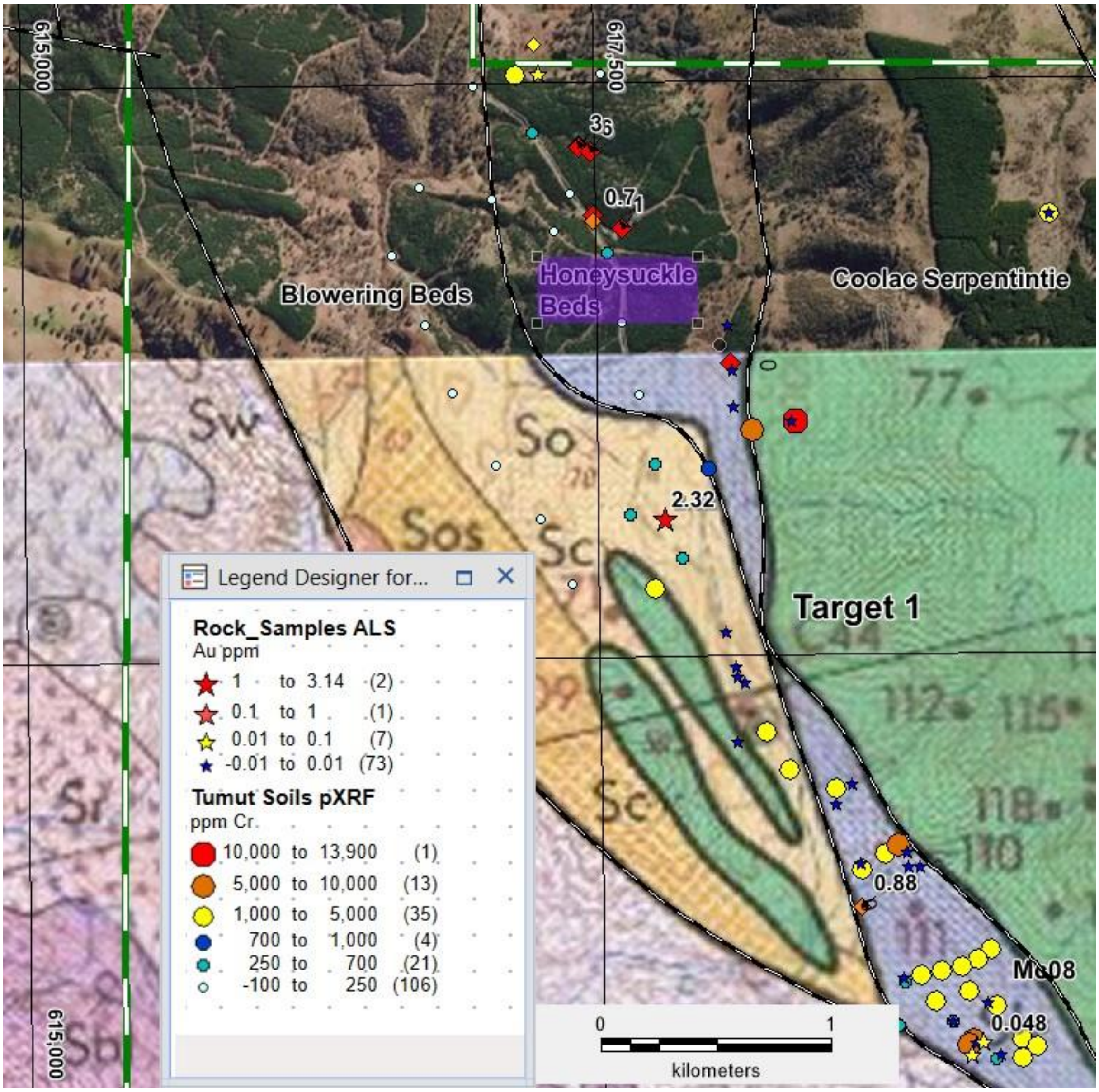

Figure 31: Target 1 with the rock samples collected in this program as stars and in the Mines Department Minview Database as diamonds. Soils samples collected are green triangles.

Target 1

Target 1 (**Figure 31**) located in the northern edge of the Jugiong Shear Zone, striking approximately north-south through the Young Granodiorite, in the north-eastern sector of Brungle Creek EL 8954.

12 rock chip samples were collected to seek anomalous gold hosted by this shear zone. The target comprised mafic intrusions of dolerite and amygdaloidal basalt, and minor units of vesicular basalt. The intrusions showed evidence of weak shearing, therefore inferring they intruded the Young Granodiorite prior to or during the shear event. The soil gold results show patchy elevated Au to 20 ppb. Further exploration along this trend is warranted.

REVIEW OF OPERATIONS (continued)

Target 2

Target 2 (**Figure 32**) forms a broad corridor straddling the western slope and adjacent valley of the Honeysuckle Range through the McAlpine EL 9252 tenement. It is investigated for historic Au anomalies that were found amongst the Honeysuckle Beds juxtaposed against the Coolac Serpentinite Belt.

The rocks comprised quartz veining within chlorite-sericite altered basalt and silicified basalt of the Honeysuckle Metabasic Igneous Complex (purple) Beds, foliated serpentinite striking 330° of the Coola Serpentinite Belt (green), felsic volcanic rocks of the Gaoobarragandra Volcanics (Blowering Beds). Of particular interest was an occurrence of basalt with very soft cross-cutting lineations, which returned highly anomalous gold. Samples with elevated Au between 0.88 ppm and 6 ppm are located along the length of the Honeysuckle Beds. The Blowering Beds to the west and adjacent to the Honeysuckle Beds returned a high Au result of 2.32 ppm.

The soil results shown in **Figure 30** highlight a trend of elevated soils to 44 ppm Au along a faulted contact between felsics (yellow) and mafic (purple) volcanic/intrusive lithologies that warrants further exploration.

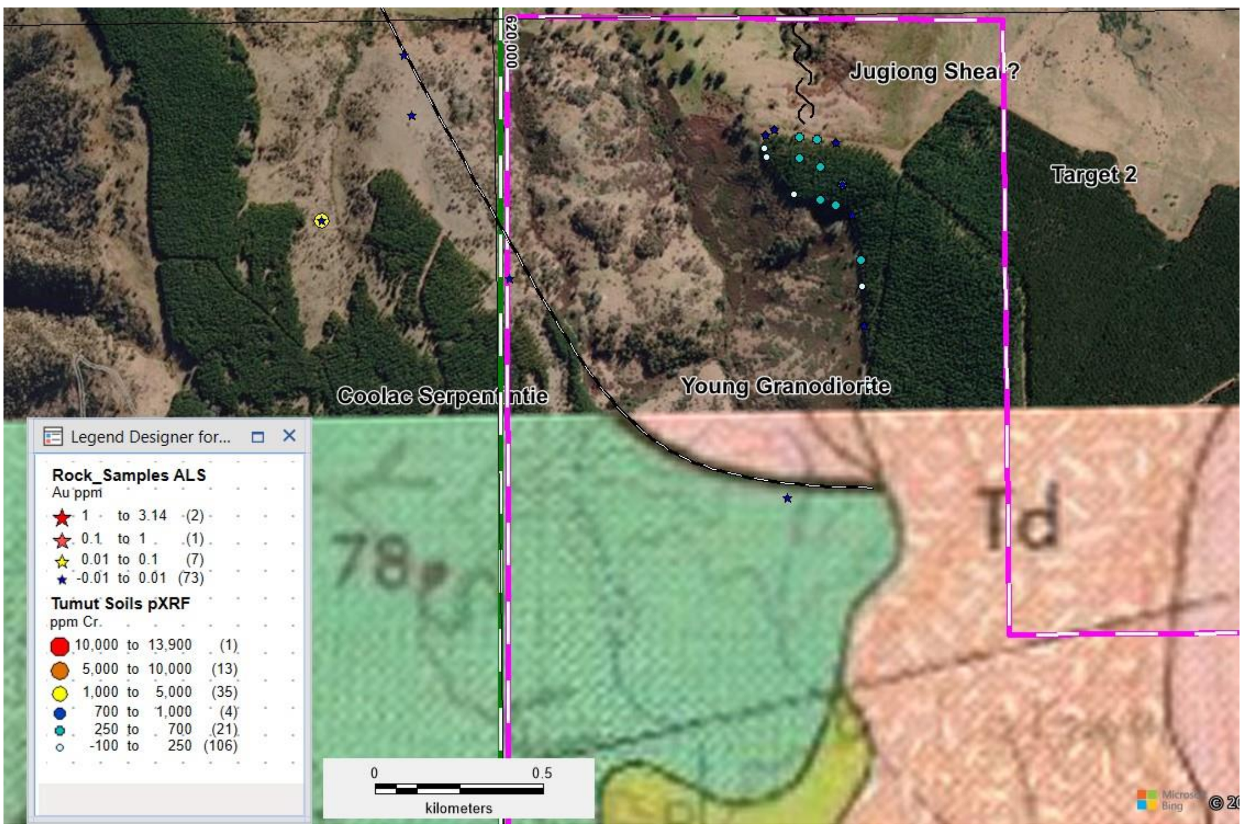

Figure 32: Target 2 with the rock samples collected in this program as black stars and in the Mines Department Minview Database as yellow diamonds. Soils samples collected are green triangles.

Target 3

Target 3 is located a few kilometres south of Target 1, along a southern continuation of the Jugiong Shear Zone. Numerous samples were taken across the shear zone to find shear-hosted gold (**Figure 23**). In contrast to Target 1, the rocks comprised intensely sheared and boudinaged granodiorite marked by foliated biotite and potassium feldspar, and occasional quartz veining. The low tenor of the gold soil results indicates no further exploration is warranted.

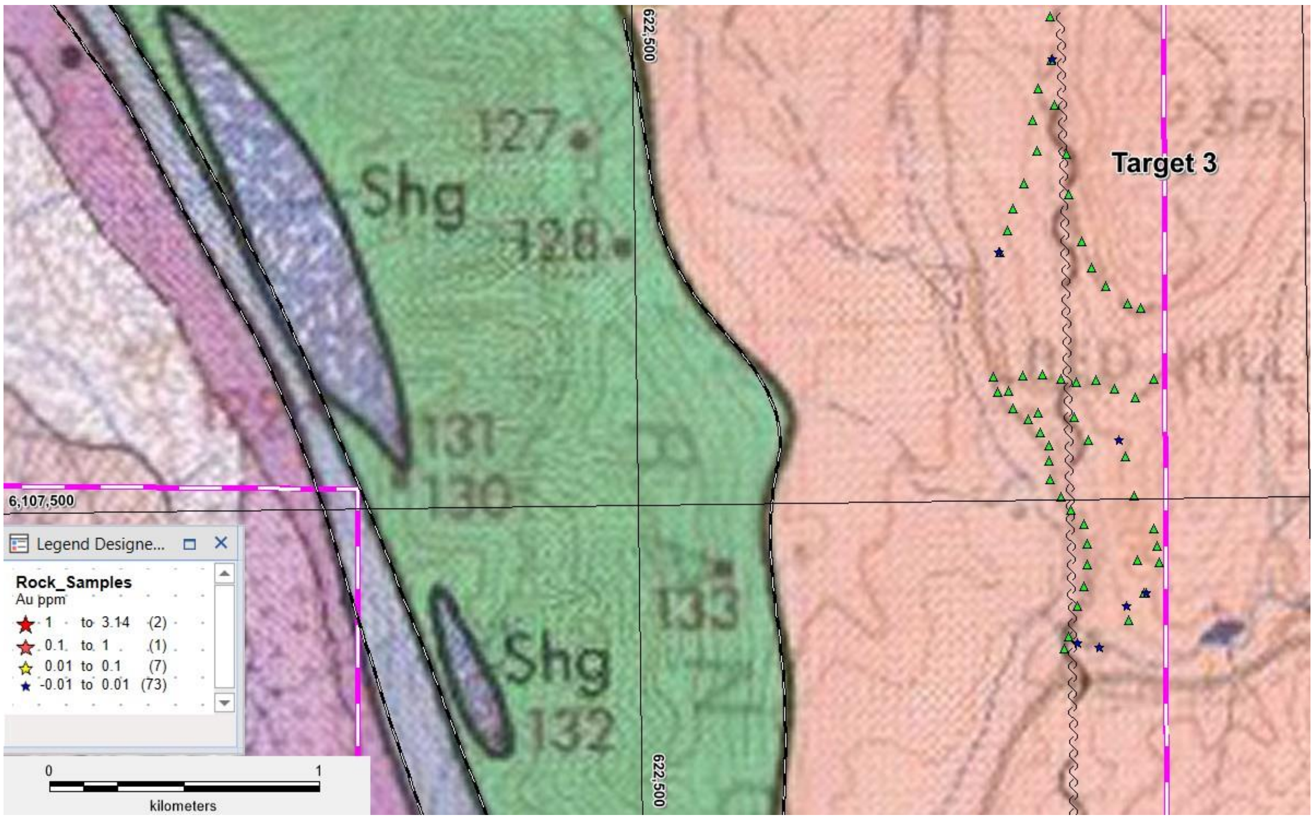

Figure 33: Target 3 with the rock samples collected in this program as stars and in the Mines Department Minview Database as diamonds. Soils samples collected are green triangles.

Target 4

Target 4 is the historic McAlpine Copper Mine, comprising an old headframe and collapsed shaft upon the steep western escarpment of the Honeysuckle Range. The ore zone is on the contact between the Coolac Serpentinite and a granodiorite unit, represented by gossanous rocks containing chalcopyrite and quartz vein float with aurichalcite and malachite that were found around the shaft. Copper mineralisation appears very localised to this contact, as the serpentinite outcropping up to 300 m east of the mine appear unmineralised.

REVIEW OF OPERATIONS (continued)

Target 5

Target 5 is the Campbells Chromite Mine and comprises a set of very small workings in serpentinite that has been intruded by dolerite dykes. A total of 6 rock samples were collected with chromite in the range 0.28% to 0.4%. A previous soil grid across the area returned chromium assays similar to rock samples. These levels of chromium are background levels for a serpentinite as such there is no significant mineralisation and no further exploration is warranted in Target 5

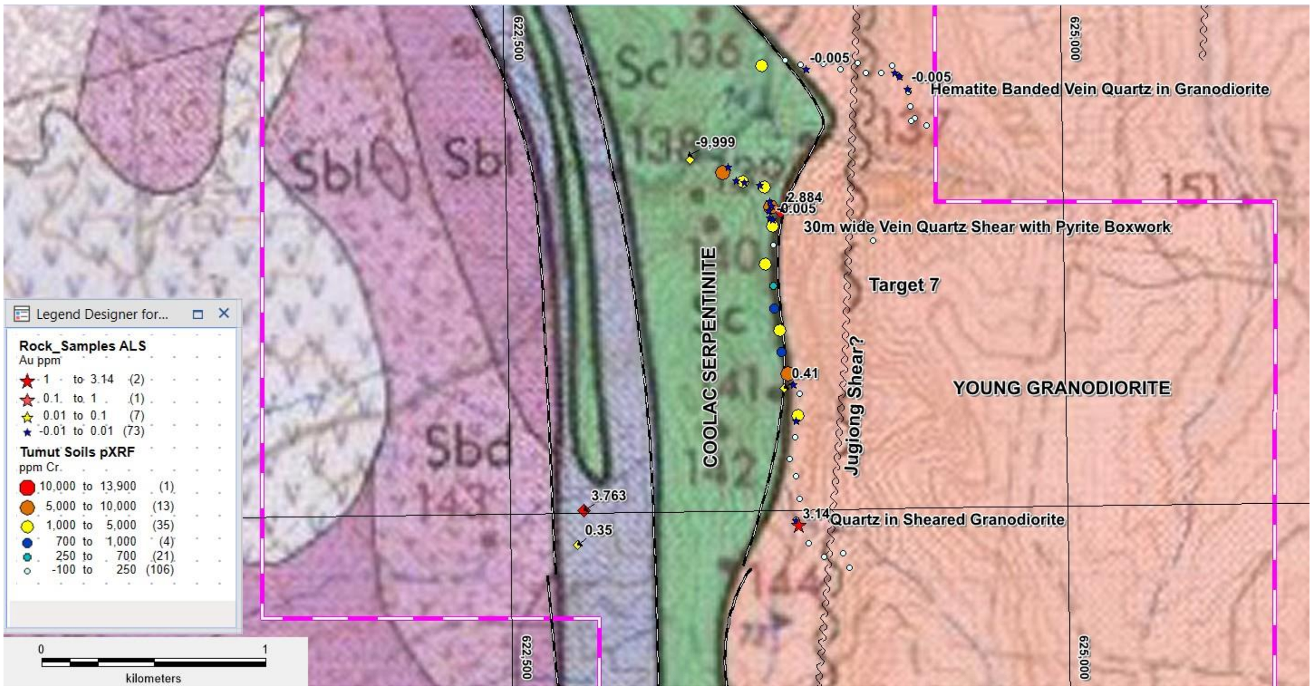

Figure 34: Target 7 with the rock samples collected in this program as stars and in the Mines Department Minview Database as diamonds. Soils samples collected are green triangles.

