



BUBALUS RESOURCES LIMITED
ACN 654 970 751

ANNUAL REPORT
30 JUNE 2023



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CORPORATE DIRECTORY

DIRECTORS

Mr Alec Pismiris	Executive Chairman
Mr William Oliver	Non-Executive Director
Mr Scott Deakin	Non-Executive Director

COMPANY SECRETARY

Mrs Melanie Ross

REGISTERED OFFICE & CONTACTS

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SOLICITORS

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PERTH WA 6000

AUDITORS

Pitcher Partners BA&A Pty Ltd
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PERTH WA 6000

SHARE REGISTRY

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Level 5, 191 St Georges Terrace
PERTH WA 6000
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SECURITIES EXCHANGE LISTING

Australian Securities Exchange (**ASX**)
Code: BUS

BANKERS

Westpac Banking Corporation
Level 4, 123 St Georges Terrace
PERTH WA 6000

CORPORATE GOVERNANCE STATEMENT

<https://www.bubalusresources.com.au/our-company/corporate-governance/>



DIRECTORS' REPORT

The directors present their report, together with the financial statements, on Bubalus Resources Limited (the 'Company'), and the entities it controls (the 'Group') for the year ended 30 June 2023 (the 'period').

Directors

The names of directors in office at any time during the whole or part of the period are listed below. Directors have been in office up to the date of this report unless otherwise stated.

NAME OF PERSON	POSITION
Mr Alec Pismiris	Executive Chairman (<i>appointed 1 November 2021</i>)
Mr William Oliver	Non-Executive Director (<i>appointed 1 November 2021</i>)
Mr Scott Deakin	Non-Executive Director (<i>appointed 1 November 2021</i>)

Principal Activities

During the period, the Group's principal activities have been:

- facilitating the Initial Public Offering and subsequent admission to the Official List of the ASX; and
- exploration for critical minerals in the Northern Territory and Western Australia.

Dividends

No dividends were paid or declared during the financial period. No dividend has been recommended.

Review of Operations

The loss for the Group after providing for income tax was \$653,843 (2022: \$119,948).

During the period, the Group primarily undertook work toward an Initial Public Offer (IPO) for an ASX listing. A Prospectus was lodged with ASIC on 24 August 2022 to raise \$5million in order to list on the ASX.

The Prospectus was closed on 23 September 2022 successfully raising \$5.0million before share issue costs. The proceeds from issue of shares were received in full on 7 October 2022.

On the 7 October 2022, 2,000,000 options with an exercise price of \$0.40 and an expiry date of 11 October 2026 were issued to Directors of the Company under the terms of the Prospectus.

On 7 October 2022, the Company issued 1,000,000 shares at a deemed issued price of \$0.20 to vendors as consideration for tenements comprising of four projects, the Amadeus Project (prospective for Manganese and base metals), the Nolans East Project (prospective for Light Rare Earths), the Coomarie Project (prospective for Heavy Rare Earths) and the Pargee Project (prospective for Heavy Rare Earths), which are located in premier geological provinces in the Northern Territory and Western Australia.

The Company commenced trading on the ASX on 11 October 2022.

Exploration

During the period, the following projects were acquired and worked on by the Group.

Nolans East Project

The Nolans East Project is located 15km south east of the Nolans Bore deposit owned by Arafura Resources Limited (**Arafura**) (Figure 1). A Mineral Resource of 56 million tonnes at an average grade of 2.6% total rare earth oxides (**TREO**) and 11% phosphate (P_2O_5) has been defined by Arafura at Nolans Bore¹. According to Arafura, neodymium-praesidium oxides ($Nd_2O_3+Pr_2O_3$, **NdPr**) make up 26% of the TREO content at Nolans Bore.

¹ <https://www.arultd.com/projects/nolans.html>
Also ARU.ASX Announcement 7 June 2017 (Detailed Resource Assessment Completed)

DIRECTORS' REPORT

Nolans Bore is a complex stockwork vein-style deposit with mineralisation occurring in two stages (1) massive to granular fluorapatite with inclusions of rare earth element (REE) silicates, phosphates and (fluoro) carbonates, and (2) calcite-allanite with accessory REE-bearing phosphate and (fluoro) carbonate minerals that vein and brecciate the earlier stage². Nolans Bore was discovered by mapping and sampling of these veins at surface.

At Nolans East, the project area is over 90% covered with shallow sand cover with limited outcrop³. During the year, the Group has completed an extensive surface sampling programme encompassing 1,687 samples covering 10km by 3km surrounding the area where anomalous REE was detected in historical NTGS surface sampling and in Bubalus' initial sampling programme (refer to ASX announcement 24 January 2023).

Raw assay data from this sampling defined 7 large-scale anomalies with the aggregate strike length of all anomalies being over 5km in length (Figure 2). The anomalies are interpreted to trend WNW – ESE parallel to the regional structural trend (Figure 2). Importantly, high value NdPr averages 22% of the TREO content in the Nolans East surface samples, a similar content to that reported at Nolans Bore (26%¹).

Current work by industry respected consultants Sugden Geoscience aims to refine these anomalies by removing batch effects and levelling for regolith to aid in defining and ranking targets for drilling. The Company notified the Central Land Council (CLC) as representatives of the Aboriginal Traditional Owners of the area in February 2023 of its intention to carry out drilling at Nolans East but has not been able to obtain guidance as to whether a heritage survey is required over the target areas and, if required, to schedule a heritage survey.

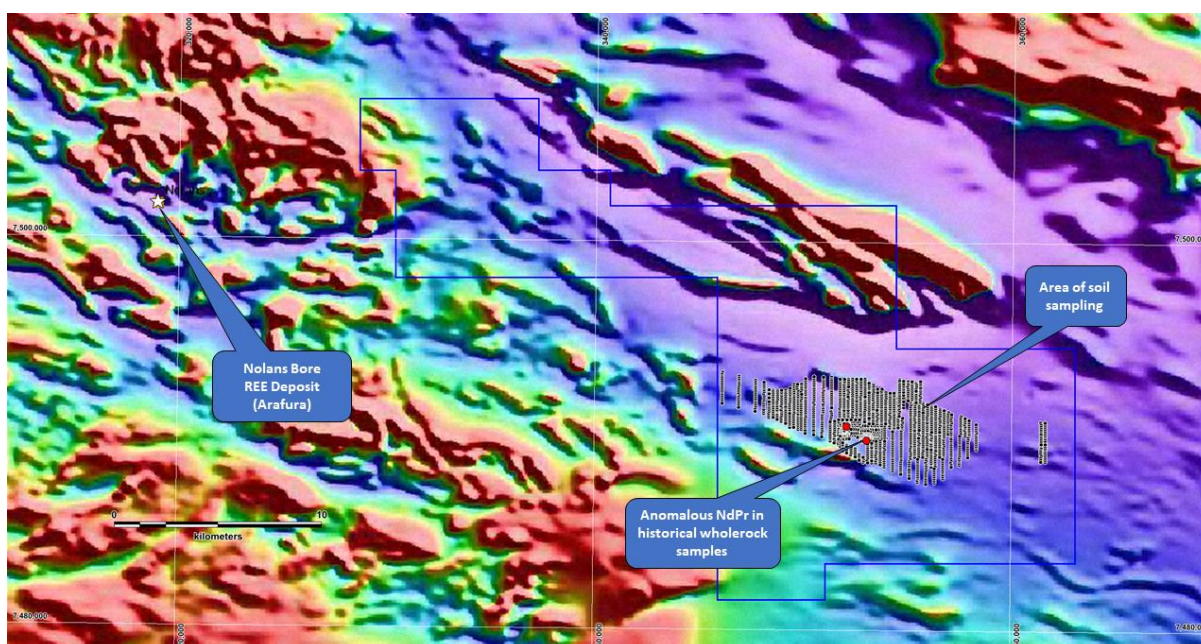


Figure 1: Initial target area at the Nolans East Project over magnetics (TMI – NTGS data).

² Refer Huston, D.L., Maas, R., Cross, A. et al. The Nolans Bore rare-earth element-phosphorus-uranium mineral system: geology, origin and post-depositional modifications. *Miner Deposita* 51, 797–822 (2016). Also Independent Geologists Report, ASX Announcement 11 October 2022.

³ Refer Independent Geologists Report, ASX Announcement 11 October 2022.