Target 7

Target 7 follows the faulted contact of the Coolac Serpentinite Belt and Young Granodiorite with the southern extension of the Jugiong Shear not tested at this stage due to access difficulties. (**Figure 34**). The granodiorite forms a very steep mountain range, with a tributary of Brungle Creek rising in the south part of the range and flowing north along the contact. Laminated and iron-oxide stained quartz veining was found on the contact between these two units, ranging from a centimetre thick near the junction of the tributary and Brungle Creek in the north, to up to 30 metres wide near the Jugiong Shear Zone, approximately a kilometre or so upstream. 3 ppm Au was found in an outcrop of magnetite & goethite-stained quartz veining hosted in sheared granodiorite. There is local gold anomalism to 20 ppb. At this stage the significant mineralised target appears to be the faulted contact with the Jugiong Shear to be explored in the next field program.

REVIEW OF OPERATIONS (continued)

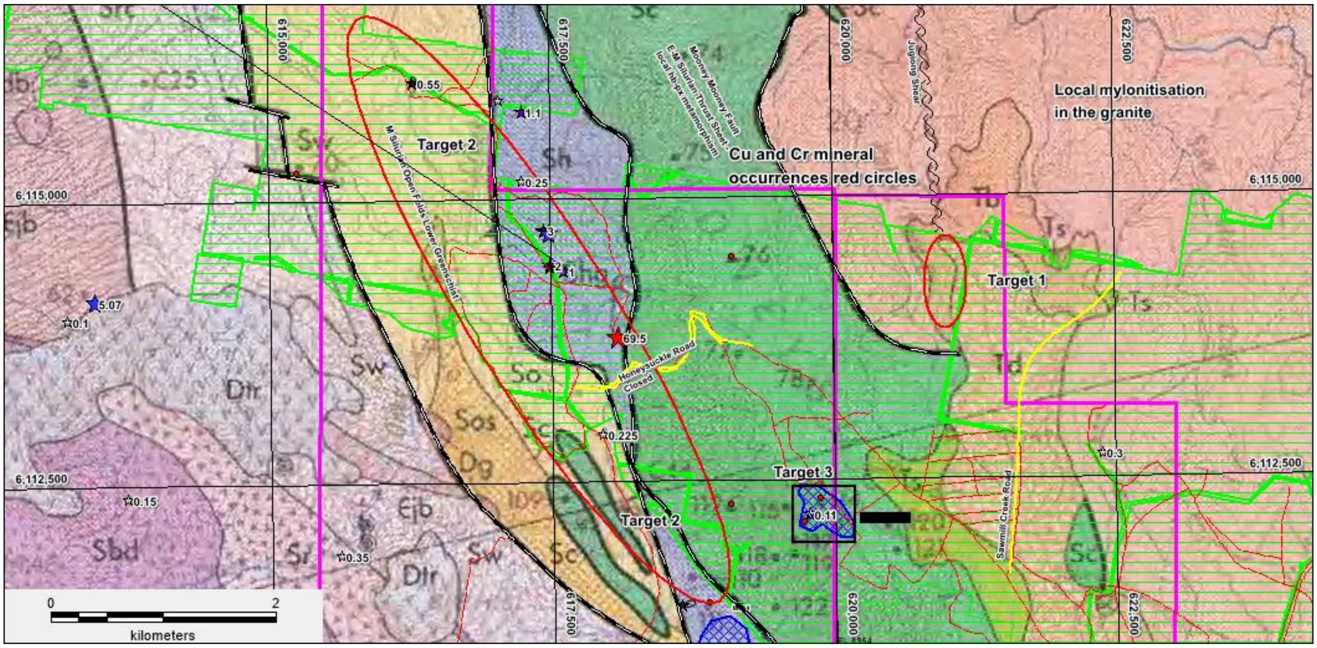

Figure 35: Target Areas 1 to 3 on 1:250,000 State Geological Map. The samples are Au ppm from the NSW Geological Survey Database – Minview.

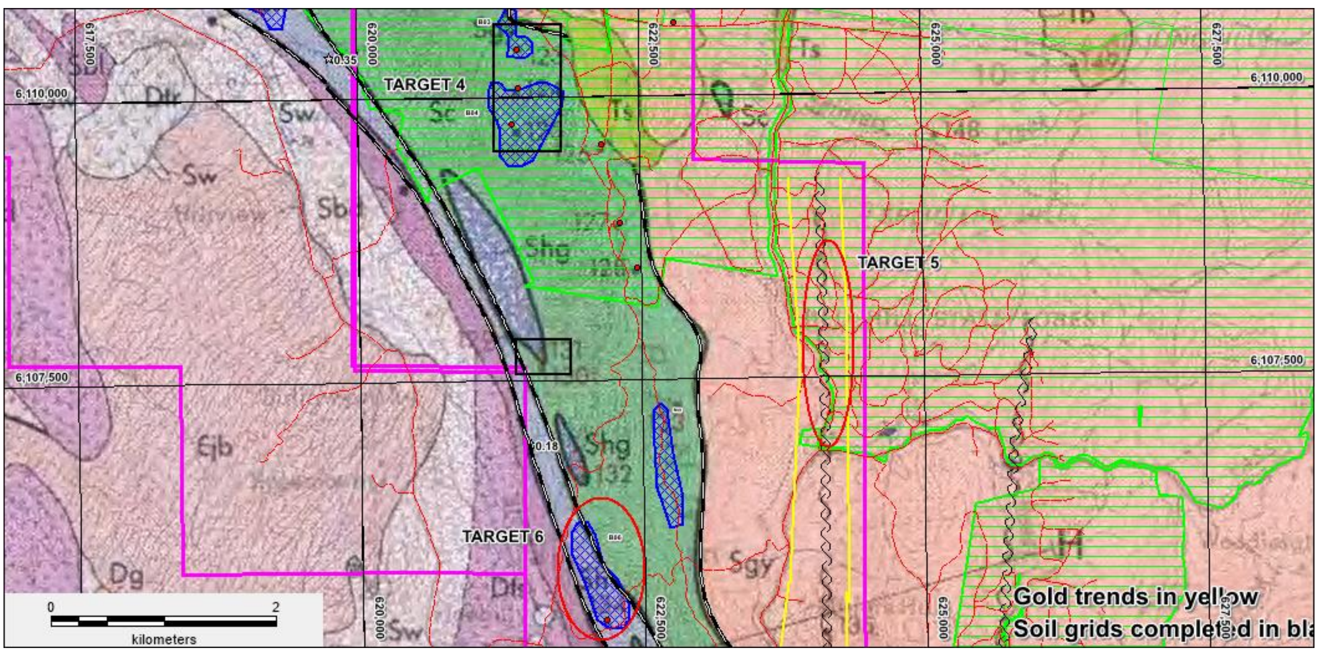

Figure 36: Target Areas 4 to 6 on 1:250,000 State Geological Map

REVIEW OF OPERATIONS (continued)

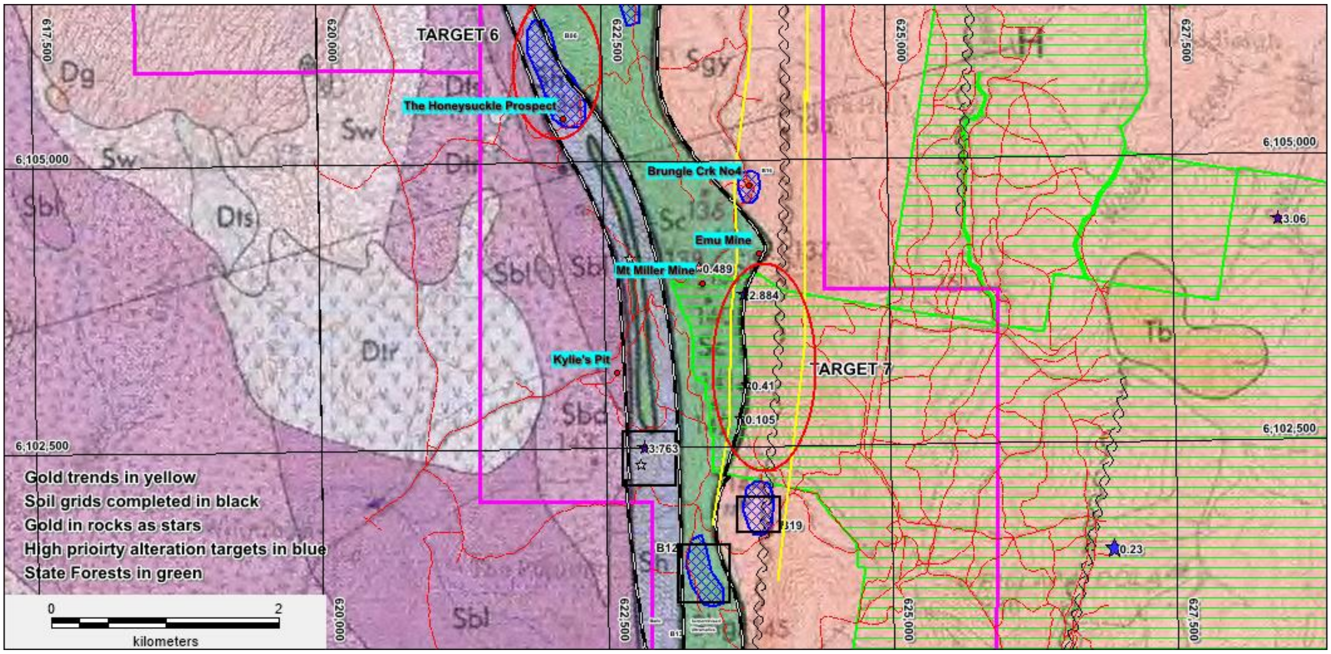

Figure 37: Target Areas 6 to 7 on 1:250,000 State Geological Map

Geological Summary of the Target Areas – E to W

The geological units across the project area from E to W as shown in **Figure 35** are:

- Young Granodiorite (pink) with several North-South shear zones, in **Figure 35** the Jugiong Shear is shown to the north of Target 1
- Coolac Serpentinite (green-serpentinised ultramafic rocks) with faulted E and W contacts as shown by the black/white lines
- Honeysuckle Beds (red – meta-basic rocks ie basalts and some ultramafics) with faulted E and W contacts as shown by the black/white lines
- Metasediments and Felsic Volcanics of the Blowering Beds (yellow)

Assessment of the Exploration Targets:

- **Target 1 (Figure 31)**

  Possible extension of the Jugiong Shear into the northern margin of the Brungle Creek tenement. Exploration included geological mapping and rock sampling -The target commodity is gold. The soil gold results from the December 2022 field program show patchy elevated Au to 20 ppb. Further exploration along this trend is warranted.

- **Target 2 (Figure 32)**

  This a broad elongate NW-SE target transgresses the faulted contact of the Blowering Beds/Honeysuckle Beds and Coolac Serpentinite. The historic Robin Mine is located as the southern end as a blue hatched area in **Figures 29** and **30**. Exploration within this zone involved geological prospecting and rock sampling – The target commodities are gold, copper and cobalt. The soil results from the December 2022 field program shown in

REVIEW OF OPERATIONS (continued)

Figure 30 highlight a trend of elevated soils to 44 ppm Au along a faulted contact between felsics (yellow) and mafic (purple) volcanic/intrusive lithologies that warrants further exploration.

- **Target 3 (Figure 35)**

This is the historic McAlpines Copper and Chromite Mines and are located within the Coolac Serpentinite Belt. Exploration comprised detailed geological mapping to understand the geology, structure and mineralisation and rock sampling. The target commodities are copper, chromite and cobalt. The low tenor of the gold soil results from the December 2022 surficial geochemical sampling indicate no further exploration is warranted.

- **Target 4 (Figure 36)**

This is the historic Campbells and Chromite Mines and are located within the Coolac Serpentinite Belt. Exploration comprised detailed geological mapping to understand the geology, structure and mineralisation and rock sampling. The target commodities are copper, cobalt and chromite. The mine appear unmineralized according to the results of the December 2022 surficial geochemical sampling.

- **Target 5 (Figure 36)**

This a North-South shear noted in the State 1:100,000 Tumut Geology Map. Exploration is as for Target 2. According to the results of the December 2022 surficial geochemical sampling the levels of chromium are background levels for a serpentinite as such there is no significant mineralisation and no further exploration is warranted.

- **Target 6 (Figure 37)**

This is a historic copper prospect known as the Honeysuckle Copper Project and is a small 2 m x 1 m x 0.5 m pit adjacent to the creek. The Satellite Alteration noted an elevated iron oxide and clay response so the exploration method will be E-W soil traverses and rock sampling. The target commodity is copper. Access was denied by the landholder so no surficial geochemical exploration was carried out.

- **Target 7 (Figure 34)**

This is the southern continuation of the shear in Target 5. At this stage the significant mineralised target appears to be the faulted contact with the Jugiong Shear to be explored in the next field program.