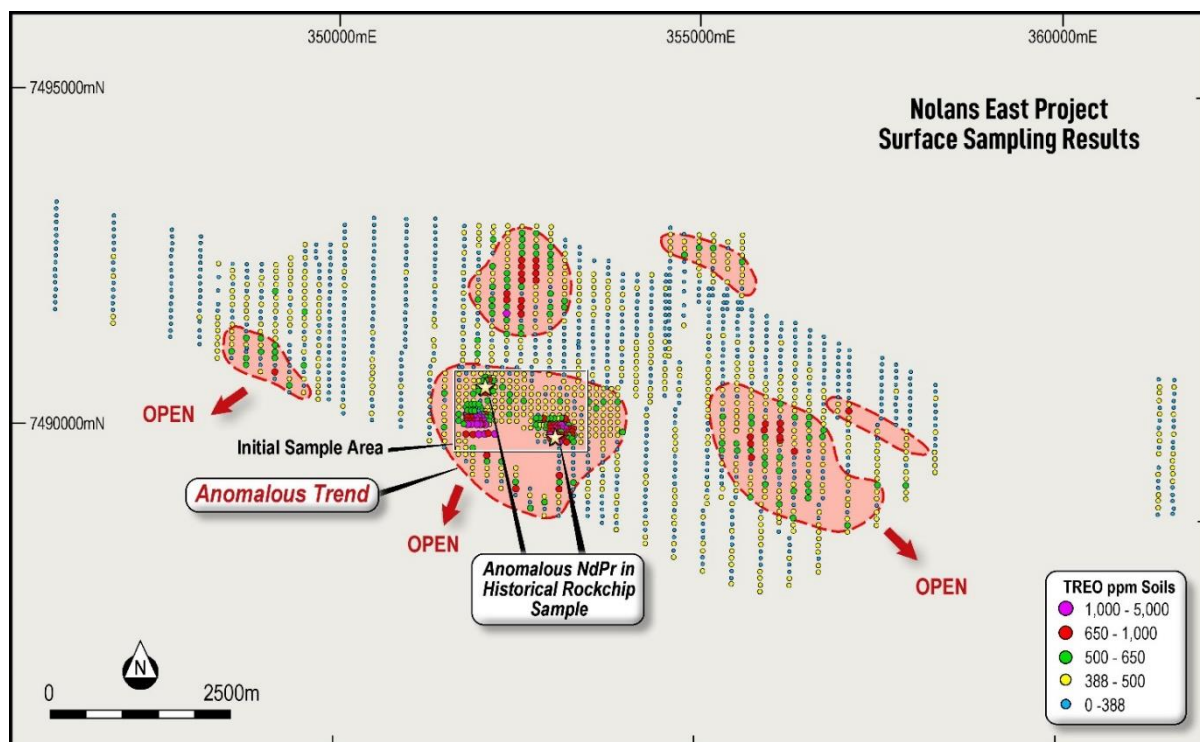


Figure 2: Results from surface sampling at Nolans East Project.

Coomarie Project

The Coomarie Project is located approximately ~600km from Alice Springs, near the border with Western Australia and Northern Territory. The Project is located in the Tanami Region, which is the one of the most important tectonic units in the North Australian Craton, and has a stratigraphic succession which shows similarities with the Pine Creek and Halls Creek Orogens, other Paleoproterozoic successions in northern Australia. The Tanami Region is emerging as a potentially significant supplier of rare earth elements (REE) for global consumption due to the success of Northern Minerals (ASX.NTU) and PVW Minerals (ASX.PVW). Coomarie Dome is just 30 kilometres from PVW's Watts Rise heavy rare-earth element (**HREE**) discovery.

REE mineralisation within the Tanami Region is hosted at unconformities between older metamorphic rocks associated with granitic intrusions and younger sediments (for example Browns Ridge (ASX.NTU)⁴, Watts Ridge-Castella (ASX.PVW)⁵ and Mount Mansbridge (ASX.RMX)⁶). Mineralisation is often controlled by faults which cross cut the unconformity and are interpreted to have controlled fluid flow.

The Project is defined by a large negative magnetic anomaly ~50km in diameter known as the Coomarie Dome. This is interpreted by geophysics as a large composite intrusive body. The Coomarie Dome granitoid is only known from limited drillcore, which makes correlation difficult. The Group owns the entire domal structure at Coomarie and is able to pursue a similar exploration strategy to NTU's "Own the Dome" strategy⁴.

⁴ NTU.ASX Announcement 9 June 2022 (Corporate Presentation)

⁵ PVW.ASX Announcement 1 November 2022 (Presentation – Australian Rare Earth Conference)

⁶ RMX.ASX Announcement 19 July 2022 (Group Presentation July 2022)

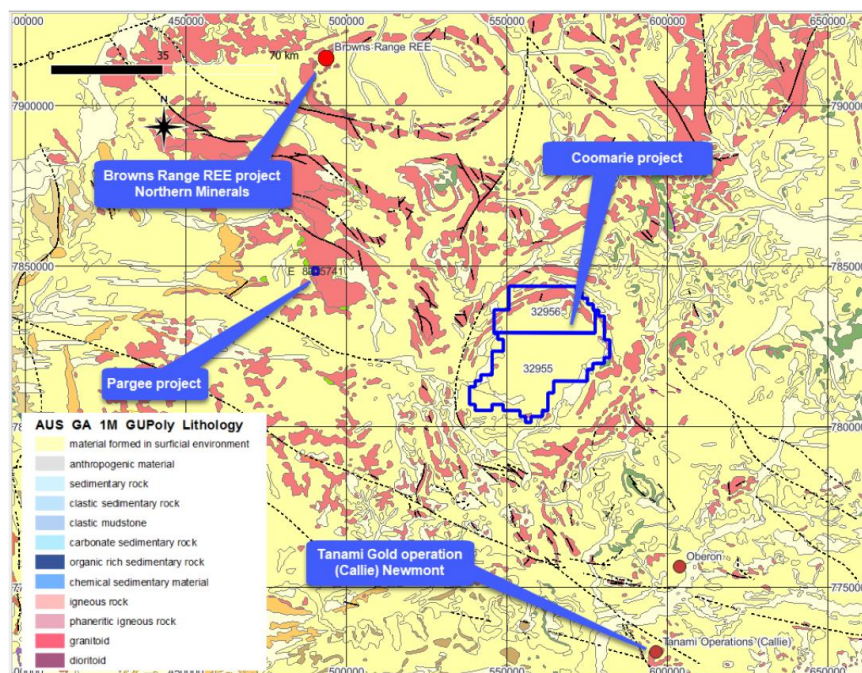


Figure 3: Pargee and Coomarie Projects relative to major resources in region.

During the period, the Group engaged Southern Geoscience to acquire and reprocess available geophysical data across the Coomarie Dome with the aim of delineating targets for initial work. This targeting exercise was expanded to produce a geological interpretation for the project area specifically focussed on delineating the granitic margin and cross cutting structures. A number of targets have been identified in the review and will be the focus of detailed planning ahead of on ground exploration later in 2023.

During this targeting exercise vacant ground surrounding the Coomarie Project was identified. The Company lodged applications for these areas which are denoted EL33471 and EL33472 and are contiguous with the Company's previous holdings EL32955 and 32956. These applications increase the Company's tenure around the Coomarie Dome to 1,315km².

Due to the location and logistics of exploration at Coomarie, as well as the current focus on exploration at Nolans East, the Board of Bubalus has determined it better to carry out a larger field programme across the broader Coomarie project rather than expend resources to commence a smaller programme on the tenure currently granted. The Company has been granted consent to negotiate with the Land Council representing the Aboriginal Traditional Owners for the area however this process is expected to take several months and include an On Country Meeting with representatives of the Land Council and the Traditional Owners.

Amadeus Project

The Amadeus Project is located approximately 150km south from Alice Springs along the Stuart highway and then by secondary roads to the east and west. The main Stuart Highway passes through the centre of the Project as does the Ghan railway line from Alice Springs to Adelaide.

The project geology at the Amadeus Project comprises the intracratonic Proterozoic Amadeus basin, overlying the Palaeo-Mesoproterozoic basement of the Musgrave Province to the south and the Arunta Region to the north (Edgoose, 2012). Lindsay (1987) has identified that the Late Proterozoic basin appears to have consisted of two major poorly circulated anoxic sub-basins, which perhaps opened to the ocean in the south. Because of this disconnection to the ocean the salinity of the basin waters was often high and on occasion hypersaline. During at least two periods the salinity was high enough to form thick evaporate units. Both oxygen availability in the sea and salinity has important roles to play the formation of manganese deposits.

The two main potential source rocks for the manganese in the Amadeus come from the Arunta Region (North) and from the Musgrave Province (South). It is considered that the Mn contents in specific lithologies within both these terranes could have provided sufficient material for Mn mineralisation to develop in the Amadeus Basin via sedimentation and reworking.

DIRECTORS' REPORT

The Amadeus Project hosts numerous occurrences of outcropping manganese mineralisation (refer Figure 4). While these have been extensively mapped and sampled by previous explorers only the Tardis project has been tested by drilling.

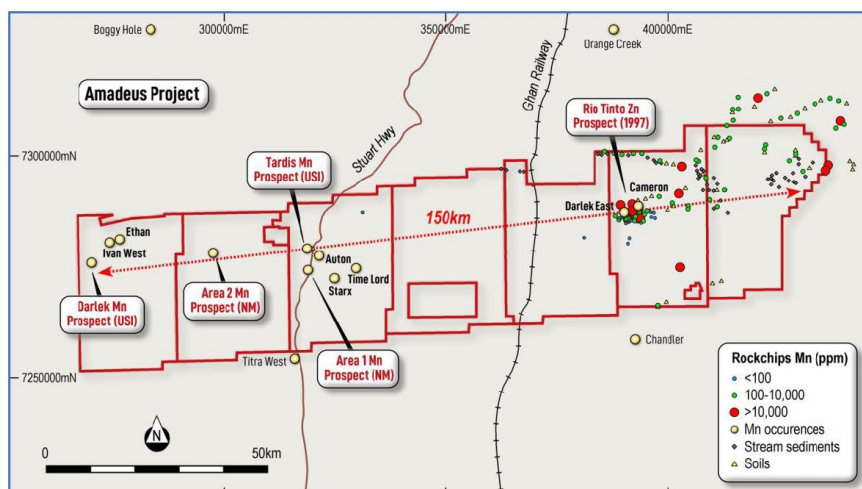


Figure 4: Location of Amadeus Project (Prospects defined to date (Mn >1% highlighted as red dots))

In addition to the potential for manganese mineralisation historical RAB drilling by Rio Tinto Exploration identified zinc and cobalt anomalies within the Amadeus Project area. No further work was completed to investigate these anomalies.

Exploration during the period comprised a review of historical exploration across the Amadeus Project as well as open file datasets available over the project area. This review identified that the mapped Mn occurrences at surface may not be coincident with the peak gravity anomalies in the project area. The Company plans to further investigate these anomalies in parallel with the known, but not drill tested, Mn occurrences.

The Company plans to commence drilling during Q4 CY2023, provided all relevant stakeholders provide their consent. However activities at the Amadeus Project, including drilling, have been determined to be a lower priority relative to planned work programs at the Nolans East Project and accordingly the timing may be reassessed based on results obtained from each of the Nolans East and Amadeus Projects. A field reconnaissance programme across the Amadeus Project in late 2022 confirmed good access to the project area and regional infrastructure to support drilling.

Pargee Project

The Pargee Project is located 70km west of the Coomarie Project along the Tanami Road and then 50km north of the Tanami Road. The Project is located towards the western end of the Granites – Tanami Inlier, which is a highly deformed and metamorphosed, Palaeoproterozoic block of rocks approximately 250km long and 100km wide. Most of the area of the Pargee Project is interpreted to be underlain by lithologies of the Killi to the east and Lower Stubbins Formation to the west as well as the Upper Stubbins Formation and a folded dolerite unite in the centre. An undifferentiated gneiss and to a minor degree a granite underlay the western portion.

There has been no recorded exploration and mineralisation over the Pargee Project. Work during the reporting period focused on the negotiation and execution of a land access agreement.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Company during the financial period, other than the matters described above.

DIRECTORS' REPORT

Matters Subsequent to the End of the Financial Year

On 12 July 2023, the Company announced that it has expanded its tenure as its 100% owned Coomarie Project to 1,315km² via two new applications.

On 18 September 2023, the Group announced that a binding asset sale agreement has been executed with Hardy Metals Pty Ltd ('Hardy') to acquire E09/2724 and E09/2725 located in the Gascoyne Region of Western Australia and associated mining information.

The key terms of the acquisition are outlined below:

- (i) 2,350,000 fully paid ordinary shares in the capital of the Group to Hardy; and
- (ii) A cash payment of \$75,000 to Hardy as reimbursement of expenditure incurred by Hardy on the tenements.

Additionally the Group has agreed to pay Inyati Capital Pty Ltd ('Inyati') a facilitation fee of 15% of the total number of shares issued for the services provided in relation to the acquisition. The facilitation fee will be satisfied by the issue of 352,500 fully paid ordinary shares in the capital of the Group to Inyati. Inyati (and associated entities) is currently a substantial shareholder of the Group, holding approximately 9.8% of the current issued capital. Inyati and Hardy are not a related party of the Group.

The directors are not aware of any other matters or circumstances that have arisen since the end of the financial period, which 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 future financial years.

There have been no other matters or circumstances that have arisen since 30 June 2023 to the date of this report that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Likely Developments and Expected Results of Operations

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

Material Business Risks

The Group's exploration and evaluation operations will be subject to the normal risks of mineral exploration. The material business risks that may affect the Company are summarised below.

Future capital raisings

The Group's ongoing activities may require substantial further financing in the future. The Company will require additional funding to continue its exploration and evaluation operations on its projects with the aim to identify economically mineable reserves and resources. Any additional equity financing may be dilutive to shareholders, may be undertaken at lower prices than the current market price and debt financing, if available, may involve restrictive covenants which limit the Group's operations and business strategy. Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on the Group's activities and could affect the Group's ability to continue as a going concern.

Exploration risk

The success of the Group depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Group's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities.

Exploration on the Group's existing tenements may be unsuccessful, resulting in a reduction in the value of those tenements, diminution in the cash reserves of the Company and possible relinquishment of the tenements. The exploration costs of the Group are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

DIRECTORS' REPORT

Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Group's viability. If the level of operating expenditure required is higher than expected, the financial position of the Group may be adversely affected.

Feasibility and development risks

It may not always be possible for the Group to exploit successful discoveries which may be made in areas in which the Group has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied.

Regulatory risk

The Group's operations are subject to various Commonwealth, State and Territory and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials.

No assurance can be given that the Group will be successful in maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, the Group may be limited or prohibited from continuing or proceeding with exploration. The Group's business and results of operations could be adversely affected if applications lodged for exploration licences are not granted. Mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Group's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Group.

Mineral resource estimate risk

Mineral resource estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates. Mineral resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the Group's future plans and ultimately its financial performance and value. Manganese and rare earth metal price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render resources containing relatively lower grades uneconomic and may materially affect resource estimations.

Environmental risk

The operations and activities of the Group are subject to the environmental laws and regulations of Australia. As with most exploration projects and mining operations, the Company's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Group attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. The Group is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Group's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Group to incur significant expenses and undertake significant investments which could have a material adverse effect on the Group's business, financial condition and performance.

Availability of equipment and contractors

Prior to the COVID-19 pandemic, appropriate equipment, including drill rigs, was in short supply. There was also high demand for contractors providing other services to the mining industry. The COVID-19 pandemic only served to exacerbate these issues. Consequently, there is a risk that the Group may not be able to source all the equipment and contractors required to fulfil its proposed activities.

There is also a risk that hired contractors may underperform or that equipment may malfunction, either of which may affect the progress of the Group's activities.

DIRECTORS' REPORT

Native title and Aboriginal Heritage

In relation to tenements which the Company has an interest in or may be acquired by the Company in the future, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. This may preclude or delay granting of exploration and mining tenements or restrict the ability of the Company to explore, develop and/or commercialise its tenements and adversely impact on its operations. Considerable expenses may be incurred in negotiating and resolving issues, including any compensation agreements reached in settling with native title holders or claimants with rights over any of the tenements held or acquired by the Company in the future.

In addition, determined native title holders may seek compensation under the Native Title Act 1993 (Cth) for the impacts of acts affecting native title rights and interests.

Further to the above, there are a number of registered and recorded sacred sites (sites that are sacred to Aboriginals or are otherwise of significance according to Aboriginal tradition) in the vicinity of the tenements located in the Northern Territory. The existence of the sacred sites (and restricted work areas) within the areas of the tenements may lead to restrictions on the areas that the Company will be able to explore and mine or delays in the commencement of exploration or mining activities.

The Directors will closely monitor the potential effect of native title claims or Aboriginal heritage matters involving tenements in which the Company has or may have an interest.

Environmental Regulation

The Group is subject to and is compliant with all aspects of environmental regulation of its exploration and mining activities. The Directors are not aware of any environmental law that is not being complied with.

Information on Directors

Alec Pismiris

B.Comm, MAICD, FGIA, FCIS

Executive Chairman

Mr Pismiris has over 30 years of experience in the securities, finance and mining industries. Since 1990, Mr Pismiris has served as a director and/or company secretary for various ASX listed companies as well as a number of unlisted public and private companies. Mr Pismiris completed a Bachelor of Commerce degree at the University of Western Australia, is a member of the Australian Institute of Company Directors and a fellow of The Governance Institute of Australia. Mr Pismiris has participated numerous times in the processes by which boards have assessed the acquisition and financing of a diverse range of assets and has participated in and become familiar with the range of evaluation criteria used and the due diligence processes commonly adopted in the commercial assessment of corporate opportunities.

Appointed:

1 November 2021

Other listed board memberships:

Agrimin Limited (*appointed 3 October 2013*)
 Sunshine Metals Limited (*appointed 24 March 2015*)
 The Market Herald Limited (*appointed 7 April 2016*)
 Lanthanein Resources Limited (formerly Frontier Resources Limited) (*resigned 4 February 2022*)
 Javelin Minerals Limited (formerly Victory Mines Limited) (*resigned 30 September 2020*)
 Pacton Gold Inc (TSX-V) (*resigned 19 June 2023*)

Previous listed board memberships in the last 3 years:

Interest in shares at the date of this report:

411,750

Interest in options at the date of this report:

1,136,750

William Oliver

BSc. (Hons), GDipAppFin, MAIG, MAusIMM

Non-Executive Director

Mr Oliver is a geologist with over 20 years of experience in the international resources industry working for both major and junior companies. Mr Oliver has an enviable track record in project evaluation and has been involved with a number of transactions involving assets across a range of commodities. His geological experience ranges across all aspects of exploration, the design, evaluation and implementation of resource definition programmes as well as resource modelling and inputs into all levels of mining and feasibility studies. In addition, Mr Oliver has served as director of a number of ASX listed companies and is familiar with the requirements of the ASX Listing Rules and the JORC Code.



DIRECTORS' REPORT

He is a member of the Australasian Institute of Mining and Metallurgists and the Australian Institute of Geoscientists and holds an honours degree in Geology from the University of Western Australia as well as a post-graduate diploma in finance and investment from FINSIA.