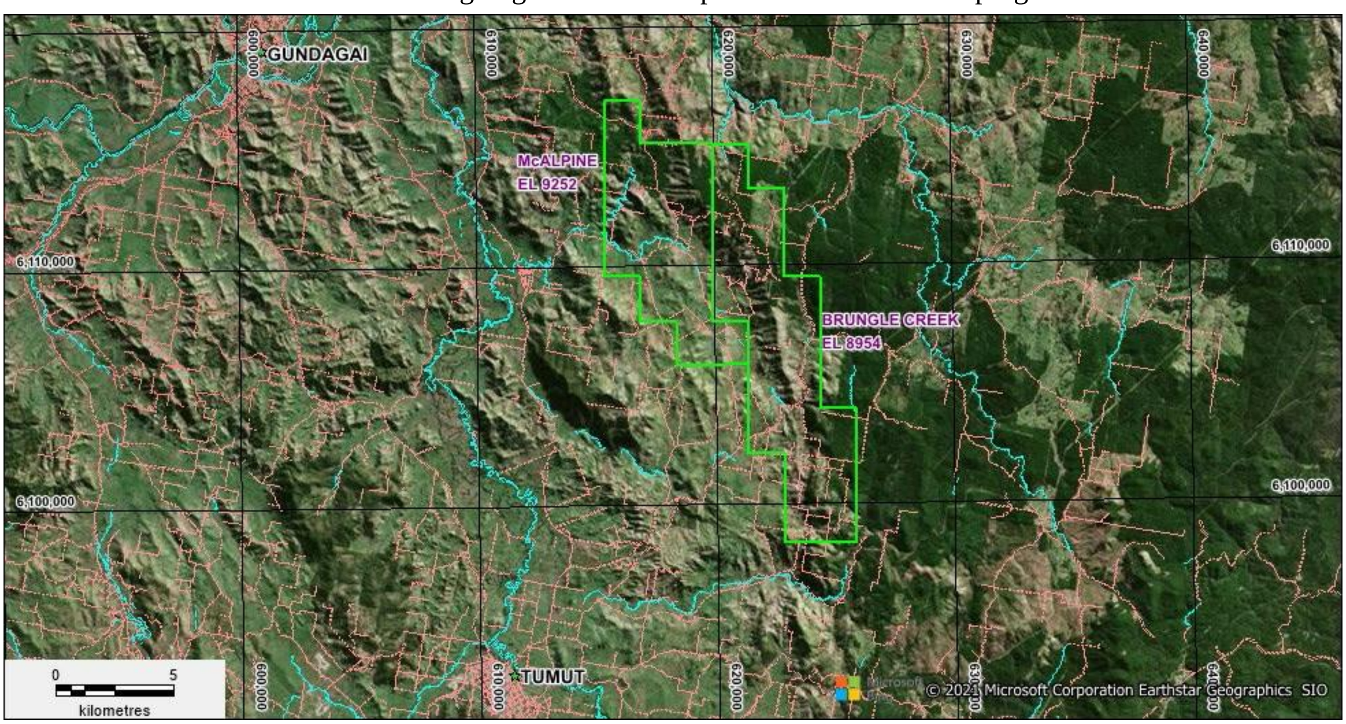

Figure 38: EL 9252 McAlpine and EL 8954 Brungle Creek location map – BING Aerial Photograph

SOUTH AUSTRALIA EXPLORATION LICENCES

EL 6795 (Parrakie), EL 6796 (Mt Rough), EL 6797 (Kingston) and EL 6807 (Wolseley)

Murray And Otway Basins - 100% interest

Rare Earth Elements (REE) Exploration

In July 2022, the Government of South Australia, Department of Energy and Mining ("DEM") granted the Company 4 exploration licences, namely EL 6795 (Parrakie), EL 6796 (Mt Rough), EL 6797 (Kingston) and EL 6807 (Wolseley) following lodgement of applications in August/September 2021 for rare earth elements (REE) and other minerals exploration **(Figure 39).**

The licences are for 6 years to July 2028 and cover a total area of 2,775 square kilometres. They are located on the Limestone Coast southeast of Adelaide in South Australia (**Figure 39**) within the Loxton Sands or equivalent of the Murray and Otway Basins.

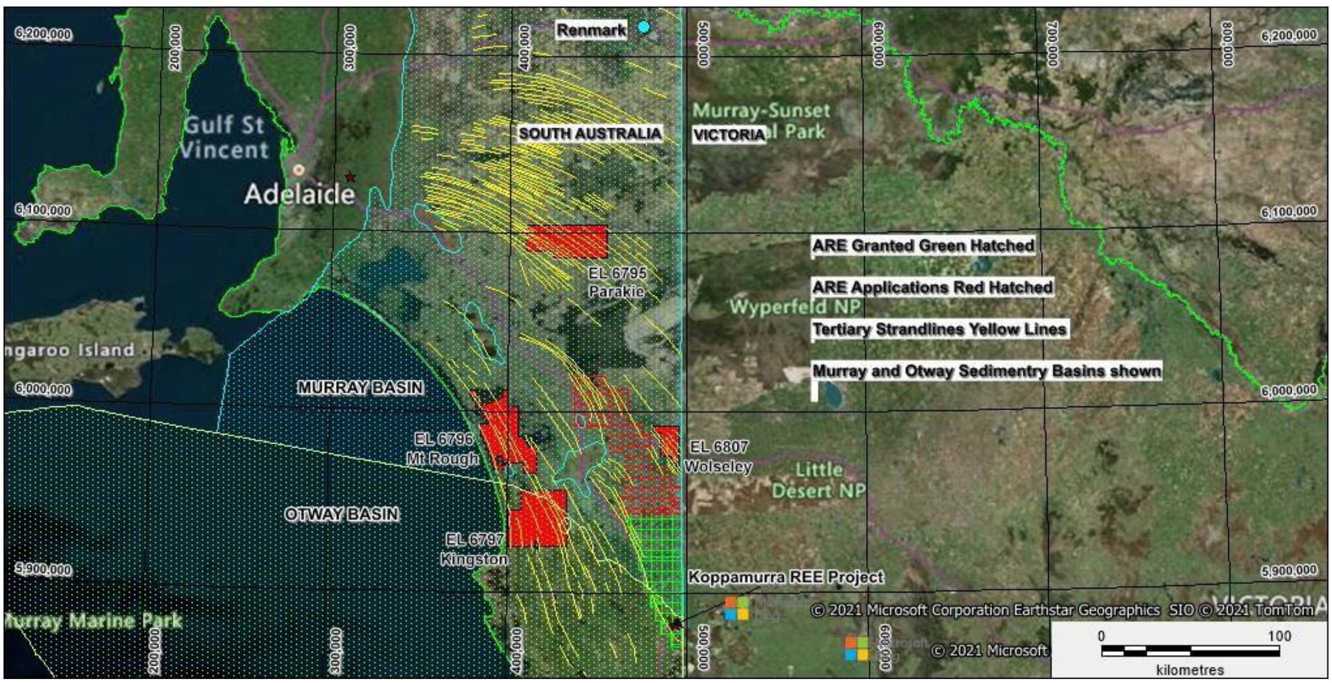

Figure 39: South Australian REE Application Areas and associated Murray and Otway Basins

The aim of the Company is to explore for REE contained within the fine clay fraction of Tertiary (65 to 2.5 Million Years Ago) Strandlines ("ionic clay style of deposit) reportedly existing in the region. Australian Rare Earth (ASX:AR3) has a large area in the region and recently announced following a drilling program an increased JORC inferred mineral resource of 101 million tonnes @ 818 ppm TREO (Total Rare Earth Oxides) at their Koppamurra project prospective for ionic clay REE deposit (see AR3's ASX announcement of 3 April 2023). Several other entities are also exploring for REE in the region.

REE have been designated critical minerals by Australia, EU, USGS and IEA and are used in rare earth permanent magnets for electric vehicles (EV), wind turbines and many electronic devices.

REVIEW OF OPERATIONS (continued)

With the lowering of the overall levels, the Loxton Sands or equivalents of the Murray and Otway Basins were formed on the beach on the shore of the emergent land (Strandlines). Locally, heavy minerals were concentrated by wave action, including rutile zircon and ilmenite (Mineral Sands). In addition, Light and Heavy Rare Earth Elements have formed an ionic bond with the fine clay fraction (Ionic Clays) of the Loxton Sands at shallow depths.

This clay fraction will be the primary exploration target in the interdunal Tertiary Strandline zones (**Figure 30**).

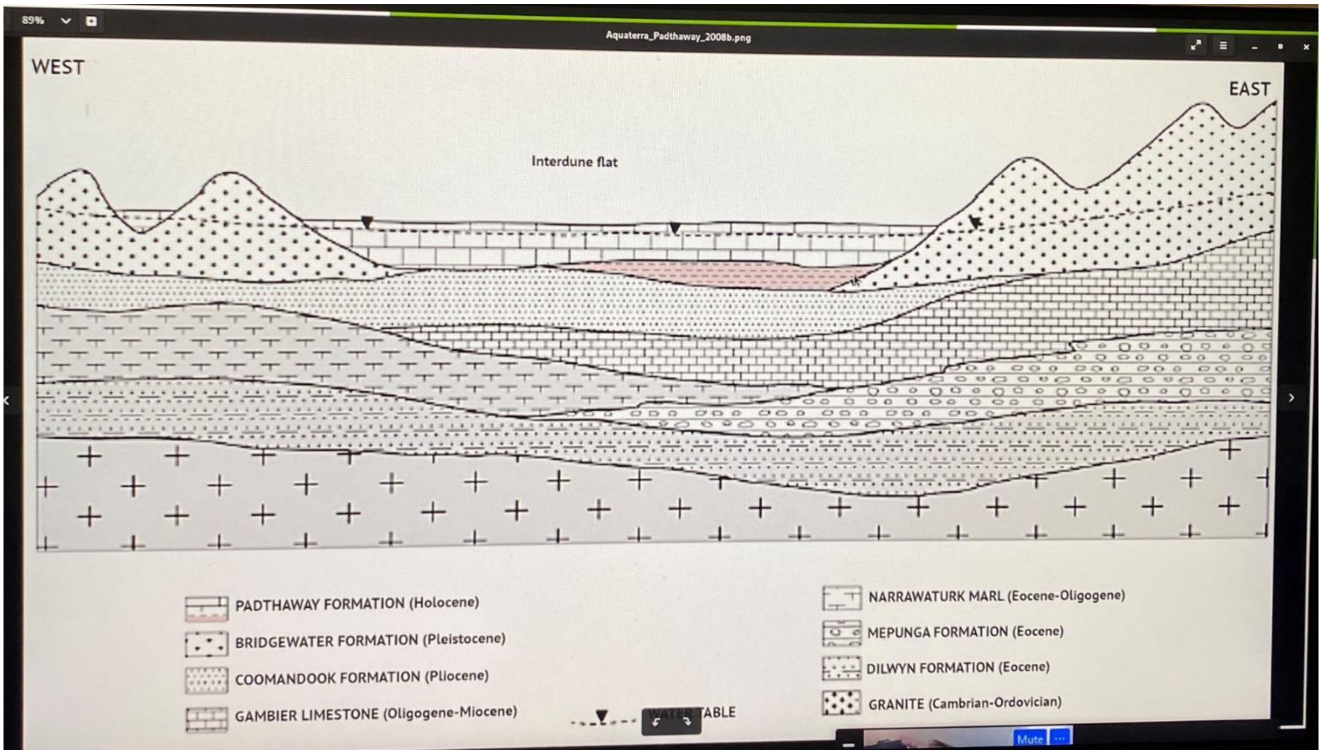

Figure 40: Murray Basin Cross Section showing the target "clay horizon" in pink located between the sand dunes

During the year, field exploration commenced with the strategy to first visit sites where bulk samples may later be collected to identify clay fraction that can be sieved, at the same time locate roadside traverses for later verge deeper (up to 50 m) Aircore drilling. In addition to the near surface evaluation of the REE ionic clay potential, a further evaluation of the deeper bedrock potential for gold and base metal mineralisation sites will be carried out based on a lithostructural interpretation of available geophysical data sets.

An initial field reconnaisance commenced in September 2022 and was completed in early October 2022. It has identified several sites for bulk sampling and Aircore drilling: 290 within Parrakie, 154 within Wolseley, 177 within Kingston and Mt Rough as shown in **Figure 41** .

Meetings have been held with the Kingston, Coorong, Southern Mallee, Karoonda East Murray and Tatiara District Councils to present the exploration programs for REE and to request permission to carry out road verge aircore/auger drilling. All the councils were supportive.

A local contractor has been engaged in October to liaise with councils for drilling along road verges and to later supervise traffic management during sampling and drilling activities. Meetings will be held with local communities and stakeholders to present the proposed exploration activities closer to the time for the field-based work.

REVIEW OF OPERATIONS (continued)

Figure 41: Proposed road verge drilling traverses in black across the Limestone Coast tenements

The Company engaged a consultant to conduct a thorough review of available historic drilling across the Parrakie and Wolseley tenements that will be first to be drill tested by the Aircore method. The review will assist to determine the depth to possible clay layers that may be enriched in REE and provide a guide to drilling depths for the future drilling programs.

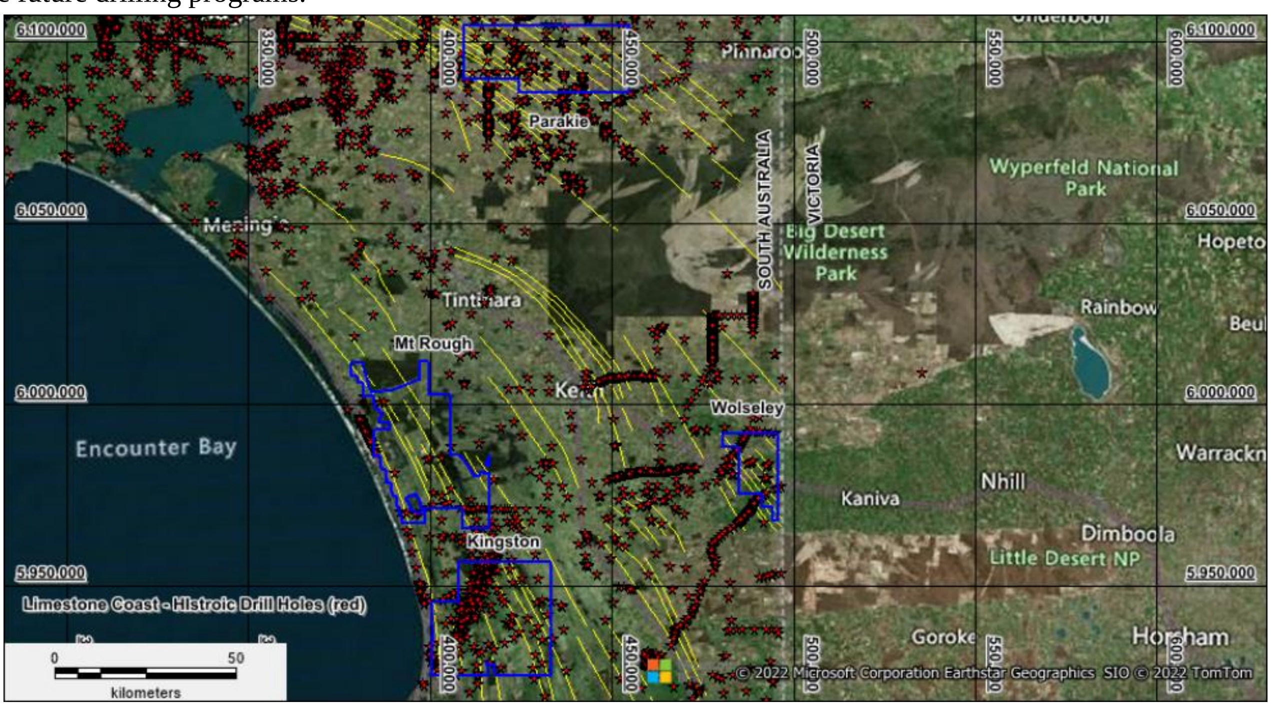

Figure 42: Limestone Coast Historic Drillholes

REVIEW OF OPERATIONS (continued)

The SA Mines Department holds a selection of core and drill chips from historical drilling campaigns which have not been analysed for REE. The availability of those drill hole materials provides the Company with low cost source of samples for REE analysis without incurring the costs of drilling. From the March 2023 quarter the Company has engaged Adelaide based Challenger Geological Consulting (CGC) to retrieve a selection of drill hole materials within all 4 tenements and to scan samples with the pXRF Olympus Vanta M series which is capable to scan a range of key REE elements namely, Yttrium, Lanthanum, Cerium, Praseodymium (Pd) and Neodymium (Nd). Having regards to the results of the scans, selected samples have been submitted to ALS Laboratory in Adelaide for a full suite tests of REE.

With the information from the pXRF scans and laboratory results in addition to other geological work carried out to date the Company has identified areas to focus for Aircore drilling in the 2024 financial year. Council approvals have been obtained to drill on identified road verges within the Parrakie and Wolseley tenements.

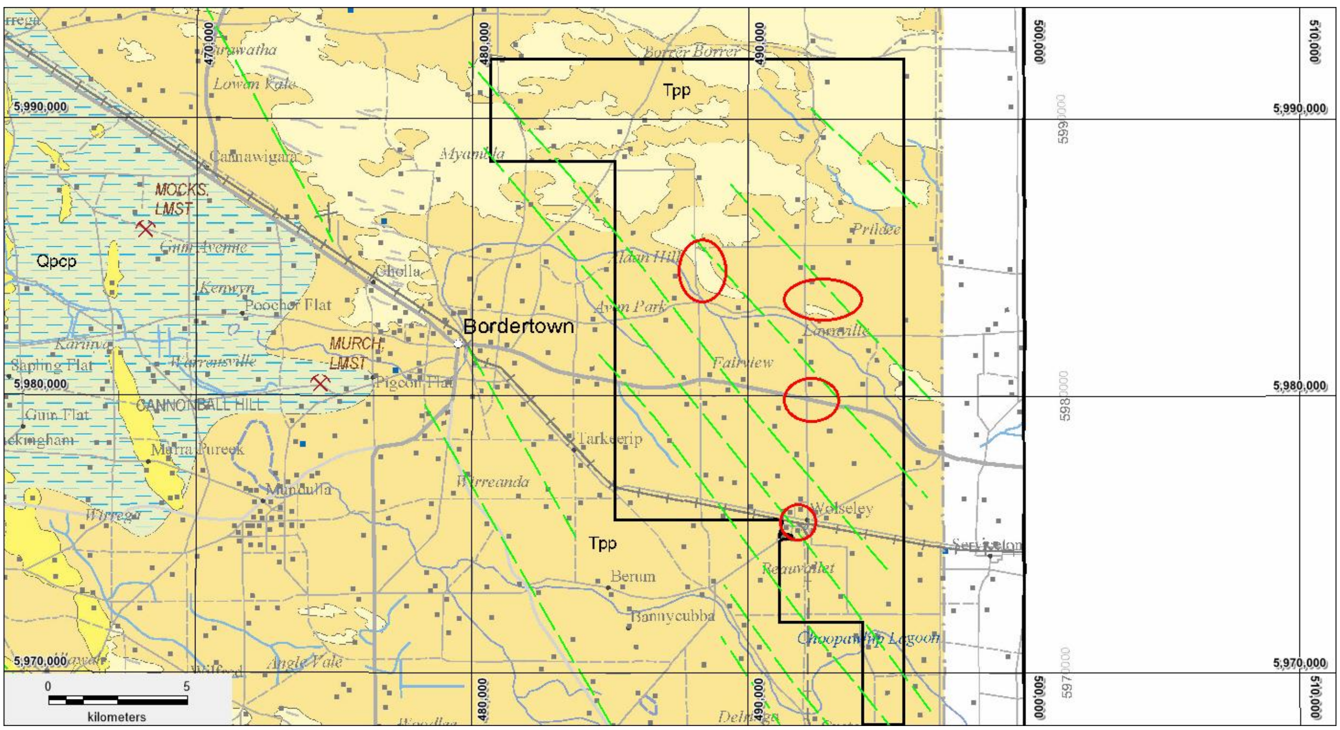

Figure 43: Wolseley EL showing the areas of pXRF sampling marked in red

REVIEW OF OPERATIONS (continued)

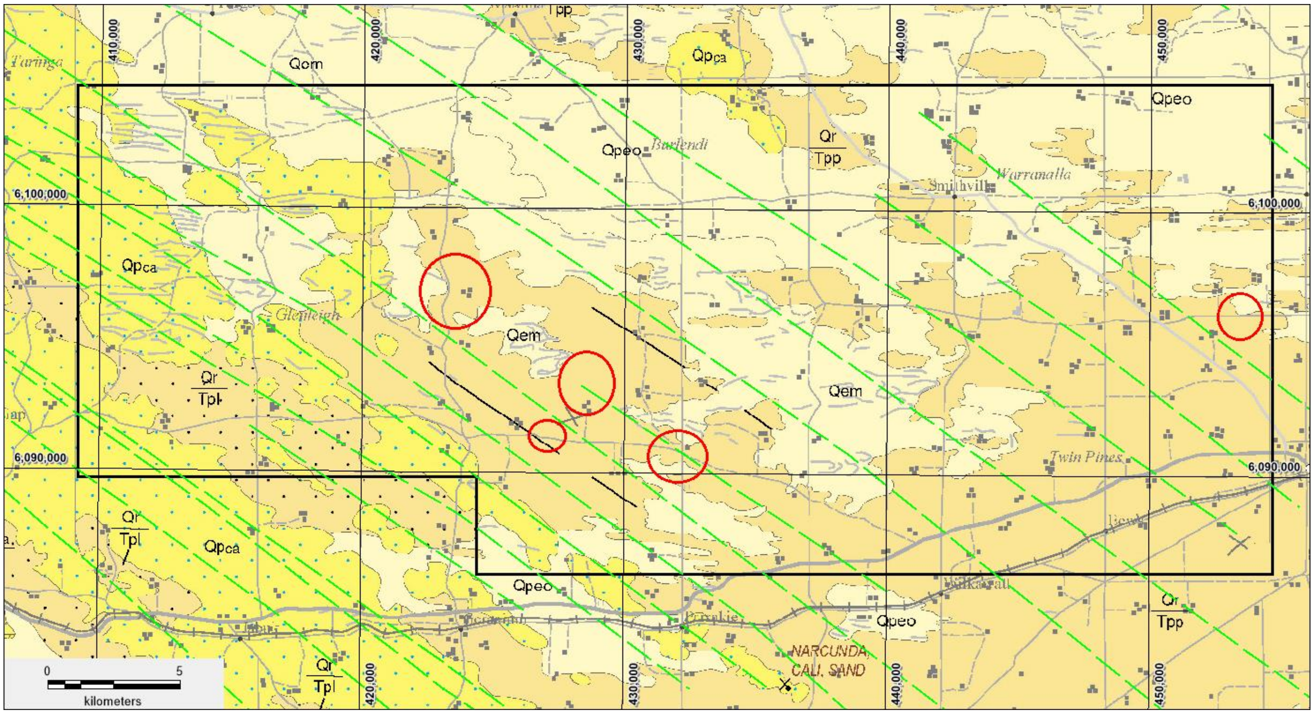

Figure 44: Parakie EL showing the areas of pXRF sampling marked in red

Proposed exploration in 2024 financial year

- Finalise pXRF sampling of selected historic drill material.
- Plan Aircore drill programs and presentation to District Councils
- Complete "Dial Before You Dig" search of proposed drill sites.
- Prepare presentation for community meetings.
- Engage traffic management service providers.
- Submit drill tenders and engaged driller for planned Aircore drilling.
- Carry out drilling programs.
- Sample selected granite for Whole Rock Analyses

WESTERN AUSTRALIA EXPLORATION LICENCES

Barneys (EL 38/3718) and Neckersgat (EL 38/3719)

Laverton Area - 100% interest
Lithium Exploration

In the March 2023 quarter, the Company's wholly owned subsidiary AUSBCM Pty Ltd was granted 2 tenements, Barneys EL 38/3718 and Neckersgat EL 38/3719 covering a total area of 275.8 km^2 near Laverton in the Eastern Goldfields of Western Australia (**Figure 45**) by the WA Department of Mines Industry Regulations and Safety (DMIRS).

REVIEW OF OPERATIONS (continued)

The Company has been attending to the required Native Title process to enable the conduct of field work in financial year 2024.

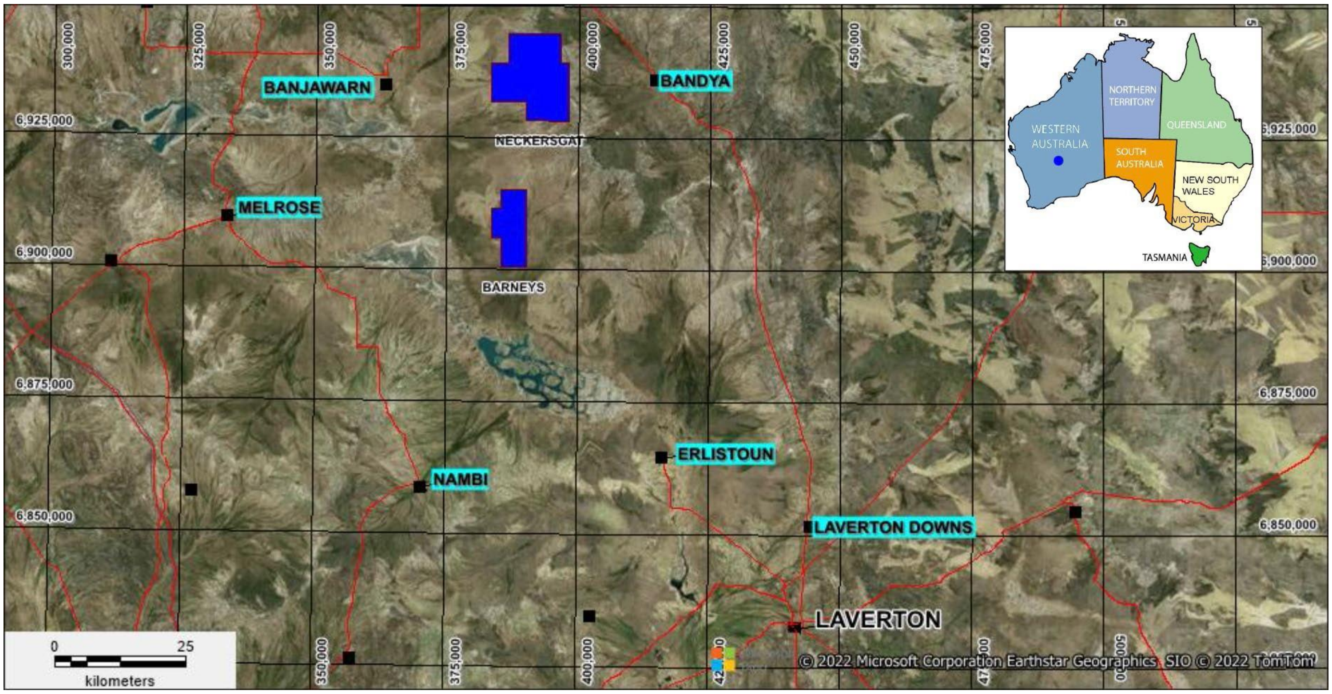

Figure 45: Laverton area applications Barneys and Neckersgat located to the north of Laverton in the Eastern Goldfields of WA

Potential of the areas

Since 2021, the Company has actively reviewed for possible lithium opportunities in Western Australia and has carried out extensive reviews of published geological, geochemical, and geophysical data sets both within the Governments GeoVIEW and the Company's inhouse MapInfo GIS systems. A large database has been assembled comprising whole rock geochemistry which includes lithium assays and detailed interpreted geology across the state. A concentration of pegmatite occurrences was noted to the NW of Laverton that have had very limited sampling focussing on the lithium potential.

REVIEW OF OPERATIONS (continued)

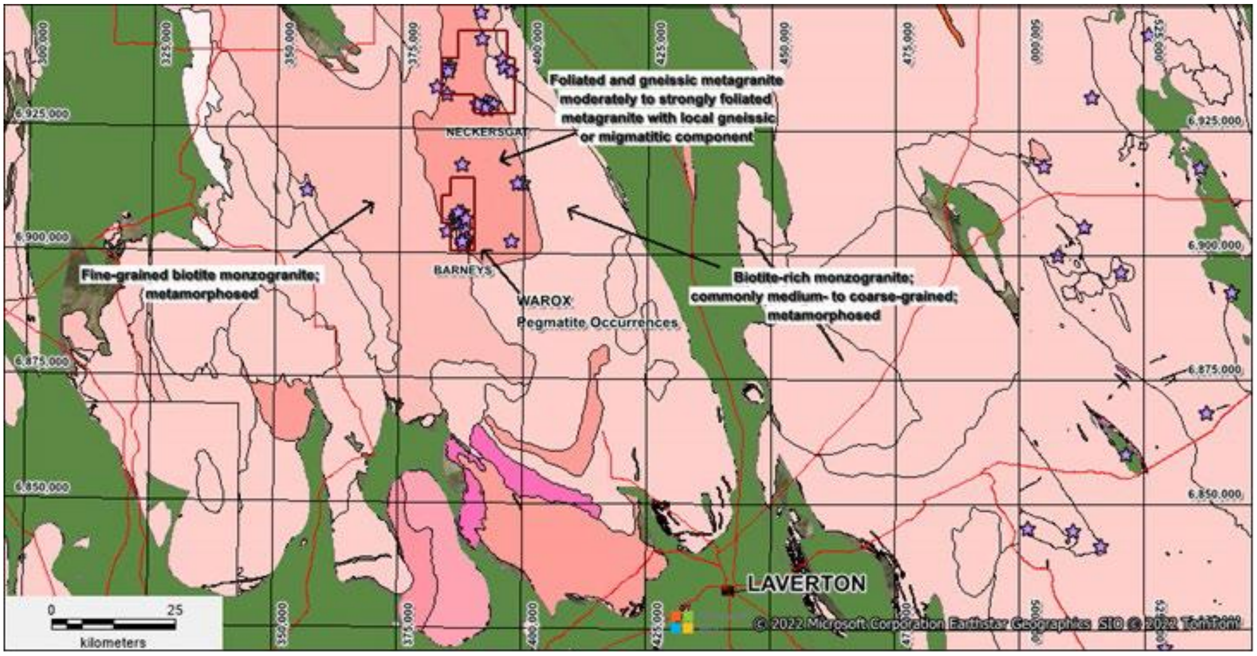

Figure 46: Laverton area applications Barneys and Neckersgat and showing the location of several pegmatites. The pegmatite data is located within the GSWA WAROX data base

The Company believes, given the limited understanding of the nature of these pegmatites, that a focussed exploration is warranted to determine if these pegmatites belong to the LCT (Lithium Caesium Tantalum) variety that is associated with lithium mineralisation currently being mined as several operations within Western Australia.

Regional Geology and Mineralisation

The broad geological setting is Archean Yilgarn Craton granite/greenstone terranes as shown in Figure 30 with the greenstone terrains shown in green and the granites in pink/red. The states, major gold and nickel mines are situated on the greenstone terranes. The lithium operations are located primarily within the greenstone terranes i.e., Wodgina, Pilgangoora etc however the Greenbushes Lithium, the largest in WA is located within the Balingup Metamorphic Belt of the Western Gneiss Terrane, dominated by metamorphosed granitic lithologies in addition to more mafic to ultramafic varieties of igneous rocks as occur at Greenbushes. The NW oriented Donnybrook-Bridgetown shear zone that appears to be associated with the emplacement of the pegmatites at Greenbushes is an ancient structure, characterised by steeply dipping mylonitic textures, horizontal stretching lineations, assymetric folds and evidence of sinistral strike-slip movement. It corresponds to a sequence of sheared gneiss, orthogneiss, amphibolite and migmatite outcrops along the trace of the lineament. A series of syn-tectonic granitoid intrusives also occur within the Balingup Metamorphic Belt, elongated along the Donnybrook-Bridgetown Shear Zone.

Within the Regional Laverton Lithium Project, the dominant lithology is a fine to coarse grained monzogranite flanked by the Duketon Greenstone Belt to the west (**Figure 46**). The lithium occurrences are hosted by strongly foliated and gneissic metagranite with local gneissic or migmatitic (A composite rock found in medium and high-grade metamorphic environments consisting of two or more constituents often layered repetitively with the alternate layer being a pegmatitic or finer granite). The gneissic nature represents a higher metamorphic grade and possibly significant structural component.