Appointed:	1 November 2021
Other listed board memberships:	Nil
Previous listed board memberships in the last 3 years:	Celsius Resources Limited (<i>resigned 13 June 2022</i>) Vanadium Resources Limited (formerly Tando Resources Limited) (<i>resigned 18 December 2020</i>)
Interest in shares at the date of this report:	175,000
Interest in options at the date of this report:	525,000

Scott Deakin **B.Comm, GAICD, Grad Dip MinExplGeoSc**

Non-Executive Director

Mr Deakin has over 12 years' experience working in the exploration and resources sector. He is a director of Mining People International, specialising in technical and executive mining consulting, spanning junior explorers through to multinational producers. His focus of responsibility includes corporate development, executive search, commercial and business management, granting an extensive network within the resources industry. Mr Deakin holds a commerce degree from Curtin University, a Graduate Diploma in Mineral Exploration and Geoscience from Curtin University's West Australian School of Mines, Graduate of Australian Institute of Company Directors. He is presently studying his Masters of Mineral Economics through Curtin University's WASM.

Appointed:	1 November 2021
Other listed board memberships:	Nil
Previous listed board memberships in the last 3 years:	Nil in the last three years
Interest in shares at the date of this report:	900,000
Interest in options at the date of this report:	575,000

Company Secretary

Melanie Ross **CA, AGIA ACG**

Company Secretary – appointed 13 July 2022

Mrs Ross is an accounting and corporate governance professional with over 18 years' experience in financial accounting and analysis, audit, business and corporate advisory services in public practice, commerce and state government. Ms Ross is currently a director of a corporate advisory company based in Perth that provides corporate and other advisory services to public listed companies.

Meetings of Directors

The Company does not have a formally constituted audit committee or remuneration committee as the board considers that the Company's size and type of operation do not warrant such committees.

Director	Directors' Meeting	
	Eligible	Attended
Alec Pismiris	4	4
William Oliver	4	4
Scott Deakin	4	4

There were 4 Directors meetings held during the financial period, however many board matters were dealt with via circular resolutions.

Shares and Options

The Company has 33,661,750 fully paid ordinary shares on issue as at 30 June 2023, and at the date of this report.

DIRECTORS' REPORT

Options on issue at the date of this report:

Grant date	Expiry date	Quoted/Unquoted	Exercise price	Number
4 November 2021	11 October 2026	Unquoted	\$0.40	4,461,750
1 March 2022	11 October 2026	Unquoted	\$0.40	1,600,000
7 October 2022	11 October 2026	Unquoted	\$0.40	6,500,000
				12,561,750

Shares Issued on the Exercise of Options

There were no ordinary shares of Bubalus Resources Limited that were issued during the financial period and up to the date of this report on the exercise of options granted.

Dividends

No amounts have been paid or declared by way of dividend of the Company since the date of incorporation and the Directors do not recommend the payment of any dividend.

Rounding of Amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest dollar.

Indemnity and Insurance of Officers

The Group has indemnified the Directors and executives of the Group for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable.

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

Indemnity and Insurance of Auditor

The Group has not, during or since the end of the financial period, indemnified or agreed to indemnify the auditor of the Group against a liability incurred by the auditor.

During the financial period, the Group has not paid a premium in respect of a contract to insure the auditor of the Group.

Proceedings on Behalf of the Group

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to 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 part of those proceedings.

Officers of the Group Who are Former Partners of Pitcher Partners

There are no officers of the Group who are former partners of Pitcher Partners BA&A Pty Limited or related entities.

Auditor

Pitcher Partners BA&A Pty Limited continues in office in accordance with section 327 of the *Corporations Act 2001*.

Non-Audit Services

No amounts were paid or payable to the auditor for non-assurance services provided during the period ended 30 June 2023.

DIRECTORS' REPORT

Auditor's Independence Declaration

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

This remuneration report outlines the director and executive remuneration arrangements of the Group in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report, Key Management Personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, including any director (whether executive or otherwise) of the parent company.

REMUNERATION REPORT (AUDITED)

Principles Used to Determine the Nature and Amount of Remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The Board ensures that executive reward satisfies the following key criteria for good reward governance practises:

- competitiveness and reasonableness;
- acceptability to shareholders; and
- transparency.

The Board, acting in its capacity as the remuneration committee, is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

In making its determinations, the Board ensures that the remuneration and employment policies and practices of the Group:

- motivate Executive Directors and officers to pursue the long-term growth and success of the Group;
- demonstrate a clear relationship between performance and remuneration; and
- involve an appropriate balance between fixed and incentive remuneration, reflecting the short and long-term performance objectives to the Group circumstances and goals.

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

Non-executive Directors' remuneration

The Group's policy is to remunerate Non-executive Directors at a fixed fee for time, commitment and responsibilities. Remuneration for Non-executive Directors is not linked to individual performance. From time to time, the Group may grant options to Non-executive Directors. The grant of options is designed to recognise and reward efforts and provide Non-executive Directors with additional incentive to continue those efforts for the benefit of the Group.

ASX listing rules require the maximum aggregate amount of fees (including superannuation payments) that can be paid to non-executive Directors be subject to approval by shareholders at a General Meeting. The current base remuneration pool of \$300,000 for non-executive directors was set and reported in the Prospectus dated 24 August 2022. All director fees are periodically recommended for approval by shareholders.

Executive remuneration

Executive pay and reward consists of a base salary and performance incentives. Long term performance incentives may include options granted at the discretion of the Board and subject to obtaining the relevant approvals. The grant of options is designed to recognise and reward efforts and provide additional incentive and may be subject to the successful completion of performance hurdles.

Performance based remuneration

The Group intends to adopt an employee incentive option plan ('ESOP or 'Option Plan') to provide ongoing incentives to Directors, Executives and Employees of the Group. The objective of the ESOP is to provide the Group with a remuneration mechanism, through the issue of securities in the capital of the Group, to motivate and reward the performance of the Directors and employees in achieving specified performance milestones within a specified performance period. The Board will ensure that the performance milestones attached to the securities issued pursuant to the ESOP are aligned with the successful growth of the Group's business activities.

DIRECTORS' REPORT

The Directors and employees of the Group have been, and will continue to be, instrumental in the growth of the Group.

The Directors consider that the ESOP is an appropriate method to:

- assist in the reward, retention and motivation of Directors and employees;
- link the reward of Directors and employees to Shareholder value creation; and
- align the interests of Directors and employees with shareholders of the Company by providing an opportunity to Directors and employees to receive an equity interest in the Company in the form of Securities.

Group performance, shareholder wealth and Directors' and executives' remuneration

The remuneration policy has been tailored to increase the positive relationship between shareholders' investment objectives and Directors and executives' performance. Following listing, this will be facilitated through the employee incentive option plan to encourage the alignment of personal and shareholder interests.

Key Management Personnel

The key management personnel of the Group during the period ended 30 June 2023, consisted of the following directors and executives:

Director	Position
Alec Pismiris	Executive Chairman
William Oliver	Non-Executive Director
Scott Deakin	Non-Executive Director

The details of the Key Management Personnel's remuneration have been set out in the following tables.

Remuneration Structure for Key Management Personnel

Remuneration is based on the following components approved by the Board:

- base pay;
- long-term performance incentives; and
- other remuneration such as superannuation and long service leave.

Table 1: Contract terms for Key Management Personnel

Name	Title	Term of Agreement	Notice Period by Employee	Notice Period by Company	Termination Benefit
Alec Pismiris	Executive Chairman	Open	Upon resignation as director	Upon termination as director	n/a
William Oliver	Non-executive Director	Open	Upon resignation as director	Upon termination as director	n/a
Scott Deakin	Non-executive Director	Open	Upon resignation as director	Upon termination as director	n/a

Table 2: Remuneration for the period ended 30 June 2023

	Short Term		Post-Employment	Long Term		Total	Performance Related
	Salary & Fees	Annual Leave	Super-annuation	Long service leave	Share Based Payments - Options		
2023	\$	\$	\$	\$	\$	\$	%
Alec Pismiris ¹	52,065	-	-	-	102,400	154,465	66.3
William Oliver ²	36,000	-	-	-	51,200	87,200	58.7
Scott Deakin	23,559	-	2,474	-	51,200	77,233	66.3

¹ Payable to Lexicon Services Pty Ltd, a Company which Mr. Pismiris is a director and shareholder.

² Payable to Billandbry Consulting Pty Ltd, a company which Mr. Oliver is a director and shareholder.

DIRECTORS' REPORT

Table 3: Remuneration for the period ended 30 June 2022

2022	Short Term		Post-Employment	Long Term		Total	Performance Related
	Salary & Fees	Annual Leave	Super-annuation	Long service leave	Share Based Payments - Options		
	\$	\$	\$	\$	\$	\$	%
Alec Pismiris	-	-	-	-	-	Nil	-
William Oliver	-	-	-	-	-	Nil	-
Scott Deakin	-	-	-	-	-	Nil	-

The Directors had agreed that their per annum base salary or director's fees (as applicable) will commence and accrue on and from the date of admission of the Company to the official List of the ASX. As such the remuneration of Directors for the period ended 30 June 2022 was \$nil.

Table 4: Share holdings of Key Management Personnel

Name	Held at the start of the period	Issued on exercise of options	Participation Initial Public Offering ⁽ⁱ⁾	Acquired on market	Disposed	Held at the end of the period
Directors						
Alec Pismiris	211,750	-	200,000	-	-	411,750
William Oliver	50,000	-	125,000	-	-	175,000
Scott Deakin	150,000	-	750,000	-	-	900,000

(i) Shares were purchased at the offer issue prices of \$0.20 per share.