Proposed exploration from the 2024 financial year

- Review of all available historic exploration.
- Execute access agreements with land holders and native title parties.
- Digitisation of geochemical and drilling data into the Company's GIS data base.
- Geological/regolith mapping and surficial geochemical sampling.
- Compilation of all geophysical survey data and a lithostructural interpretation.
- RC drill testing of high priority targets that may be identified from the work above.

REVIEW OF OPERATIONS (continued)

LICENCES STATUS

Minerals tenements and applications for tenements held at 30 June 2023 and at date of this report and acquired or disposed of during the year and their locations are as follows:

Tenement	Area Name	Location	Beneficial Interest	Status
EL 8745	Kanbarra	NSW	100%	Expiry on 15 May 2024
EL 8747	Stirling Vale	NSW	100%	Expiry on 24 May 2024
EL 8954	Brungle Creek	NSW	100%	Expiry on 11 March 2026
EL 9220	Enmore	NSW	100%	Expiry on 21 July 2026
EL 9224	Eureka	NSW	100%	Expiry on 21 July 2026
EL 9230	Mt Darling	NSW	100%	Expiry on 21 July 2026
EL 9252	McAlpine	NSW	100%	Expiry on 6 August 2027
EL 6795	Parakie	SA	100%	Grant on 5 July 2022 and expiry on 4 July 2028
EL 6796	Mt Rough	SA	100%	Grant on 5 July 2022 and expiry on 4 July 2028
EL 6797	Kingston	SA	100%	Grant on 5 July 2022 and expiry on 4 July 2028
EL 6807	Wolseley	SA	100%	Grant on 19 July 2022 and expiry on 18 July 2028
ELA 38/3718	Barney	WA	100%	Grant on 17 March 2023 and expiry on 16 March 2028
ELA 38/3719	Neckersgat	WA	100%	Grant on 17 March 2023 and expiry on 16 March 2028

Competent Person Statement
The information in the report above that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Mr Mark Derriman, who is the Group's Consultant Geologist and a member of The Australian Institute of Geoscientists (1566). Mr Mark Derriman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Mark Derriman consents to the inclusion in this report of matters based on his information in the form and context in which it appears.

REVIEW OF OPERATIONS (continued)

Forward-Looking Statement
This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Ausmon Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

CORPORATE AND FINANCIAL

Performance
During the year the Group incurred net losses of $511,377 (2022: losses $370,366 after offsetting net gain on sale of subsidiary of $484,611) which included share-based payments of $124,880 (2022: $134,820) and unrealised gain of $45,000 (2022: unrealised losses $195,000) on fair value fluctuation of the investment in shares of ASX listed Odin Metals Limited ("ODM").

Financial Position
Cash at 30 June 2023 was $77,885 (2022: $410,240) with total current assets being $384,565 (2022: $673,625).

Total assets increased from $2,113,992 at 30 June 2022 to $2,355,458 at balance date mainly as a result of exploration and evaluation expenditure incurred on the Group's licences during the year.

Current liabilities at balance date were $499,316 (2022: $266,580) including Directors' fees payable of $135,200 (2022: $108,000) for the year ended 30 June 2023. Non-current liabilities decreased from $245,095 at 30 June 2022 to $6,666 at balance date due to full repayment of borrowings under loan facility agreement with an unrelated party to finance exploration and operations activities. Total liabilities at balance date were $505,982 (2022: $511,675).

Total equity increased from $1,602,317 at 30 June 2022 to $1,849,476 at 30 June 2023 due mainly to new equity capital raised during the year.

Funding
At the Annual General Meeting held on 25 November 2022 shareholders approved the issue up to 200 million fully paid ordinary shares in accordance with ASX Listing Rule 7.1. In February 2023, the Company raised $246,000 before costs from the issue of 41 million fully paid ordinary shares at $0.006 per share by Share Purchase Plan and raised $402,000 before costs from the issue of 67 million fully paid ordinary shares at $0.006 per share by private placements.

An unrelated company Fort Capital Pty Ltd has provided a loan facility to fund the general working capital of up to $1,150,000 until 1 October 2024. At balance date no amount was drawn down with the total facility amount available for drawdown. To undertake exploration activities while the Group has no revenue producing assets, the Group requires regular injection of equity or loan capital and the level of activities is dictated by the funds that are available. Currently the Group is able to fund its financial commitments as and when they fall due.

Cash Flows

Operating activities resulted in net outflow of $428,869 (2022: outflow $440,882) as the Group is still in the exploration phase with no revenue. Outflow of $268,597 (2022: $155,925) on investing activities was incurred on exploration and evaluation expenditure less cash proceeds from sale of equipment. These outflows were funded from existing cash on hand, equity raising and borrowings.

External Factors and Material Risks on Operations

In addition to risks described elsewhere in this Annual Report (financial and funding described above and in Note 24 to the financial statements) other key risks to which the Group is exposed in its current business and operations are summarised as follows:

Exploration and development	Exploration for minerals is a speculative endeavour and involves a high degree of risk. The Group's projects are at exploration stage and there can be no assurance that exploration of its tenements can result in the discovery of an economic mineral deposit for production in the future.
Title of licences	All Group's licences allow the Group to undertake only exploration on the tenements. Failure to satisfy minimum work commitments under a licence may render the licence liable to be cancelled or not renewed unless successfully renegotiated. There is no guarantee that renewal of a licence when periodically due will be granted.
Environmental	The Group's operations are subject to the environmental laws and regulations which may be subject to change and risks inherent in the mining industry that could subject the Group to extensive expenses and liabilities. In that respect, the Group has not experienced adverse effects on its business during the year.
Land access and Native Title	Access to tenements for exploration activities is subject to certain regulations and restrictions. Negotiations for access are generally required with indigenous parties on Native Title and cultural heritage, if any, and with landowners/occupiers. During the year, the Group has been unable to contact some landowners for access resulting in deferral of some field work but no significant adverse effect has resulted.
General industry risks	• *Key personnel*: The Group's ability to execute its activities depends in retention of key team members to implement the business plan. There have been certain periods when experienced contractors have been unavailable consequently delaying planned field work programs. • *changes in global economic and geopolitical conditions:* The Group's business is dependent on economic conditions including inflation, interest rates, consumer confidence, access to funds and government fiscal, monetary and regulatory policies. The Group has not experienced significant adverse impact on its operations during the year as a result of changes in economic conditions.

REVIEW OF OPERATIONS (continued)

- *health and safety:* The Group's operations expose its personnel and contractors to health and safety risks inherent in minerals exploration that could subject the Group to extensive liability under health and safety laws and regulations. There has been no adverse event in that respect during the year.
- *climatic*: Adverse climatic conditions e.g. rain and floods during the year have restricted access to some tenements and delay exploration activities during the year.
- *Information technology and cyber security*: The Group's information technology systems are protected by security measures but unauthorised third party access to these systems for theft of information or disruption of the operations could adversely impact business performance. There has been no event of security breaches during the year.

STRATEGY AND PROSPECTS FOR FUTURE

The Group proposes to continue its mineral exploration program in Australia and search for new projects in the resources sector. However, no indication as to likely results in the future can be given due to the uncertainties usually associated with exploration activities and new projects. Future financial performance will be driven by success in the exploration for gold, silver, base metals including copper, cobalt, nickel and zinc, rare earth elements and any new projects.

To carry out those above activities the Company will require funding which may be by farmout of interests, borrowings or equity capital. The method of funding will be determined at the appropriate time as part of the Group's capital management in maintaining a capital structure that minimises the cost of capital and benefits all shareholders.

DIRECTORS' REPORT

The Directors present their report on Ausmon Resources Limited ("Company") and its controlled entities ("Group") for the financial year ended 30 June 2023.

DIRECTORS

The names of Directors in office at any time during or since the end of the year are:

Boris Patkin
Non-Executive Chairman

Mr Patkin holds a Bachelor of Science (Industrial Chemistry) with a number of industry qualifications. He worked for the Shell Group from 1973 – 1980 and subsequently operated his own businesses for many years in various industries, including textile, footwear, freight forwarding, property and independent living communities. He is presently an authorised representative at Morgans stockbroking division dealing in generic securities, margin lending and managed investments.

Appointed to the Board: 16 July 2014.
Special responsibilities: Chairman from 16 July 2014.
Current directorship of other listed public companies: Noxopharm Limited.
Former directorship of listed public companies in the last three years: None.
Interest in shares: 45,142,857 ordinary shares in Ausmon Resources Limited.

John Qiang Wang
Managing Director

Mr Wang holds a Bachelor of Computer Science from Shanghai University and a Master of Business Administration from the University of Technology, Sydney. He is a Justice of the Peace with more than 20 years' experience in the accounting profession in Australia. He is a Fellow Member of the Taxation Institute of Australia, a member of National Institute of Accountants and an affiliate member of the Financial Planner Association of Australia.

Appointed to the Board: 26 November 2008 on incorporation.
Special responsibilities: Managing Director from 16 July 2014 and CFO/secretary until 25 October 2017
Current directorship of other listed public companies: None.
Former directorship of listed public companies in the last three years: None.
Interest in shares: 47,327,859 ordinary shares in Ausmon Resources Limited.

Eric W Y M Sam Yue
Director – Executive

Mr Sam Yue holds a Bachelor of Science in Economics and is a Chartered Accountant with international experience in both public accounting and commerce. His financial management and corporate experience span over 25 years in senior financial executive positions in professional services, shipping, mining and oil and gas companies in Australia and New Zealand in private and ASX listed companies.

Appointed to the Board: 25 October 2017.
Special responsibilities: Chief Financial Officer and company secretary.
Current directorship of other listed public companies: None.
Former directorship of listed public companies in the last three years: None.
Interest in shares: 52,004,857 ordinary shares in Ausmon Resources Limited

DIRECTORS' REPORT (continued)

COMPANY SECRETARY

Mr Eric W Y M Sam Yue is the Company Secretary of the Company and is also an Executive Director.

PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year consisted of carrying out exploration in minerals tenements with a focus on gold, silver, base metals including copper, cobalt, nickel and zinc, rare earth elements and also seeking new projects.

OPERATING RESULTS

The loss of the Group after income tax for the year was $511,377 (2022: $370,366).

FINANCIAL POSITION

Total equity of the Group at 30 June 2023 was $1,849,476 (2022: $1,602,317). Total assets increased by $241,466 to $2,355,458 and total liabilities decreased from $511,675 to $505,982 with cash and cash equivalents of $77,885 (2022: $410,240), non-current borrowings of nil (2022: 240,000) and non-current provisions of $6,666 (2022: $5,095).

DIVIDENDS

No dividends have been paid or declared by the Company since the beginning of the year.

STATE OF AFFAIRS

The following significant changes in the state of affairs of the Company occurred during the financial year:

(a) In February 2023, issue of 41,000,000 fully paid ordinary shares at $0.006 per share under Share Purchase Plan raising $246,000 before costs for funding exploration and working capital;

(b) In February 2023, Issue of 67,000,000 fully paid ordinary shares at $0.006 per share under private placement raising $402,000 before costs for funding exploration and working capital;

(c) Details of exploration activities undertaken are included in the Review of Operations.

REVIEW OF OPERATIONS AND LIKELY DEVELOPMENTS

A Review of Operations for the financial year, together with future prospects, is set out on pages 3 to 44.

During the subsequent financial year the likely developments of the Group will involve continuation of exploration in its tenements to define mineral resources and assessment of new ventures. Except as described elsewhere in this Annual Report, the likely results of the exploration activities are unknown at the date of this report.

Successful results from exploration within the exploration licences held by the Group would increase the value of the licences and attract joint venture partners to participate in their further exploration, appraisal and development.

DIRECTORS' REPORT (continued)

ENVIRONMENTAL ISSUES

The Group's operations are subject to significant environmental and other regulations under the laws of the Commonwealth and State. The Group has a policy of engaging appropriately experienced contractors and consultants to advise on and ensure compliance with environmental regulations in respect of its exploration activities. There have been no reports of breaches of environmental regulations in the financial year and at the date of this report.

AFTER BALANCE DATE EVENTS

In the opinion of the Directors, no items, transactions or events of a material or unusual nature have arisen in the interval between the end of the financial year and the date of this report which have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

REMUNERATION REPORT (AUDITED)

Details of the nature and amount of remuneration for each key management personnel of Ausmon Resources Limited are set out below.

Remuneration Policy and Practices

The Group's policy for determining the nature and amount of remuneration of Board members and senior executives is as follows:

(i) Directors

The Board's policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities with annual reviews based on market practices.

The maximum aggregate annual remuneration of Non-Executive Directors is subject to approval by the shareholders in general meeting. The Company had determined the maximum aggregate amount at $500,000 per year.

As the Directors continued to discharge their duties and work for the future development of the Group, it was considered appropriate for them to be remunerated. The Board resolved to remunerate Directors B Patkin, J Wang and E Sam Yue director fees for directorship functions for the period from July 2022 to June 2023 in the total amount of $113,400 (2022: total amount $108,000). Director fees of $37,800 for each of the three Directors for the 12 months to June 2023 remained unpaid at balance date. Fees for executive functions continue to be remunerated on time cost basis.

(ii) Key Management Personnel

The remuneration structure for senior executives, including Executive Directors, is based on a number of factors, including qualifications, particular experience and general past performance of the individual concerned, overall performance of the Group and general human resources market pricing. There is no predetermined equity compensation element within the remuneration structure nor predetermined performance condition to be satisfied. Remuneration including equity compensation is reviewed on an annual basis with advice from external remuneration advisers as may be required. There are contracts for service between the Company and Directors currently in place, other than executive positions held by Directors, which may be terminable by the Company by giving one month's notice or by payment of one month's fees in lieu of notice.

DIRECTORS' REPORT (continued)

The Board determines payments to Non-Executive and Executive Directors and other key management personnel. The Board had resolved to pay fees to existing Directors for directorship and executive functions. Fees for executive functions continue to be remunerated on time cost basis. Non-executive Directors are remunerated at the rate of $1,000 per day when performing services that are not the normal duties of non-executive directors.

Company performance, shareholder wealth and Director and executive remuneration

The remuneration policy at this early stage of the Group has been tailored for goal congruence between shareholders, Directors and executives.

Use of remuneration consultants

No remuneration consultants were used during the year.

Voting and comments made at the Company's 2022 Annual General Meeting (AGM)

The company received 100% of "yes" votes on its prior year remuneration report. The Company did not receive any specific feedback at the annual general meeting on its remuneration report.

Employee Incentive Plan (EIP)

The Company has established an Ausmon Resources Limited Employee Incentive Plan under which the Directors may offer options and ordinary shares in the Company to eligible persons. The Directors may also offer non-recourse interest free loans for terms of up to 5 years under the plan for subscription of shares and under such loans the Company holds a lien over the issued shares. The options are issued free at grant. The shares may not be subscribed for less than the market value of the shares at the time an offer is made under the plan. The maximum total number of options and shares that may be offered or issued under the plan may not exceed 20% of the issued shares of the Company.

The shares issued under the plan rank pari passu with other issued ordinary shares and are not listed while there are loans outstanding on the subscription of the shares. Executives and consultants participate in the Ausmon Resources Limited Employee Incentive Plan at the invitation of the Board after a review of performance. Directors may participate in the Plan subject to approval of shareholders.

24,500,000 shares were granted under the plan during the financial year (2022:21,400,000) and vested on grant date, including 18,000,000 shares granted to Directors which were approved by shareholders at the AGM held on 25 November 2022.

DIRECTORS' REPORT (continued)

Key management personnel remuneration

The key management personnel of the Group during the year were the Directors B Patkin, J Q Wang, and E Sam Yue.