DIRECTORS' REPORT

Table 5: Option holdings of Key Management Personnel

Unlisted options issued to Key Management Personnel

The following options over unissued ordinary shares were issued to Key Management Personnel ('KMP') during, or since the end of, the current financial year ended 30 June 2023:

Class	Expiry date	Exercise price \$	Date granted	Number	Grant date fair value \$	Total fair value \$	Expected vesting date
Unlisted Options	11/10/2026	0.40	7/10/2022	2,000,000	0.1024	204,800	Vested Immediately

The options have been valued using a Black-Scholes option pricing model utilising with the following assumptions:

Spot price	\$0.20
Exercise price	\$0.40
Expiry date	11/10/2026
Volatility*	88%
Risk free rate	3.53
Dividend yield	-

* Volatility determined using an analysis of comparable companies' share price volatility over the three years prior to the valuation date.

Name	Held at the start of the period	Number	Grant date	Vesting conditions	Vesting date	Expiry	Exercise Price	Held at the end of the year
Directors								
Alec Pismiris	61,750 ⁽ⁱ⁾	-	01/11/2021	None	Immediately	11/10/2026	\$0.40	61,750
	75,000 ⁽ⁱⁱ⁾	-	01/03/2022	None	Immediately	11/10/2026	\$0.40	75,000
	-	1,000,000 ⁽ⁱⁱⁱ⁾	07/10/2022	None	Immediately	11/10/2026	\$0.40	1,000,000
William Oliver	25,000 ⁽ⁱ⁾	-	01/03/2022	None	Immediately	11/10/2026	\$0.40	25,000
	-	500,000 ⁽ⁱⁱⁱ⁾	07/10/2022	None	Immediately	11/10/2026	\$0.40	500,000
Scott Deakin	75,000 ⁽ⁱ⁾	-	01/03/2022	None	Immediately	11/10/2026	\$0.40	75,000
	-	500,000 ⁽ⁱⁱⁱ⁾	07/10/2022	None	Immediately	11/10/2026	\$0.40	500,000
Total	236,750	2,000,000						2,236,750

- (i) Free-attaching options were issued on incorporation, and subsequently as part of the seed raising on 1 March 2022.
- (ii) Options issued to Directors as part of their respective remuneration package during the initial public offering on 24 August 2022.



DIRECTORS' REPORT

Loans to Key Management Personnel

There were no loans to key management personnel during the period ended 30 June 2023.

Other Transactions with Key Management Personnel and Their Related Parties

Mr William Oliver, a director of the Company, is also an officer of Billandbry Consulting Pty Ltd, a company who provided Director and project consultancy services and invoiced the Company \$9,819 (2022: \$nil) for Director and project consultancy services. As at 30 June 2023, \$2,875 (2022: \$nil) was owing to Billandbry Consulting Pty Ltd.

All transactions were made on normal commercial terms and conditions and at market rates. The shares that were issued to key management personnel during the year were issued as part of the normal shareholder transactions on the same terms and conditions to other shareholders.

Consequences of Performance on Shareholder

The earnings of the Group for each year since incorporation to 30 June 2023 are summarised below:

		2023	2022
Other income	\$	99,339	Nil
EBITDA	\$	(653,843)	(119,948)
EBIT	\$	(653,843)	(119,948)
Loss after income tax	\$	(653,843)	(119,948)
Share price at 30 June	dollars per share	0.165	N/A
Basic loss per share	cents per share	(2.46)	(1.98)

During the year ended 30 June 2023, the Company did not utilise any remuneration consultants.

At the 2022 AGM, 100% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2022. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

[End of audited Remuneration Report.]

The directors' report is signed in accordance with a resolution of the Board of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

Alec Pismiris
Executive Chairman

27 September 2023
Perth

BUBALUS RESOURCES LIMITED
ACN 654 970 751

AUDITOR'S INDEPENDENCE DECLARATION

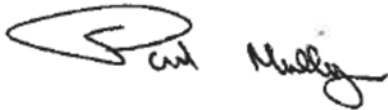
In relation to the independent audit for the year ended 30 June 2023, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Bubalus Resources Limited and its controlled entities during the year.

Pitcher Partners BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD



PAUL MULLIGAN
Executive Director
Perth, 27 September 2023

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**



		30 June 2023 \$	For the period 1 November 2021 to 30 June 2022 \$
	Notes		
Interest income		99,339	-
Legal fees		(55,359)	(37,639)
Audit fees	15	(50,252)	(28,000)
Consulting and accounting services		(198,992)	(48,341)
Other administration expenses		(122,993)	(5,968)
Director's fees		(101,655)	-
Non-capital exploration expenditure		(19,131)	-
Share-based payments	9	(204,800)	-
Loss before income tax		(653,843)	(119,948)
Income tax expense	2	-	-
Loss after tax for the period		(653,843)	(119,948)
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to members of the parent		(653,843)	(119,948)
Loss per share			
Basic and diluted loss per share (cents)	14	(2.46)	(1.98)

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

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**



	Notes	30 June 2023 \$	30 June 2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	3	3,891,056	304,551
Trade and other receivables	4	111,121	622
Total current assets		4,002,177	305,173
Non-current assets			
Exploration and evaluation expenditure	5	785,253	-
Total non-current assets		785,253	-
Total assets		4,787,430	305,173
LIABILITIES			
Current liabilities			
Trade and other payables	7	141,433	75,300
Total current liabilities		141,433	75,300
Total liabilities		141,433	75,300
Net assets		4,645,997	229,873
EQUITY			
Issued capital	8	4,754,188	349,821
Reserves	10	665,600	-
Accumulated losses		(773,791)	(119,948)
Total equity		4,645,997	229,873

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

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**



	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
Balance at incorporation 1 November 2021	89,235	-	-	89,235
Loss after income tax for the period	-	-	(119,948)	(119,948)
Total comprehensive loss for the period	-	-	(119,948)	(119,948)
Transactions with owners in their capacity as owners				
Share issue	320,000	-	-	320,000
Share issue costs	(59,414)	-	-	(59,414)
Share based payments	-	-	-	-
Balance at 30 June 2022	349,821	-	(119,948)	229,873
Balance at 1 July 2022	349,821	-	(119,948)	229,873
Loss after income tax for the period	-	-	(653,843)	(653,843)
Total comprehensive loss for the period	-	-	(653,843)	(653,843)
Transactions with owners in their capacity as owners				
Share issue	5,200,000	-	-	5,200,000
Share issue costs	(795,633)	-	-	(795,633)
Share based payments	-	665,600	-	665,600
Balance at 30 June 2023	4,754,188	665,600	(773,791)	4,645,997

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

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**



		30 June 2023	For the period 1 November 2021 to 30 June 2022
	Notes	\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(534,221)	(60,244)
Interest received		26,952	-
GST paid		(32,478)	(622)
Net cash outflow from operating activities	3	(539,747)	(60,866)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(397,293)	-
Payments for acquisition of exploration and evaluation assets		(103,385)	-
Net cash outflow from investing activities		(500,678)	-
Cash flows from financing activities			
Proceeds from issue of shares		5,000,000	409,235
Capital raising costs		(373,070)	(43,818)
Net cash inflow from financing activities		4,626,930	365,417
Net increase in cash held		3,586,505	304,551
Cash at the beginning of the period		304,551	-
Cash at the end of the period		3,891,056	304,551

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



1. Significant Accounting Policies

Corporate information

The Group is a public listed company and is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Its registered office and principal place of business is Level 2, 22 Mount Street, Perth WA 6000.

Basis of preparation

The financial report covers the Company and its controlled entities (the Group).

The consolidated financial report is a general purpose financial report that has been prepared in accordance with *Corporations Act 2001*, Australian Accounting Standards, Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

The consolidated financial report was approved by the Directors on 27 September 2023.

Reporting basis and conventions

The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Cost is based on the fair values of the consideration given in exchange for assets.

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

Significant accounting estimates and judgements

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Exploration and evaluation expenditure

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement to determine whether future economic benefits are likely from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

In addition to applying judgement to determine whether future economic benefits are likely to arise from the Group's exploration and evaluation assets or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Group has to apply a number of estimates and assumptions.

Share based payment transactions

The Group measures the cost of equity-settled transactions with suppliers and employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate fair value pricing model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.



Comparative figures

The consolidated entity's current accounting period is the year ended 30 June 2023 and its comparative accounting period is from 1 November 2021 (date of incorporation) to 30 June 2022. Therefore, the results are not directly comparable.

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 12.

Principles of consolidation

The financial report incorporates the assets and liabilities of all subsidiaries of the Group as at 30 June 2023 and the results of all subsidiaries for the period then ended.

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

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

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

Operating segments

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

Other income

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

Exploration and evaluation

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

- a) The rights to tenure of the area of interest are current; and
- b) At least one of the following conditions is also met:
 - i. The exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively by its sale; or

- ii. Exploration and evaluation activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest is continuing.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had not impairment loss been recognised for the asset in previous years. Where a decision is made to proceed with development in respect of a particular areas of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then classified to development.

Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and laws used to compute the amount are those that are enacted or substantially enacted by the balance sheet date.

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

Deferred income tax liabilities are recognised for all taxable temporary differences:

- a) except where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- b) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interest in joint operations, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- a) except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- b) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint operations, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of comprehensive income.

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

Tax consolidation

The Company and its wholly owned Australian resident entities have formed a tax-consolidated group with effect from 7 October 2022 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is Bubalus Resources Limited. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Earnings/loss per share

Basic earnings/loss per share is calculated by dividing the profit/loss from ordinary activities after related income tax expense by the weighted average number of ordinary shares outstanding during the financial year. Diluted earnings/loss per share is calculated as net profit/loss attributable to members, adjusted for:

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

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position and Statement of Cash Flows comprise cash at bank and in hand and deposits that are readily convertible to known amounts of cash, with an original maturity of 12 months or less, and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently carried at amortised cost less an allowance for impairment. Refer also Financial Instruments.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- a) where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- b) receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

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

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

Trade and other payables

Trade payables and other payables are initially recognised at fair value and are subsequently carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Refer also to Financial Instruments.

Share based payment transactions

The Company provides benefits to employees (including Directors) and consultants of the Company in the form of share-based payments, whereby employees and consultants render services in exchange for shares or rights over shares ('equity-settled transactions').

The cost of these equity-settled transactions with employees and consultants is measured by reference to the fair value of the shares at the grant date.

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

The cost of equity-settled transactions is recognised in the Statement of Comprehensive Income, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees or consultants become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired and the number of awards that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance sheet date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transactions a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share, unless the Group is loss making, then it is anti-dilutive as the inclusion of these options would reduce the loss per share.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into the following categories:

- a) amortised cost;
- b) fair value through profit or loss (FVTPL); and
- c) fair value through other comprehensive income (FVOCI).

In the period presented the Group does not have any financial assets categorised as FVTPL or FVOCI.

The classification is determined by both:

- a) the entity's business model for managing the financial asset; and
- b) the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.



Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with any debt instruments carried at amortised cost and FVOCI. The Group financial assets only include trade and other receivables, comprising GST. For trade and other receivables, the Group applies the simplified approach permitted by AASB, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Going concern

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

The Group incurred a loss after income tax of \$653,843(2022: \$119,948) and had cash out flows from operating activities of \$539,747 for the year ended 30 June 2023 (2022: \$60,866). As at that date, the Group had net current assets of \$3,860,744 (2022: \$229,873).

The directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial statements after taking into consideration its planned activities for the next 12 months and forecast cash flows over that period.

New and revised accounting standards and interpretations

The Group has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the Group's accounting policies. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and are not expected to have a material impact on the Group.



2. Income tax expense

	2023 \$	2022 \$
<i>a) Reconciliation of income tax expense prima facie tax payable</i>		
Loss before income tax	(653,843)	(119,948)
Prima facie income tax at 30% (2022: 25%)	(196,153)	(29,987)
Tax effect amounts which are not deductible in calculating taxable income:		
Share based payments	61,440	-
Legal expenses	15,189	9,410
Non-capital exploration expenditure	5,739	-
Tax effect of movement in unrecognised temporary differences	(192,874)	840
Tax loss not recognised	306,659	19,737
Income tax expense	-	-
<i>b) Tax losses</i>		
Unused tax losses for which no deferred tax asset has been recognised	1,101,146	78,949
Potential tax benefit at 30% (2022: 25%)	330,344	19,737

- c) The directors estimate that the potential deferred tax asset at 30 June 2023 in respect of tax losses not brought to account is \$330,344 (2022: \$19,737).

The benefit for tax losses will only be obtained if:

- i. the Group derives income, sufficient to absorb tax losses; and
- ii. there is no change to legislation to adversely affect the Group in realising the benefit from the deduction of losses.



3. Cash and cash equivalents

	2023 \$	2022 \$
<i>Cash and cash equivalents in the statement of financial position and statement of cash flows</i>		
Cash at bank and on hand	891,056	304,551
Short-term deposits	3,000,000	-
	3,891,056	304,551
	2023 \$	2022 \$
<i>Reconciliation of profit after income tax to the net cash flow from operating activities</i>		
Loss after income tax	(653,843)	(119,948)
<i>Adjustments for:</i>		
Non-capital exploration expenditure	19,131	-
<i>Changes in net assets and liabilities:</i>		
Receivables	(110,499)	(622)
Payables	205,464	59,704
Net cash outflows from operating activities	(539,747)	(60,866)

Non-cash transactions

During the year, the Group had non-cash transactions through the acquisition of Tomorrow Minerals Pty Ltd and Jarrah Nia Exploration Pty Ltd by means of an equity issue. Please refer to Note 6 for further information.

4. Trade and other receivables

	2023 \$	2022 \$
GST receivable	33,100	622
Prepayments	5,634	-
Other debtors	72,387	-
	111,121	622

5. Exploration and evaluation

	2023	2022
	\$	\$
Exploration and evaluation – at cost	785,253	-
	785,253	-

Reconciliations

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

	2023	2022
	\$	\$
Opening balance	-	-
Acquisition of Tomorrow Minerals Pty Ltd (note 6)	182,386	-
Acquisition of Jarrah Nia Exploration Pty Ltd (note 6)	120,999	-
Expenditure incurred during the period	500,999	-
Non-capital exploration expenditure	(19,131)	-
Closing balance	785,253	-

The Group currently holds a total of 9 tenements (Amadeus, Coomarie and Nolans East Projects) located in the Northern Territory. During the financial year, the Group acquired 11 tenements (two in application) through the issue of 1,000,000 shares at a deemed issue price of \$0.20 and shareholder loan repayments. On 12 July 2023, the Group applied for a further 2 tenements (Coomarie Project) in the Northern Territory.

6. Asset acquisition

On 7 October 2022, Bubalus Resources Limited acquired 100% of the issued shares of Tomorrow Minerals Pty Ltd for a cash consideration of \$82,386 and through the issue of 500,000 shares at a deemed issue price of \$0.20. Tomorrow Minerals Pty Ltd is an unlisted private company that was incorporated in Australia and owns the Amadeus Project (seven tenements) in the Northern Territory.

On 7 October 2022, Bubalus Resources Limited acquired 100% of the issued shares of Jarrah Nia Exploration Pty Ltd for a cash consideration of \$20,999 and through the issue of 500,000 shares at a deemed issue price of \$0.20. Jarrah Nia Exploration Pty Ltd is an unlisted private company that was incorporated in Australia and owns the Coomarie Project (one tenement and one in application) in the Northern Territory, the Pargee Project (one tenement in application) in Western Australia and the Nolans East Project (one tenement) in the Northern Territory.

The transactions outlined above were accounted for asset acquisitions rather than as business combinations, as it was determined that the acquired net assets of Tomorrow Minerals Pty Ltd and Jarrah Nia Exploration Pty Ltd did not constitute a business.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023



Details of the transactions outlined above are as follows:

	2023 \$	2022 \$
<i>Purchase Consideration:</i>		
Cash consideration	103,385	-
1,000,000 shares issued to vendors (note 8)	200,000	-
Total purchase consideration	303,385	-
	Fair Value	Fair Value
Exploration and evaluation expenditure (note 5)	303,385	-
Net assets acquired	303,385	-

7. Trade and other payables

	2023 \$	2022 \$
Trade creditors	78,849	31,202
Accrued expenses	59,728	44,098
Other creditors	2,856	-
	141,433	75,300

8. Issued capital

	2023 \$	2022 \$	
Ordinary shares – issued and fully paid	4,754,188	349,821	
	No. of shares	Issue Price \$	\$
<i>Movement in ordinary shares on issue</i>			
Shares issued on incorporation of the Company – 1 November 2021 (a)	4,461,750	0.02	89,235
Shares issued under the pre-initial public offer of securities – 1 March 2022 (b)	3,200,000	0.10	320,000
Transactions costs	-	-	(59,414)
On issue as at 30 June 2022	7,661,750		349,821
Shares issued under the Initial Public Offer Prospectus – 7 October 2022	25,000,000	0.20	5,000,000
Shares issued to vendors – 7 October 2022 (note 6)	1,000,000	0.20	200,000
Transactions costs	-	-	(795,633)
On issue at 30 June 2023	33,661,750		4,754,188

(a) On incorporation, the Company completed a seed capital raising of \$89,235 by issuing 4,461,750 fully paid ordinary shares at an issue price of \$0.02 per share with a one for one attaching option exercisable at \$0.40 with an expiry date 4 years from the date of admission to the Official List of ASX to the founding shareholders.

(b) On 1 March 2022, the Company completed pre-IPO financing offer to clients of Inyati Capital Pty Ltd. The Company successfully raised \$320,000 by issuing 3,200,000 fully paid ordinary shares at an issue price of \$0.10 per share with a one for two attaching option exercisable at \$0.40 with an expiry date 4 years from the date of admission to the Official List of ASX to Sophisticated Investors under section 708(8) of the *Corporations Act 2001* and Professional Investors under section 708(11) of the *Corporations Act 2001*.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Upon a poll each share shall have one vote and all substantive resolutions at shareholder meetings will be decided by a poll rather than a show of hands.

Capital management

The objectives of management when managing capital is to safeguard the Group's ability to continue as a going concern, so that the Group maintains a strong capital base sufficient to maintain future exploration and development of its projects.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programs and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements with a view of initiating appropriate capital raisings as required.