The following table show details of the remuneration of each Director and key management personnel for the year ended 30 June 2023:

	Short-term employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Share-based payments[3]	
	Cash salary and fees $	Super-annuation $	Long service leave $	$	EIP shares $	Total $
2023						
Directors						
B Patkin	37,800[1]	-	-	-	30,360	68,160
E Sam Yue	103,141[1,2]	6,959	-	-	30,360	140,460
J Q Wang	37,800[1]	-	-	-	30,360	68,160
	178,741	6,959	-	-	91,080	276,780

[1] Director fee of $37,800 for each Director for the year ended 30 June 2023 and not yet paid at balance date.
[2] Included $65,341 for managing fees of which $21,800 was not yet paid at balance date.
[3]Equity-settled approved by shareholders at Annual General Meeting held on 25 November 2022.

	Short-term employee benefits	Post employment benefits	Other long term benefits	Termination benefits	Share-based payments[3]	
	Cash salary and fees $	Super-annuation $	Long service leave $	$	EIP shares $	Total $
2022						
Directors						
B Patkin	36,000[1]	-	-	-	31,500	67,500
E Sam Yue	101,111[1,2]	6,529	-	-	31,500	139,140
J Q Wang	36,000[1]	-	-	-	31,500	67,500
	173,111	6,529	-	-	94,500	274,140

[1] Director fee of $36,000 for each Director for the year ended 30 June 2022 and not yet paid at balance date.
[2] Included $65,111 for managing fees of which $3,960 was not yet paid at balance date.
[3]Equity-settled approved by shareholders at Annual General Meeting held on 15 November 2021.

None of the remuneration was performance based. EIP shares issued during the year vested on grant date.

DIRECTORS' REPORT (continued)

Shares held by Key Management Personnel (KMP)

The number of ordinary shares in the Company held by each of the Group's Key Management Personnel, including their related parties, is set out below:

	Balance at start of year	Granted as remuneration[4]	Other changes[5]	Balance at end of year
Year ended 30 June 2023				
B Patkin[1]	34,142,857	6,000,000	5,000,000	45,142,857
J Q Wang[2]	36,327,859	6,000,000	5,000,000	47,327,859
E Sam Yue[3]	41,004,857	6,000,000	5,000,000	52,004,857
	111,475,573	18,000,000	15,000,000	144,475,573

[1] 5,000,000 shares are registered in the name of Snowy Plains Pty Ltd of which Director B Patkin is the sole director and sole shareholder..
[2] 6,510,000 shares are registered in the name of John Wang & Co Pty Ltd (J Q Wang is a director and controller) and 2,800,000 shares are registered in the name of John Wang & Co Pty Ltd <JM Wang Family Trust> of which J Q Wang is a director and beneficiary.
[3] 36,004,857 shares are registered in the name of Vesway Pty Ltd <ESVSY Super Fund A/c> of which Director E Sam Yue is a director and beneficiary.
[4] EIP shares approved by shareholders at Annual General Meeting held on 25 November 2022 and vested on grant date.
[5] Acquisition under Share Purchase Plan in February 2023.

	Balance at start of year	Granted as remuneration[4]	Other changes	Balance at end of year
Year ended 30 June 2022				
B Patkin[1]	29,142,857	5,000,000	-	34,142,857
J Q Wang[2]	31,327,859	5,000,000	-	36,327,859
E Sam Yue[3]	36,004,857	5,000,000	-	41,004,857
	96,475,573	15,000,000	-	111,475,573

[1] 5,000,000 shares are registered in the name of Snowy Plains Pty Ltd of which Director B Patkin is the sole director and sole shareholder..
[2] 6,510,000 shares are registered in the name of John Wang & Co Pty Ltd (J Q Wang is a director and controller) and 2,800,000 shares are registered in the name of John Wang & Co Pty Ltd <JM Wang Family Trust> of which J Q Wang is a director and beneficiary.
[3] 31,004,857 shares are registered in the name of Vesway Pty Ltd <ESVSY Super Fund A/c> of which Director E Sam Yue is a director and beneficiary
[4] EIP shares approved by shareholders at Annual General Meeting held on 15 November 2021 and vested on grant date.

DIRECTORS' REPORT (continued)

Loans to Directors

There are no outstanding loans to Directors and no loans have been granted during the year, other than non-recourse loans structured under the Employee Incentive Plan (EIP). At balance date, the EIP non-recourse loans to Directors approved by shareholders were as follows:

Director	Loan expiry date	EIP shares[1]	2023 $	2022 $
B Patkin	10 December 2025	5,000,000	37,500	37,500
	15 November 2026	5,000,000	37,500	37,500
	24 November 2027	6,000,000	45,000	-
		16,000,000	120,000	75,000
J Q Wang	10 December 2025	5,000,000	37,500	37,500
	15 November 2026	5,000,000	37,500	37,500
	24 November 2027	6,000,000	45,000	-
		16,000,000	120,000	75,000
E Sam Yue	10 December 2025	5,000,000	37,500	37,500
	15 November 2026	5,000,000	37,500	37,500
	24 November 2027	6,000,000	45,000	-
		16,000,000	120,000	75,000

[1]The EIP shares are included in the number of shares in the above table of Shares held by KMP.

Other transactions with Key Management Personnel

	2023 $	2022 $
Paid to Australian MBA Accountants an entity controlled by Director J Q Wang		
- Office rental	10,660	10,400
- Professional services	1,049	1,046
	11,709	11,446

End of audited remuneration report.

SHARE OPTIONS

There are no share options issued during the year or on issue at the date of this report.

DIRECTORS' REPORT (continued)

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2023, and the number of meetings attended by each Director:

	Directors' meetings	
	Number eligible to attend	**Number attended**
B Patkin	3	3
J Q Wang	3	3
E Sam Yue	3	3

During the year, Board business was also effected by execution of circulated resolutions.

Because of the small size of the Board, no separate sub-committees of the Board have operated and all matters were dealt with in the Directors' meetings or by circulated resolutions.

INDEMNIFICATION OF OFFICERS OR AUDITORS

During the financial year, the Group paid a premium in respect of a contract ensuring the directors and officers of the Group against a liability incurred as such a director or officer to the extent permitted by the Corporations Act. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify a former officer or auditor of the Group against a liability incurred as such an officer or auditor.

PROCEEDINGS

During the financial year and in the interval between the end of the financial year and the date of this report, the Group has made no application of leave under section 237 of the Corporations Act 2001.

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

NON-AUDIT SERVICES

No non-audit services were provided by the auditor during the year ended 30 June 2023.

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with section 307C of the Corporations Act 2001 the auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 54 of the Annual Report and forms part of this report.

DIRECTORS' REPORT (continued)

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

John Wang
Director
Dated this 21st day of August 2023

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21 August 2023

Board of Directors
Ausmon Resources Limited
World Tower
Suite 1312
87-89 Liverpool Street
Sydney NSW 2000

Dear Directors

RE: AUSMON RESCOURCES LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Ausmon Resources Limited.

As Audit Director for the audit of the financial statements of Ausmon Resources Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

SAMIR TIRODKAR
Director

CORPORATE GOVERNANCE

The Board is committed to achieving and demonstrating a high standard of corporate governance. As such, Ausmon Resources Limited and its controlled entites (‘the Group’) have adopted a corporate governance framework and practices to ensure they meet the interests of shareholders.

The ASX Corporate Governance Council has published the Corporate Governance Principles and Recommendations – 4th edition which takes effect for a listed entity’s first full financial year commencing on or after 1 January 2020. The Group has adopted the 4th edition from 1 July 2020.

The Group has chosen to publish its Corporate Governance Statement on its website rather than in this Annual Report. The Corporate Governance Statement and governance policies and practices can be found in the corporate governance section of the Company’s website at http://www.ausmonresources.com.au.

The Group’s Corporate Governance Statement incorporates the disclosures required by the ASX Principles under the headings of the eight core principles. All of these practices, unless otherwise stated, were in place for the full reporting period.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 30 June 2023

	Note	2023	2022
		$	$
Revenue			
Interest and other income	5	70,317	291,632
Expenses			
Employee benefits expense		(44,733)	(45,135)
Directors and management fees		(174,300)	(164,340)
Finance costs		(27,646)	(19,062)
Share-based payments	7	(124,880)	(134,820)
Projects evaluation		(37,615)	(53,073)
Other expenses	6	(172,520)	(245,568)
Loss before income tax expense		(511,377)	(370,366)
Income tax expense	8	-	-
Net loss from continuing operations		(511,377)	(370,366)
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(511,377)	(370,366)
Loss attributable to:			
- members of the Parent Entity		(511,377)	(370,366)
Total comprehensive income (loss) attributable to:			
- members of the Parent Entity		(511,377)	(370,366)
Loss per share			
Basic and diluted loss per share	21	(0.05 cents)	(0.04 cents)

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Note	2023 $	2022 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	77,885	410,240
Trade and other receivables	10	21,503	12,995
Financial assets	12	240,000	195,000
Other assets	11	45,177	55,390
TOTAL CURRENT ASSETS		384,565	673,625
NON-CURRENT ASSETS			
Financial assets	12	70,000	70,000
Exploration and evaluation expenditure	13	1,900,893	1,370,367
TOTAL NON-CURRENT ASSETS		1,970,893	1,440,367
TOTAL ASSETS		2,355,458	2,113,992
CURRENT LIABILITIES			
Trade and other payables	14	499,316	266,580
TOTAL CURRENT LIABILITIES		499,316	266,580
NON-CURRENT LIABILITIES			
Borrowings	16	-	240,000
Provisions	15	6,666	5,095
TOTAL NON-CURRENT LIABILITIES		6,666	245,095
TOTAL LIABILITIES		505,982	511,675
NET ASSETS		1,849,476	1,602,317
EQUITY			
Issued capital	17	15,649,281	15,015,625
Reserves	18	869,910	745,030
Accumulated losses		(14,669,715)	(14,158,338)
TOTAL EQUITY		1,849,476	1,602,317

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2023

	Issued capital $	Option reserve $	Accumulated losses $	Total $
Balance at 01 July 2021	14,160,010	610,210	(13,787,972)	982,248
Total comprehensive loss for the year	-	-	(370,366)	(370,366)
Transactions with owners in their capacity as owners:				
Issue of share capital	855,615	-	-	855,615
Employee incentive plan	-	134,820	-	134,820
Balance at 30 June 2022	15,015,625	745,030	(14,158,338)	1,602,317
Balance at 01 July 2022	15,015,625	745,030	(14,158,338)	1,602,317
Total comprehensive loss for the year	-	-	(511,377)	(511,377)
Transactions with owners in their capacity as owners:				
Issue of share capital	648,000	-	-	648,000
Transaction costs	(14,344)			(14,344)
Employee incentive plan	-	124,880	-	124,880
Balance at 30 June 2023	15,649,281	869,910	(14,669,715)	1,849,476

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2023

	Note	2023 $	2022 $
CASH FLOW FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(429,984)	(440,904)
Interest received		1,115	22
Net cash used in operating activities	22(b)	(428,869)	(440,882)
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation expenditure		(293,959)	(263,285)
Proceeds from sale of subsidiary		-	97,360
Proceeds from disposal of property, plant and equipment		25,362	-
Proceeds from refund of security deposits		-	10,000
Net cash used in investing activities		(268,597)	(155,925)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		648,000	713,415
Proceeds from repayment of loans on EIP share	17(a)	-	141,500
Proceeds from sale of treasury shares	17(a)	-	700
Capital raising costs		(14,344)	-
Proceeds from borrowings		70,000	415,000
Repayment of borrowings		(310,000)	(300,000)
Borrowing costs		(28,545)	(18,163)
Net cash inflow from financing activities		365,111	952,452
Net (decrease)/ increase in cash and cash equivalents		(332,355)	355,645
Cash and cash equivalents at beginning of year		410,240	54,595
Cash and cash equivalents at end of year	22(a)	77,885	410,240

These financial statements should be read in conjunction with the accompanying notes.

Notes to the Financial Statements for the Year Ended 30 June 2023

Note 1 – Nature of operations

Ausmon Resources Limited and its subsidiaries' ('the Group') principal activities consisted of carrying out exploration in minerals tenements with a focus on gold, silver, base metals including copper, cobalt, nickel and zinc and rare earth elements.

Note 2 – General information and statement of compliance

The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Ausmon Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

Ausmon Resources Limited is the Group's ultimate Parent Company. Ausmon Resources Limited is a public company incorporated and domiciled in Australia. The address of its registered office and its principal place of business is World Tower, Suite 1312, 87-89 Liverpool Street, Sydney NSW 2000.

The consolidated financial statements for the year ended 30 June 2023 were approved and authorised for issue by the board of Directors on 21 August 2023.

Note 3 – New accounting standards and interpretations

Certain new accounting standards and interpretation that have recently been issued or amended but are not yet effective have not been adopted early by the Group. Those which may be relevant to the Group are set out below but they are not expected to have any significant impact on the Group's financial statements:

New or revised pronouncement	**Nature of change**	**Effective for annual reporting periods beginning on or after**	**Likely impact on initial application**
AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as current or Non-current	Makes amendments to AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current.	1 January 2023	When these amendments are first adopted for the year ending 30 June 2024, there will be no material impact on the financial statements.
AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards	AASB 2022-7 makes editorial corrections to six Standards and to Practice Statement 2 Making Materiality Judgements. It also formally repeals superseded and redundant Australian Account Standards as set out in Schedules 1 and 2 to the Standard	1 January 2023	When these amendments are first adopted for the year ending 30 June 2024, there will be no material impact on the financial statements.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

AASB 2021-2 Amendments to Australian Accounting Standards –Disclosure of Accounting Policies and Definition of Accounting Estimates	AASB 2021-2 amends the following Australian Accounting Standards: -AASB 7 Financial instruments: Disclosures (August 2015); -AASB 101 Presentation of Financial Statements (July 2015); -AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors (August 2015); -AASB 134 Interim Financial Reporting (August 2015). The standard also makes amendments to AASB Practice Statement 2 Making Materiality Judgements (December 2017).	1 January 2023	When these amendments are first adopted for the year ending 30 June 2024, there will be no material impact on the financial statements.

Note 4 – Summary of accounting policies

(a) Overall considerations

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarized below.

(b) Basis of consolidation

The Group financial statements consolidated those of the Parent Company and its subsidiaries as of 30 June 2023. The Parent Company controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The subsidiaries in the Group have a reporting date of 30 June.

Details of the subsidiaries (controlled entities) are contained in Note 25 to the financial statements.

All inter-company balances and transactions between entities in the Group, including unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the Parent Company.

Non-controlling interests, being that portion of the profit or loss and net assets of subsidiaries attributable to equity interests held by persons outside the Group, are shown separately within the equity section of the consolidated statement of financial position and in the consolidated statement of profit or loss and other comprehensive income.

Business combinations occur where control over another business is obtained and results in the consolidation of its assets and liabilities. All business combinations, including those involving entities under common control, are accounted for by applying the purchase method. The purchase method requires an acquirer of the business to be identified and for the cost of the acquisition and fair values of identifiable assets, liabilities and contingent liabilities to be determined as at acquisition date, being the date that control is obtained. Cost is determined as the aggregate of fair values of

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

assets given, equity issued and liabilities assumed in exchange for control together with costs directly attributable to the business combination. Any deferred consideration payable is discounted to present value using the entity's incremental borrowing rate.

Goodwill is recognised initially as the excess of cost over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If the fair value of the acquirer's interest is greater than cost, the surplus is immediately recognised in profit or loss after the fair value of the acquired assets and liabilities have been reassessed.

The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling's proportion of the net fair value of the assets liabilities and contingent liabilities recognised.

(c) Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to pay its debts as and when they become due and payable. At balance date the Group had current assets of $384,565 including total cash of $77,885 and ASX listed shares at market value of $240,000, and current liabilities of $499,316 and had incurred a net loss of $511,377 in the year. In addition, the Group has an unfulfilled expenditure requirement under its exploration licences of $248,000 for the next 12 months at balance date.

The Group is planning exploration activities on its licences and has budgeted for those amounts that the financial position of the Group allows. Consistent with the nature of the Group's activities, it will require funding which may be by farmout of interests, borrowings or new equity capital. The Company has an agreement with an unrelated company for an unsecured loan facility of $1,150,000 available until 1 October 2024 to fund general working capital. At balance date, the total amount of the facility was available for drawdown as required.

The Directors have reviewed the cash flow forecast for the next twelve months including consideration of the unfulfilled expenditure requirement and other committed expenses and have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. If for any reason, the Group is unable to continue as a going concern, then this could have an impact on the Group's ability to realise assets at their recognised values and to extinguish liabilities in the normal course of business at the amounts stated in the consolidated financial statements.

(d) Income tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current and deferred income tax expense (income) is charged or credited directly to other comprehensive income instead of the profit or loss when the tax relates to items that are credited or charged directly to other comprehensive income.

Current tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.
Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.
Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(e) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

Interest revenue is recognised as interest accrues using the effective interest method.

(f) Cash and cash equivalents

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

(g) Receivables

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

Receivables represent the principal amounts due at balance date plus accrued interest and less, where applicable, any unearned income and allowance for doubtful accounts.

(h) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest, and carried forward in the statement of financial position where:

(i) rights to tenure of the area of interest are current; and

(ii) one of the following conditions is met:

> (i) such costs are expected to be recouped through successful development and exploitation of the area of interest or by its sale; or
> (ii) exploration and/or evaluation activities in the area of interest have not at balance date yet reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas are continuing.

Indirect costs relating to exploration and evaluation in areas of interest are capitalised in the period they are incurred. 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. Accumulated expenditure on areas which have been abandoned, or are considered to be of no value, is written off in the year in which such a decision is made.

(i) Provisions

Employee benefits

Liabilities for unpaid wages and salaries are recognised in other creditors. Current entitlements to annual leave and accumulating sick leave accrued for services up to the reporting date are recognised in the provision for employee benefits and are measured at the amount expected to be paid. Entitlements to non-accumulated sick leave are recognised when the leave is taken.

The current liability for long service leave (for which settlement within 12 months of the reporting date cannot be deferred) is recognised in the current provision for employee benefits and is measured in accordance with annual leave described above. The non-current liability for long service leave is recognised in the non-current provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

(j) Critical accounting estimates and judgments

The Directors evaluates estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and internally. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key estimates

(i) Impairment

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are dependent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at each reporting date and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior year. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value. Impairment of goodwill is not reversed.

When the Group does not intend to renew a licence expiring subsequent to balance date or is not planning substantive exploration expenditure within the licence having regards to its perceived prospectivity, it impairs the deferred exploration expenditure at balance date.

The Directors have reviewed the carrying value of exploration and evaluation expenditure at the balance date and, based on the above policies and in accordance with the requirements of *AASB 6 – Exploration for and Evaluation of Mineral Resources*, no impairment has been recognised during the year.

(ii) Restoration, rehabilitation and environmental protection expenditure

Where applicable, a provision for material restoration obligations is recognised for exploration licences. The amount recognised includes costs of reclamation and site rehabilitation after taking into account restoration works which are carried out during exploration. The provision for restoration costs are determined from an estimate of future costs and are capitalised as exploration expenditure.

If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and, where appropriate, the risks specific to the liability.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Management has reassessed and no provision for restoration is required as any disturbance during the field exploration work has been recognised as part of exploration and evaluation expenditure.

(iii) Share-based payments

The fair value of shares issued under the Employee Incentive Plan (EIP) is measured at grant date and is determined using the Black-Scholes option pricing model that takes into account the term of the EIP shares, the exercise price, the share price at grant date and the expected volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the EIP shares.

Fees for services rendered by Directors and suppliers may also be settled by the issue of shares in the Company. The fair value of the services received is measured by reference to the fair value of the equity instruments granted.

(k) Foreign currency transactions and balances

Functional and presentation currency

The Group's financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions during the year are translated into functional currency using the rates of exchange prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined. Exchange differences arising on the translation of monetary items are recognised in the income statement.

(l) Accounts payable

Accounts payable represent the principal amounts outstanding at balance date plus, where applicable, any accrued interest.

(m) Equity-settled compensation

The Company operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black–Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

(n) Financial Instruments

(i) *Initial recognition and measurement*

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

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

Financial instruments (except for trade receivables) 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. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

(ii) *Classification and subsequent measurement*

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates;

- the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Group initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;

- it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading and not a contingent consideration recognised by an acquirer in a business combination to which AASB 3:*Business Combinations* applies, the Group made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Group's accounting policy.

Financial liabilities

Financial instruments are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: *Business Combinations* applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- it is incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in a effective hedging relationships).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship are recognised in profit or loss.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and are not subsequently reclassified to profit or loss. Instead, they are transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (ie the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(o) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expenses. Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

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

(p) Earnings per share

Basic earnings/(loss) per share is determined by dividing the operating protif/(loss) after income tax attributable to members of the Company by the weighted average number of ordinary shares outstanding during the financial year.

When the Group has an operating loss after income tax and the conversion of ordinary share capital in respect of potential ordinary shares does not lead to a diluted earnings per share that shows an inferior view of the earnings performance of the Group, than is shown by basic loss per share, the diluted loss per share is reported as the same as basic earnings per share.

(q) Segment reporting

Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker which, for the Group, is the Board of Directors. In this regard, such information may be provided using different measures to those used in preparing the Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position. Reconciliations of such management information to the statutory information contained in the financial statements have been included, where applicable.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

(r) Parent Entity financial information

The financial information for the Parent Entity, Ausmon Resources Limited, disclosed in Note 26 has been prepared on the same basis as the consolidated financial statements.

(s) Comparative information

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

	2023 $	2022 $
Note 5 – Interest and other income		
Interest	1,115	21
Gain on sale of exploration equipment	24,202	-
Fair value gain/(loss) on financial assets through profit or loss (Note 12)	45,000	(195,000)
Gain on sale of subsidiary	-	484,611
Other income	-	2,000
	70,317	291.632

Note 6 – Other expenses

Audit fees	34,085	32,890
Consulting and professional fees	42,169	120,622
Listing expenses	35,299	29,606
Operating leases	10,960	10,400
Registry expenses	13,837	18,199
Insurance	22,148	18,220
Other	14,022	15,631
	172,520	245,568

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

Note 7 – Share-based payments

The model inputs for assessing the fair value of EIP shares issued during the year, which vested on grant date, applying the Black-Scholes Option Pricing model, were as follows:

2023

Description	Number issued	Grant date	Share price at grant date	Exercise price	Life assump-tion	Risk free rate	Expected price volatility	Value of each EIP share	Share-based payments
			$	$				$	$
EIP shares	6,5000,000	28/10/22	0.006	0.0075	5 years	3.43%	134.8%	0.00520	33,800
	18,000,000[1]	25/11/22	0.006	0.0075	5 years	3.37%	127.8%	0.00506	91,080[1]
	24,500,000								124,880

[1]EIP shares issued to Directors and approved by shareholders on 25 November 2022. All EIP shares granted vested on grant date.

2022

Description	Number issued	Grant date	Share price at grant date	Exercise price	Life assump-tion	Risk free rate	Expected price volatility	Value of each EIP share	Share-based payments
			$	$				$	$
EIP shares	6,400,000	18/10/21	0.007	0.0075	5 years	1.00%	149%	0.00630	40,320
	15,000,000[1]	15/11/21	0.007	0.0075	5 years	1.39%	148%	0.00630	94,500[1]
	21,400,000								134,820

[1]EIP shares issued to KMP and approved by shareholders on 15 November 2021. All EIP shares granted vested on grant date.

Note 8 - Income tax

	2023 $	2022 $
The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Loss before income tax expense	(511,377)	(370,366)
Prima facie tax benefit on the loss from ordinary activities calculated at 25% (2022:30%)	(127,844)	(111,110)
Tax effect of:		
Non-temporary differences	31,220	(21,249)
Equity capital raising costs debited to equity	(3,149)	(6,475)
Temporary differences and tax losses not recognised	99,773	138,834
Income tax expense	-	-

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

	2023 $	2022 $
Tax losses		
Unused tax losses for which no tax loss has been recognised as a deferred tax asset adjusted for non-temporary differences at 25% (2022:30%)	3,783,897	4,475,947

The taxation benefits will only be obtained if:

(i) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for the loss to be realised;

(ii) the Group continues to comply with the conditions for deductibility imposed by law; and

(iii) no changes in tax legislation adversely affect the Group in realising the benefits from the deductions for the loss.

The Group tax consolidated in Australia from December 2009. There are presently no tax sharing of funding agreements in place. The Parent Entity and each of the tax subsidiaries are in tax loss for the year and have substantial tax losses carried forward.

The Directors are of the view that there is insufficient probability that the Parent Entity and its subsidiaries will derive sufficient income in the foreseeable future to justify booking the tax losses and temporary differences as deferred tax assets and deferred tax liabilities.

Note 9 – Cash and cash equivalents

Cash at bank and in hand	77,885	410,240

Note 10 – Trade and other receivables

Current		
Other receivables	21,503	12,995

Allowance for impairment loss

The Group does not have trade receivables. Other receivables are non-interest bearing and are generally on 30 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual receivable is impaired. No impairment has been recognised by the Group in the current period. No receivables are past due.

(a) Fair value and credit risk

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security, nor is it the Group's policy to transfer (on-sell) receivables to special purpose entities.

(b) Interest rate risk

Detail regarding interest rate risk exposure is disclosed in Note 24.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

	2023	2022
	$	$
Note 11 – Other assets		
Current		
Prepayments	45,177	55,390

Note 12 – Financial assets

	2023	2022
Current		
Financial assets measured at fair value through profit or loss:		
15,000,000 shares in ASX listed Odin Metals Ltd ("ODM") at opening balance	195,000	390,000
Fair value gain/(loss) through profit or loss	45,000	(195,000)
Fair value at market price on balance date	240,000	195,000

On 17 August 2023, the fair value of the ODM shares was $315,000.

	2023	2022
Non-current		
Security deposits for exploration licences held	70,000	70,000

Note 13 – Exploration and evaluation expenditure

	2023	2022
Exploration areas of interest at cost	1,900,893	1,370,367
Movements during the year:		
Exploration areas :		
Balance at beginning of year	1,370,367	1,151,269
Additions at cost	530,526	219,098
Impairment	-	-
Balance at end of year	1,900,893	1,370,367

Exploration and evaluation expenditures are capitalised in respect of each identifiable area of interest. Ultimate recoupment of the carrying value of the exploration areas is dependent on successful development and commercial exploitation, or alternatively sale of the respective areas of interest. The areas of interest are exploration licences held by the Group detailed in the Licences Status on page 41.

Impairment indicators in *AASB 6 – Exploration for and Evaluation of Mineral Resources* are considered on a project by project basis at each balance date and impairment is recognised under its requirements. No impairment has been recognised during the year.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

	2023	2022
	$	$
Note 14 – Trade and other payables		
Current		
Trade and other payables[1]	499,316	266,580

[1] $145,155 including GST (2022: $122,138) payable to Directors for director fees, managing fees and superannuation.

	2023	2022
Note 15 – Provisions		
Non-Current		
Provision for long service leave	6,666	5,095
Note 16 – Borrowings		
Non-current		
Borrowings[1]	-	240,000

[1]An unrelated company Fort Capital Pty Ltd provided a loan facility to fund the general working capital of up to $1,150,000 until 01 October 2024. The funds advanced are unsecured and bear interest at 8% per annum during the year. The interest rate has been increased to 11% per annum effective from 30 June 2023. The outstanding loan amount is to be repaid in priority to any accounts payable or other loans within 5 business days of receipt of proceeds from an equity capital raising by the Company. At balance date, the total amount of the facility was available for drawdown as required.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

Note 17 – Issued capital

	2023	2022
	$	$
1,033,589,343 (2022: 901,089,343) fully paid ordinary shares	15,649,281	15,015,625

	2023		2022	
	Number	$	Number	$
(a) Fully Paid Ordinary shares				
Balance at beginning of year	901,089,343	15,015,625	753,159,343	14,160,010
Shares issued during the year:				
- Share Purchase Plan at $0.0060 per share	41,000,000	246,000	-	-
- Share Placement at $0.0060 per share	67,000,000	402,000	-	-
- Share Placement at $0.0055 per share			91,530,000	503,415
- Share Placement at $0.0060 per share			35,000,000	210,000
- Repayment of EIP loans at $0.0070 per share	-	-	-	119,000
- Repayment of EIP loans at $0.0075 per share	-	-	-	22,500
- Proceed from sale of treasury shares[1]	-	-	-	700
- Shares Issued under EIP	24,500,000	-	21,400,000	-
Transaction costs	-	(14,344)	-	-
Balance at end of year	1,033,589,343	15,649,281	901,089,343	15,015,625

[1] Treasury shares are EIP shares surrendered to the Company and are owned by the Company until disposal.

The total capital raised was used for exploration, investigation of new ventures and for general working capital.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. Every ordinary shareholder present at a meeting of the Company in person or by proxy, is entitled to one vote, and upon a poll each ordinary share is entitled to one vote.

Ordinary shares have no par value.

(b) Capital management

When managing capital, management's objective is to ensure the Group continues as a going concern as well as to maintain reasonable returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures reasonable cost of capital to the Group.

Management adjusts the capital structure to the extent possible to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, management may change the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

The Group is not subject to any externally imposed capital requirements.

(c) Movement on shares and non-recourse loans granted under the Employee Incentive Plan

	2023 Number	2023 $	2022 Number	2022 $
Balance at beginning of year	43,800,000	327,500	42,500,000	309,500
Issued during the year[1]	24,500,000	183,750	21,400,000	160,500
Repaid during the year	-	-	(20,000,000)	(141,500)
Surrendered to treasury shares	(4,000,000)[2]	(1,000)	(100,000)	(1,000)
Balance at end of year	64,300,000	482,250	43,800,000	327,500

[1]Details and valuation of the EIP shares issued during the year are described in Note 7.
[2] The EIP shares surrendered during the year remained in treasury shares at balance date.

Note 18 – Reserves

Option reserve

The option reserve records items recognised as expenses on shares granted under the Employee Incentive Plan

	2023 $	2022 $
Balance at beginning of year	745,030	610,210
Share-based payments during the year	124,880	134,820
Balance at end of year	869,910	745,030

Note 19 – Related party transactions

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

During the year the following related party transactions occurred in addition to the transactions disclosed elsewhere in these financial statements:

Transactions with Key Management Personnel (KMP)

Key management of the Group are the members of Ausmon Resources Limited's Board of Directors. KMP remuneration includes the following expenses:

Short-term employee benefits[1]	178,741	173,111
Post-employment benefits	6,959	6,529
Long-term benefits	-	-
Termination benefits	-	-
Share-based payments	91,080	94,500
	276,780	274,140

[1]Include amounts owing to Directors at balance date of $137,595 (2022: $114,938)

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

Detailed remuneration disclosures are provided in the remuneration report on pages 47 to 51.