The working capital position of the Group at 30 June 2023 is as follows:

	2023 \$	2022 \$
Cash and cash equivalents	3,891,056	304,551
Trade and other receivables	111,121	622
Trade and other payables	(141,433)	(75,300)
Working capital position	3,860,744	229,873

9. Share based payment transactions

	2023 \$	2022 \$
2,000,000 Options – recognised as a share based payment expense - (a)	204,800	-
4,500,000 Options – recognised in equity (share issue costs) – (b)	460,800	-
	665,600	-

During the year on 7 October 2022, the Company issued 1,000,000 fully paid ordinary shares to the vendors as part consideration for asset acquisitions. These shares were valued at \$0.20 per share with the total fair value of \$200,000 capitalised as an asset within exploration and evaluation expenditure. Refer to note 6 for further details.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023



During the IPO at 24 August 2022, the Company announced the following new options:

- (a) 2,000,000 options to the Directors (and/or their respective nominees) as part of their respective remuneration packages in exchange for their consultancy and corporate services; and
- (b) 4,500,000 options to Inyati Capital Pty Ltd (and/or its nominees), the Lead Manager in consideration for the services provided during the IPO.

Option pricing model

Options issued during the current year we valued using a Black-Scholes option pricing model utilising the following valuation model inputs to determine their fair value at grant date:

Grant date	Vesting date	Expiry date	Share price at grant date \$	Exercise price \$	Expected volatility %	Dividend yield %	Risk-free interest rate %	Number of Options	Fair Value at grant date \$	Total Value \$
7/10/2022	Nil	11/10/2026	0.20	0.40	88	-	3.53	6,500,000	0.1024	665,600

The options vested upon issue.

10. Reserves

	Number	\$
<i>Share-based payments reserve consists of:</i>		
Share options	12,561,750	665,600
	12,561,750	665,600
Balance at 1 July 2022	6,061,750	-
Options issued	6,500,000	665,600
Balance at 30 June 2023	12,561,750	665,600

Set out below is a summary of the movement in options on issue during the financial year:

Grant date	Expiry date	Exercise price \$	Balance at the start of the year	Granted	Exercised	Expired/forfeited	Balance at the end of the year
4/11/2021	11/10/2026	0.40	4,461,750	-	-	-	4,461,750
1/03/2022	11/10/2026	0.40	1,600,000	-	-	-	1,600,000
7/10/2022	11/10/2026	0.40	-	4,500,000	-	-	4,500,000
7/10/2022	11/10/2026	0.40	-	2,000,000	-	-	2,000,000
			6,061,750	6,500,000	-	-	12,561,750
Weighted average exercise price			0.19	0.40	-	-	0.40

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023



Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	Exercise price \$	2023 #	2022 #
4/11/2021	11/10/2026	0.40	4,461,750	4,461,750
1/03/2022	11/10/2026	0.40	1,600,000	1,600,000
7/10/2022	11/10/2026	0.40	4,500,000	-
7/10/2022	11/10/2026	0.40	2,000,000	-
			12,561,750	6,061,750

The weighted average remaining contractual life of options outstanding at the end of the financial year was 3.3 years (2022: 1.6 years).

11. Related parties

Key management personnel compensation

The key management personnel compensation included in employee benefits expense and share-based payments (note 9) is as follows:

	2023 \$	2022 \$
Short-term employee benefits	111,624	-
Share based payments	204,800	-
Post-employment benefits	2,474	-
Total compensation	318,898	-

Controlled entities

The consolidated financial statements include the assets, liabilities and results of the following wholly-owned subsidiaries:

Name	Country of incorporation	Consolidated entity company holding the investment	Ownership interest	
			2023	2022
Jarrah Nia Exploration Pty Ltd	Australia	Bubalus Resources Limited	100%	-
Tomorrow Minerals Pty Ltd	Australia	Bubalus Resources Limited	100%	-

Bubalus Resources Limited is the parent entity of the Group.

Other transactions with related parties

Mr William Oliver, a director of the Company, is also an officer of Billandbry Consulting Pty Ltd, a company who provided Director and project consultancy services and invoiced the Company \$9,819 (2022: \$nil) for Director and project consultancy services. As at 30 June 2023, \$2,875 (2022: \$nil) was owing to Billandbry Consulting Pty Ltd.

All transactions were made on normal commercial terms and conditions and at market rates. The shares that were issued to key management personnel during the year were issued as part of the normal shareholder transactions on the same terms and conditions to other shareholders.

Loans to/from related parties

There were no loans from related parties as at 30 June 2023 and 30 June 2022.

12. Parent entity information

The following information is for the parent entity, Bubalus Resources Limited, at 30 June 2023. The information presented here has been prepared using the consistent accounting policies as detailed in the relevant notes of this report.

	2023 \$	2022 \$
Current assets	4,305,562	305,172
Non-current assets	502,901	-
Total assets	4,808,463	305,172
Current liabilities	(141,433)	(75,300)
Non-current liabilities	-	-
Total liabilities	(141,433)	(75,300)
Issued capital	4,754,188	349,821
Reserves	665,600	-
Accumulated losses	(752,758)	(119,948)
Total equity	4,667,030	229,873
Total comprehensive loss of the parent	(632,810)	(119,948)

For the year ended 30 June 2023, the parent entity has not entered into any guarantees, contingent liabilities and contractual commitments in relation to the debts of its subsidiaries.

13. Commitments for expenditure

Exploration and evaluation

The Group is required to maintain current rights of tenure to tenements, which require outlays of expenditure in future financial periods. Under certain circumstances, these commitments are subject to the possibility of adjustment to the amount and/or timing of such obligations, however they are expected to be fulfilled in the normal course of operations.

The Group has tenement expenditure commitments payable of:

	2023 \$	2022 \$
Not later than 12 months	348,434	-
Between 12 months and 5 years	2,812,136	-
Total	3,160,570	-

14. Loss per share

	2023 \$	2022 \$
Loss after income tax	(653,843)	(119,948)
	Number of shares	Number of shares
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	26,609,695	6,043,313
Basic and diluted loss per share (cents)	(2.46)	(1.98)

The options do not have a dilutive effect and therefore are not included in the weighted average number of shares.

15. Auditors' remuneration

	2023 \$	2022 \$
Auditing the financial report	39,984	15,000
Other assurance services in relation to the Company's proposed listing:		
- Audit of prior period financial report	-	5,000
- Independent limited assurance report	10,268	8,000
Total	50,252	28,000

16. Matters subsequent to the end of the financial year

On 12 July 2023, the Company announced that it has expanded its tenure as its 100% owned Coomarie Project to 1,315km² via two new applications.

On 18 September 2023, the Group announced that a binding asset sale agreement has been executed with Hardy Metals Pty Ltd ('Hardy') to acquire E09/2724 and E09/2725 located in the Gascoyne Region of Western Australia and associated mining information.

The key terms of the acquisition are outlined below:

- (i) 2,350,000 fully paid ordinary shares in the capital of the Group to Hardy; and
- (j) A cash payment of \$75,000 to Hardy as reimbursement of expenditure incurred by Hardy on the tenements.

Additionally the Group has agreed to pay Inyati Capital Pty Ltd ('Inyati') a facilitation fee of 15% of the total number of shares issued for the services provided in relation to the acquisition. The facilitation fee will be satisfied by the issue of 352,500 fully paid ordinary shares in the capital of the Group to Inyati. Inyati (and associated entities) is currently a substantial shareholder of the Group, holding approximately 9.8% of the current issued capital. Inyati and Hardy are not a related party of the Group.

The directors are not aware of any other matters or circumstances that have arisen since the end of the financial period, which 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 future financial years.



17. Contingent assets and liabilities

Contingent assets

The Group had no contingent assets as at 30 June 2023 and 30 June 2022.

Contingent liabilities

The Group had no contingent liabilities as at 30 June 2023 and 30 June 2022.

18. Operating segments

The Group is organised into one operating segment based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group operates as a single segment which is mineral exploration and in a single geographical location which is Australia.

19. Financial management risk

The Group's principal financial instruments comprise cash and short-term deposits. The Group has various other financial assets and liabilities such as other receivables and payables, which arise directly from its operations. Such amounts are measured at their amortised cost.

The Group's activities expose it to a variety of financial risks including, credit risk liquidity risk and cash flow interest rate risk. The Group is not exposed to price risk.

Risk management is carried out by the Board of Directors, who evaluate and agree upon risk management and objectives.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risks

The Group is not materially exposed to interest rate risk.

Credit risk

The Group does not have significant concentrations of credit risk. Credit risk is managed by the Board of Directors and arises from cash and cash equivalents as well as credit exposure including outstanding receivables.

All cash balances are held in Australia and all of Group's surplus funds are invested with A+ Rated financial institutions.

The maximum exposure to credit risk at reporting date is the carrying amount of the financial assets disclosed within the financial report.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about default rates.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash balances and access to equity funding.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023



The Group's exposure to the risk of changes in the market interest rates relate primarily to cash assets.

The Directors monitor the cash-burn rate of the Group on an on-going basis against budget and the maturity profiles of financial assets and liabilities to manage its liquidity risk.

The financial liabilities the Group had a reporting date were other payables incurred in the normal course of the business. These were non-interest bearing and were due within the normal 30-60 days terms of creditor payments.

Maturity analysis for financial liabilities

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

2023	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	141,433	-	-	-	141,433
Total non-derivatives		141,433	-	-	-	141,433

2022	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	75,300	-	-	-	75,300
Total non-derivatives		75,300	-	-	-	75,300

Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the reporting date are recorded at amounts approximating their carrying amount.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

20. Dividends

The Group has not declared nor paid a dividend for the period.