	2023	2022
	$	$
Other transactions with Key Management Personnel		
Paid to Australian MBA Accountants, an entity controlled by Director J Q Wang		
- Office rental	10,660	10,400
- Professional services	1,049	1,046
	11,709	11,446

Note 20 – Remuneration of auditors

	2023	2022
Remuneration of the auditor for:		
- auditing or reviewing the financial reports	34,083	32,890

Note 21 – Loss per share

	2023	2022
Operating loss after income tax used in the calculation of basic and diluted loss per share	(511,377)	(370,366)
	Number	**Number**
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic and diluted loss per share	955,167,425	825,598,959

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

	2023	2022
	$	$

Note 22 – Notes to the Cash Flow Statement

(a) Reconciliation of cash

	2023 $	2022 $
Cash at bank and on hand	77,885	410,240

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

	2023 $	2022 $
Loss after income tax	(511,377)	(370,366)
Add non-cash items in operating costs:		
Change in fair value of financial assets	(45,000)	195,000
Gain on sale of property, plant and equipment	(24,202)	
Gain on sale of subsidiary	-	(484,611)
Borrowing costs	27,646	19,062
Share-based payments	124,880	134,820
Changes in assets and liabilities relating to operations:		
Increase in trade and other payables	6,339	38,093
Increase in provisions	1,571	5,095
(Increase)/Decrease in receivables	(8,507)	22,798
(Increase) in prepayments	(219)	(773)
Net cash used in operating activities	(428,869)	(440,882)

(c) Non-cash investing and financing activities

During the year, the Company issued 24,500,000 (2022: 21,400,000) fully paid ordinary shares to eligible persons under the Company's Employee Incentive Plan ("EIP") (see Note 17).

Note 23 – Segment information

The Group has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources. The Group operates in one business segment being mineral exploration. All segment assets, segment liabilities and segment results relate to the one business segment and therefore no segment analysis has been prepared. This position has not changed from the prior year.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

Note 24 – Financial risk management

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable, borrowings and loans to and from subsidiaries.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2023 $	2022 $
Financial assets			
Cash and cash equivalents	9	77,885	410,240
Trade and other receivables	10	21,503	12,995
Financial assets	12	310,000	265,000
Total Financial assets		409,388	688,235
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	14	499,316	266,580
Borrowings	16	-	240,000
Total financial liabilities		499,316	506,580

(a) Financial risk management policies

The Board of Directors is responsible for, amongst other issues, monitoring and managing financial risk exposures of the Group. It also reviews the effectiveness of internal controls relating to commodity price risk, counterparty credit risk, currency risk, financing risk and interest rate risk. Management, in conjunction with the Board, reviews and agrees policies for managing each of these risks.

The overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance. This also includes the review of the use of hedging derivative instruments, credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, and commodity and equity price risk.

(i) Interest rate risk

The Group has cash at bank and its income and operating cash flows are exposed to changes in market interest rates. Interest rate on borrowings is fixed until maturity.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

At balance date the Group had the following financial assets exposed to variable interest rate risk:

	2023	2022
	$	$
Financial assets		
Cash and cash equivalents	77,881	410,236

(ii) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 10.

The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group.

(iii) Liquidity risk

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

	Interest Rate	Within 1 year		1 to 5 years		Over 5 years		Total	
	(fixed)	2023	2022	2023	2022	2023	2022	2023	2022
	%	$	$	$	$	$	$	$	$
Non-Interest bearing									
Trade and other payables	-	499,316	266,580					499,316	266,580
Interest bearing									
Borrowings	11.0			-	240,000			-	240,000
Total non-derivatives		499,316	266,580	-	240,000			499,316	506,580

At balance date the Group has loan facility available of $1,150,000 that can be drawn as and when required until 1 October 2024. The interest rate increased to 11% effective from 30 June 2023 (2022: 8%).

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

(iv) Price risk

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

As the Group does not derive revenue from sale of products, the effect on profit and equity as a result of changes in the price risk is not considered material. The fair value of the mining projects will be impacted by commodity price changes (predominantly gold, silver and copper) and could impact future revenues once operational. However, management monitors current and projected commodity prices.

(v) Equity Price risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in market prices, whether those changes are caused by factors specific to the individual stock or factors affecting all instruments in the market. Equity price risk arises from the Company's holding of shares in an ASX listed company.

(b) Net fair values

(i) Fair value hierarchy

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes.

AASB 13 *Fair value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents the Group's financial assets and liabilities measured and recognised at fair value at 30 June 2023 and 30 June 2022 on a recurring basis.

	Level 1	**Level 2**	**Level 3**	**Total**
	$	**$**	**$**	**$**
2023				
Financial assets				
Total	240,000	169,388	-	409,388
Financial liabilities				
Total	-	499,316	-	499,316

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

	Level 1 $	Level 2 $	Level 3 $	Total
2022				
Financial assets				
Total	195,000	493,235	-	688,235
Financial liabilities				
Total	-	506,580	-	506,580

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2023 and did not transfer any fair value amounts between the fair value hierarchy levels during the year ended 30 June 2023.

(c) Sensitivity analysis

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

	2023 $	2022 $
Interest rate sensitivity analysis		
Decrease/ (increase) in loss		
- increase in interest rate by 1% (2022: 1%),	779	4,104
- decrease in interest rate by 1% (2022: 1%)	(779)	(4,104)

The Group's exposure to equity securities price risk arises from shares held by the Group and classified in the balance sheet as at fair value though profit or loss. The Group's investments are publicly traded on the Australian Securities Exchange. The following table summarises the sensitivity analysis of on the exposure to equity price risk as at balance date.

Equity investment price sensitivity analysis		
Decrease/ (increase) in loss		
- increase in market price by 10%,	24,000	19,500
- decrease in market price by 10%	(24,000)	(19,500)

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

(d) Financial instruments

Interest rate risk

The Group'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 and the effective weighted average interest rates on classes of financial assets and liabilities, is as follows:

		Fixed interest rate maturing		Non-interest bearing		
	Variable interest rate	**Within 1 year**	**1 to 5 years**	**Within 1 year**	**1 to 5 years**	**Total**
2023	**$**	**$**	**$**	**$**	**$**	**$**
Financial assets						
Cash and cash equivalents	77,881	-	-	4	-	77,885
Trade and other receivables	-	-	-	21,503	-	21,503
Security deposits	-	-	-	-	70,000	70,000
	77,881	-	-	21,507	70,000	169,388
Financial liabilities						
Trade and other payables	-	-	-	499,316	-	499,316
2022						
Financial assets						
Cash and cash equivalents	410,236	-	-	4	-	410,240
Trade and other receivables	-	-	-	12,995	-	12,995
Security deposits	-	-	-	-	70,000	70,000
	410,236	-	-	12,999	70,000	493,235
Financial liabilities						
Trade and other payables	-	-	-	266,580	-	266,580
Borrowings	-	-	240,000	-	-	240,000
	-	-	240,000	266,580	-	506,580

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

Note 25– Controlled entities

Controlled entities	Country of incorporation	Ownership interest	
		2023	2022
New Base Metals Pty Ltd	Australia	100%	100%
AusBCM Pty Ltd	Australia	100%	100%
AusPEM Pty Ltd[1]	Australia	100%	-

A wholly-owned controlled entity, AusPEM Pty Ltd, was registered in August 2022.

Note 26 – Parent Entity information

(a) Summary financial information

The individual financial statements for the Parent Entity show the following aggregate amounts:

	2023	2022
	$	$
Assets		
Current assets	341,010	657,751
Non-current assets	2,014,450	1,456,243
Total assets	2,355,460	2,113,994
Liabilities		
Current liabilities	499,316	266,580
Non-current liabilities	6,666	245,095
Total liabilities	505,982	511,675
Equity		
Issued capital	15,649,281	15,015,625
Reserves	869,910	745,030
Accumulated losses	(14,669,713)	(14,158,336)
	1,849,478	1,602,319
Financial performance		
Loss for the year	(511,377)	(370,366)
Total comprehensive loss	(511,377)	(370,366)

(b) Guarantees entered into by the Parent Entity

The Parent Entity has not entered into any financial guarantees as at 30 June 2023 or 30 June 2022.

Notes to the Financial Statements for the Year Ended 30 June 2023 (continued)

(c) Contingent liabilities of the Parent Entity

The Parent Entity did not have any contingent liabilities as at 30 June 2023 or 30 June 2022.

(d) Contractual commitments for the acquisition of property, plant and equipmen

The Parent Entity did not have contractual commitments for the acquisition of property, plant or equipment as at 30 June 2023 or 30 June 2022.

Note 27 – Commitments

Exploration expenditure commitments

The expenditure commitments to maintain rights to tenure in exploration licences as at 30 June 2023 may be farmed out or may be relinquished and have not been provided for in the financial statements and are due:

	2023	2022
	$	$
Within twelve months	248,000	61,000
Twelve months or longer and not longer than five years	870,000	597,000
Longer than five years	-	118,000
	1,118,000	776,000

The Group has obligations to restore land disturbed during exploration under the terms and conditions of licences.

Management has reassessed and no provision for restoration is required as any disturbance during the field exploration work has been recognised as part of exploration and evaluation expenditure.

Note 28 – Contingent liabilities

At balance date, the Group has given guarantees totalling $10,000 (2022: nil) for compliance with the conditions of the exploration licences granted in Western Australia.

Note 29 – Events after balance sheet date

In the opinion of the Directors, no items, transactions or events of a material or unusual nature have arisen in the interval between the end of the financial year and the date of this report which have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

The financial report was authorised for issue on 21 August 2023 by the Board of Directors.

DIRECTORS' DECLARATION

Directors' Declaration
for the year ended 30 June 2023

1 In the opinion of the directors of Ausmon Resources Limited:

(a) the consolidated financial statements and notes of Ausmon Resources Limited are in accordance with the Corporations Act 2001, including

(i) giving a true and fair view of its financial position as at 30 June 2023 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(b) as noted in Note 4(c) there are reasonable grounds to believe that Ausmon Resources Limited will be able to pay its debts as and when they become due and payable.

2 The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial year ended 30 June 2023.

3 Note 2 confirms that the consolidated financial statements also comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:

Dated this 21st day of August 2023

John Wang
Director

Stantons

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AUSMON RESOURCES LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Ausmon Resources Limited ("the Company"), and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(i) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

Material Uncertainty Relating to Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matters:

As referred to in Note 4(c) to the financial statements, the financial statements have been prepared on a going concern basis. As at 30 June 2023, the Group had incurred a loss for the year of $511,377, and the Group has cash and cash equivalents as at 30 June 2023 totalling $77,885. The Group had net operating cash outflows of $428,869 for the year ended 30 June 2023. This casts a material uncertainty in relation to the entity's going concern assumption.

The ability of the Group to continue as a going concern is subject to the successful recapitalisation of the Group. In the event that the Board is not successful in recapitalising the Group and in raising further funds, the Group may not be able to pay its debts as and when they become due and may be required to realise its assets and discharge its liabilities other than in the normal course of business, and at amounts different to those stated in the financial report.

Our opinion is not modified in relation to this matter.

Key Audit Matters

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be Key Audit Matter to be communicated in our report.

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 Matters	How the matter was addressed in the audit
Carrying Value of Exploration and Evaluation Assets As at 30 June 2023, Exploration and Evaluation Assets totalled $1,900,893 (refer to Note 13 of the financial report). The carrying value of exploration and evaluation assets is a key audit matter due to: • The significance of the expenditure capitalised representing 81% of total assets; • The necessity to assess management's application of the requirements of the accounting standard Exploration for and Evaluation of Mineral Resources ("AASB 6"), in light of any indicators of impairment that may be present; and • The assessment of significant judgements made by management in relation to the capitalised exploration and evaluation expenditure.	Inter alia, our audit procedures included the following: i. Assessing the Group's right to tenure over exploration assets by corroborating the ownership of the relevant licences for mineral resources to government registries; ii. Reviewing the directors' assessment of the carrying value of the capitalised exploration and evaluation costs, ensuring the veracity of the data presented and assessing management's consideration of potential impairment indicators and the stage of the Group's projects; iii. Evaluation of Group documents for consistency with the intentions for continuing exploration and evaluation activities in areas of interest and corroborated in discussions with management. The documents we evaluated included: ▪ Minutes of the board and management; and ▪ Announcements made by the Group to the Australian Securities Exchange; and Consideration of the requirements of accounting standard AASB 6 and reviewed the financial statements to ensure appropriate disclosures are made.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023 but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control.

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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' 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.

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

We obtain sufficient appropriate audit evidence regarding the financial information of the entities 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.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. 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 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 47 to 51 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Ausmon Resources Limited for the year ended 30 June 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.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit and Consulting Pty Ltd

Samir Tirodkar
Director
West Perth, Western Australia
21 August 2023

ADDITIONAL INFORMATION

Additional information included in accordance with Listing Rules of the ASX Limited.

1. SHAREHOLDINGS

(a) Distribution of Shareholders as at 30 July 2023

Size of Holding	Holders	Ordinary Shares Held	%
1-1,000	33	5,883	0.000
1,001-5,000	18	51,494	0.000
5,001- 10,000	94	927,666	0.090
10,001-100,000	332	22,028,103	2.130
100,001 – and over	758	1,010,576,197	97.780
	1,235	**1,033,589,343**	**100.000**

29 shareholders held less than a marketable parcel.

(b) Top Twenty Shareholders as at 30 July 2023

Shareholder	Number of Ordinary Shares	% Held of Issued Ordinary Capital
LAMDIAN PTY LTD <SAMYUE SUPERFUND A/C>	51,000,000	4.93%
MRS MAN SUN NG	42,130,000	4.08%
MR BORIS PATKIN	40,142,857	3.88%
MR JOHN WANG	38,017,859	3.68%
VESWAY PTY LTD <ESVSY SUPER FUND A/C>	36,004,857	3.48%
MR VINCENT W SAM YUE	32,225,000	3.12%
BQS PTY LTD	26,904,855	2.60%
MR BAIRONG FENG	23,142,857	2.24%
MR LIUBAO QIAN	20,000,000	1.94%
MR WONG YUET MOYE SAM YUE	16,000,000	1.55%
YAU MAN FAMILY PTY LTD <YAU MAN FAMILY A/C>	15,788,989	1.53%
WUJIANG INVESTMENT PTY LTD	15,072,720	1.46%
WAUGH ST INVESTMENTS PTY LTD <WAUGH ST SF A/C>	13,957,501	1.35%
HIX CORP PTY LTD <HIX CORP A/C>	13,200,000	1.28%
OCTAN ENERGY PTY LTD	13,000,000	1.26%
AUSTRALASIA ACCESS PTY LTD	12,000,000	1.16%
MR REUBEN MICHAEL CIAPPARA	9,000,000	0.87%
HEHERSON AND ANITA BULOSAN PTY LTD <H & A BULOSAN FAMILY SF	8,000,000	0.77%
8TIVE TRADING PTY LTD	7,305,519	0.71%
CITICORP NOMINEES PTY LIMITED	6,822,307	0.66%
Twenty largest shareholders	439,715,321	42.54%
Others	593,874,022	57.46%
	1,033,589,343	**100%**

AUDIT REPORT

2. VOTING RIGHTS

(a) At meetings of members each member entitled to vote may vote in person or by proxy or attorney or, in the case of a member which is a body corporate, by representative duly authorised.

(b) On a show of hands every member entitled to vote and be present in person or by proxy or attorney or representative duly authorised shall have one (1) vote.

(c) On a poll every member entitled to vote and be present in person or by proxy or attorney or representative duly authorised shall have one (1) vote for each fully paid share of which he is a holder.

3. AUDIT COMMITTEE

As at the date of this report the Company does not have an Audit Committee.

4. SUBSTANTIAL SHAREHOLDERS

The securities held by substantial shareholders are as follows:

Name	Number of shares
Eric W Y M Sam Yue	52,004,857