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position and performance as at 30 June 2023; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The directors draw attention to the notes to the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

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

On behalf of the directors



Alec Pismiris
Executive Chairman

27 September 2023
Perth

BUBALUS RESOURCES LIMITED
ACN 654 970 751

INDEPENDENT AUDITOR'S AUDIT REPORT
TO THE MEMBERS OF
BUBALUS RESOURCES LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Bubalus Resources Limited ("the Company") and the entities it controls (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 ended 30 June 2023, 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:

- (a) giving a true and fair view of the Group's consolidated financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

BUBALUS RESOURCES LIMITED
ACN 654 970 751

Key Audit Matter	How our audit addressed the key audit matter
Share-based Payments <i>Refer to Note 1 and 9 of the Financial Report</i>	
<p>At 30 June 2023, a share-based payment expense of \$665,600 (2022: nil) has been recorded. Share-based payments involve significant Management estimates and judgement in their determination.</p> <p>Share-based payments must be recorded at fair value of the service provided, or in the absence of such, at the fair value of the underlying equity instrument granted. In calculating the fair value there are a number of management judgements including but not limited to:</p> <ul style="list-style-type: none"> Assessing the probability of achieving key performance milestones in relation to vesting conditions; and Assessing the fair value of the share price on grant date, estimate of expected future share price volatility, expected dividend yield and risk-free rate of interest. 	<p>Our procedures included, amongst others:</p> <p>Understanding and evaluating the design and implementation of the relevant controls associated with the preparation of the valuation model used to assess the fair value of share-based payments, including in relation to volatility of the underlying security and the appropriateness of the model used for valuation.</p> <p>Critically evaluating and challenging the methodology and assumptions of Management in their preparation of valuation model, including management's assessment of likelihood of vesting, agreeing inputs to internal and external sources of information as appropriate.</p> <p>Assessing the appropriateness of share-based payment expensed during the year pursuant to the requirements of Australian Accounting Standards AASB 2 <i>Share-based Payment</i> ("AASB 2").</p> <p>Assessing the Group's accounting policy as set out within Note 1 and disclosures within Note 9 for compliance with the requirements of AASB 2.</p>

BUBALUS RESOURCES LIMITED
ACN 654 970 751

Key Audit Matter	How our audit addressed the key audit matter
<p>Valuation of exploration and evaluation ("E&E") assets</p> <p><i>Refer to Note 1 and 9 of the Financial Report</i></p>	
<p>As at 30 June 2023, the Group's E&E assets had a balance of \$785,253 (30 June 2022: nil).</p> <p>The carrying value of exploration and evaluation asset is assessed for impairment by the Group when facts and circumstances indicate that the E&E assets may exceed its recoverable amount.</p> <p>The determination as to whether there are any indicators to require the E&E assets to be assessed for impairment involves a number of judgments including but not limited to:</p> <ul style="list-style-type: none"> • Whether the Group has tenure of the relevant area of interest; • Whether the Group has sufficient funds to meet the relevant area of interest minimum expenditure requirements; and • Whether there is sufficient information for a decision to be made that the relevant area of interest is not commercially viable. <p>Given the size of the balance and the judgmental nature of the impairment indicator assessments associated with exploration and evaluation assets, we consider this is a key audit matter.</p>	<p>Our procedures included, amongst others:</p> <p>Obtaining an understating of and evaluating the design and implementation of the processes and controls associated with the valuation of E&E assets, and those associated with the assessment of impairment indicators.</p> <p>Examining the Group's right to explore in the relevant area of interest, which included obtaining and assessing supporting documentation. We also considered the status of the exploration licences as it related to tenure.</p> <p>Considering the Group's intention to carry out significant exploration and evaluation activity in the relevant area of interest, including an assessment of the Group's cash-flow forecast models, assessing the sufficiency of funding and discussions with senior management and Directors as to the intentions and strategy of the Group.</p> <p>Reviewing management's evaluation and judgement as to whether the exploration activities within each relevant area of interest have reached a stage where the commercial viability of extracting the resource could be determined.</p> <p>Assessing the adequacy of the disclosures included within the financial report.</p>

BUBALUS RESOURCES LIMITED
ACN 654 970 751*Other Information*

The directors are responsible for the other information. The other information comprises the information included in the Group's 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 conclusion thereon.

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

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

Responsibilities of the Directors for the Financial Report

The Directors are responsible for the preparation and fair presentation of the financial report in accordance with the accounting policies disclosed in Note 1 to the financial statements and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of a financial report that 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.

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

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

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

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

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

Report on the Remuneration Report*Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 14 to 18 of the directors' report for the year ended 30 June 2023. In our opinion, the Remuneration Report of Bubalus Resources Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

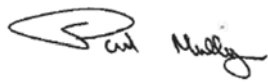
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Responsibilities

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.

Pitcher Partners BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD



PAUL MULLIGAN
Executive Director
Perth, 27 September 2023

ASX ADDITIONAL SHAREHOLDER INFORMATION

Additional information required by Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 15 September 2023.

(a) Corporate Governance Statement

The Company's 2023 Corporate Governance Statement has been released as a separate document and is located on our website at <https://www.bubalusresources.com.au/our-company/corporate-governance/>.

(b) Distribution of equity securities

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

Range	Total Holders	Units	% of Issued Capital
1 – 1,000	7	1,336	-
1,001 – 5,000	11	33,904	0.10
5,001 – 10,000	61	587,071	1.74
10,001 – 100,000	276	12,656,624	37.60
100,001 & Over	62	20,382,815	60.56
Total	417	33,661,750	100.00

Unmarketable Parcels

Minimum \$500.00 parcel at \$0.145 per unit is 14 holders with 16,624 shares.

(c) Twenty Largest Shareholders

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

No.	Name	Units	% of Units
1	INYATI FUND PTY LTD <INYATI FUND NO2 UNIT A/C>	3,300,000	9.80
2	MR THOMAS EDWARD LANGLEY <LANGLEY MINERAL HOLDINGS A/C>	900,000	2.67
3	MR SCOTT DAVID DEAKIN <DEAKIN FAMILY A/C>	900,000	2.67
4	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	900,000	2.67
5	MELBOR PTY LTD <RJW FAMILY A/C>	780,000	2.32
6	GREENSEA INVESTMENTS PTY LTD	700,000	2.08
7	MASSIF HOLDINGS PTY LTD	525,000	1.56
8	DRAWPOINT INVESTMENTS PTY LTD	500,000	1.49
9	PHEAKES PTY LTD <SENATE A/C>	495,000	1.47
10	VALOREM CAPITAL PTY LTD	456,000	1.35
11	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD <DRP A/C>	450,000	1.34
12	MR ALEXANDER THOMPSON	400,000	1.19
13	MR ANDREW BIGG	400,000	1.19
14	BRONZEWING HOLDINGS PTY LTD	400,000	1.19
15	ICE LAKE INVESTMENTS PTY LTD	350,000	1.04
16	BLUE COASTERS PTY LTD	350,000	1.04
17	MR GAVIN JEREMY DUNHILL	335,380	1.00
18	CITYSCAPE ASSET PTY LTD <CITYSCAPE FAMILY A/C>	300,000	0.89
19	NOOKAMKA HOLDINGS PTY LTD <NOOKAMKA HOLDINGS SUPER A/C>	300,000	0.89
20	MGL CORP PTY LTD	295,000	0.88
	Total	13,036,380	38.73

ASX ADDITIONAL SHAREHOLDER INFORMATION

(d) Voting Rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(e) The Number of Restricted Equity Securities / Securities Subject to Voluntary Escrow

Security	Number of Holders	Number Held	Escrow Expiry Date
Fully paid ordinary shares	2	1,000,000	7 October 2023
Fully paid ordinary shares	7	4,190,575	13 October 2024
Unlisted options	9	11,136,750	13 October 2024

(f) Unlisted Securities

The following options are on issue:

Details of Holders	Number of Holders	Exercise Price	Expiry Date	Number of Options Held
Unlisted options	16	\$0.40	11 October 2026	1,425,000
Unlisted options	9	\$0.40	11 October 2026	11,136,750

(g) First Annual Report After Admission

The Company confirms that the cash raised has been used consistently with its business objectives.

(h) Schedule of Tenements

Ownership of tenements as at 15 September 2023

Tenement ID	Project	Status	Registered Holder(s)*	Interest
EL32796	Amadeus	Granted	Tomorrow Minerals Pty Ltd	100%
EL32797	Amadeus	Granted	Tomorrow Minerals Pty Ltd	100%
EL32798	Amadeus	Granted	Tomorrow Minerals Pty Ltd	100%
EL32799	Amadeus	Granted	Tomorrow Minerals Pty Ltd	100%
EL32800	Amadeus	Granted	Tomorrow Minerals Pty Ltd	100%
EL32801	Amadeus	Granted	Tomorrow Minerals Pty Ltd	100%
EL32802	Amadeus	Granted	Tomorrow Minerals Pty Ltd	100%
EL32955	Coomarie	Application	Jarrah Nia Exploration Pty Ltd	-
EL32956	Coomarie	Granted	Jarrah Nia Exploration Pty Ltd	100%
EL33471	Coomarie	Application	Bubalus Resources Ltd	-
EL33472	Coomarie	Application	Bubalus Resources Ltd	-
EL32957	Nolans East	Granted	Jarrah Nia Exploration Pty Ltd	100%
E80/5741	Pargee	Application	Jarrah Nia Exploration Pty Ltd	-

* Tomorrow Minerals Pty Ltd and Jarrah Nia Exploration Pty Ltd are 100% owned subsidiaries of Bubalus Resources Limited.