OAR RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
ACN 009 118 861

ANNUAL REPORT
30 JUNE 2023

Contents

BOARD OF DIRECTORS

Mr Christopher Gale
Mr Paul Stephen
Mr David Vilensky
Mr Anthony Greenaway

COMPANY SECRETARY

Mr Yugi Gouw

REGISTERED & PRINCIPAL OFFICE

Unit 3, 32 Harrogate Street
West Leederville, WA 6007
Telephone: (08) 6117 4797

STOCK EXCHANGE LISTING

Oar Resources Limited is listed on the Australian Securities Exchange
(ASX Code: OAR)

AUDITORS

Hall Chadwick Audit (WA) Pty Ltd
283 Rokeby Road
SUBIACO WA 6008

SHARE REGISTRY

Automic Registry Services
Level 5, 126 Philip Street
Sydney NSW 2000
Telephone: 1300 288 664

Chairmans' Letter

Oar Resources has been a hive of activity during the 2023 financial year, with increased exploration work, successful procurements of funding, and an expansion of our management and on-ground team.

Most excitingly, as the fiscal year drew to a close, OAR embarked on a potentially revolutionary review of the entire Western Eyre Peninsula tenement in South Australia. Using historical data to better guide exploration is a well-known tactic for many explorers. In OAR's case, the review of our 1,520km^2 land package will provide results that determine the Company's next tranche of exploration targets. We've received encouraging initial results from drill samples stretching back more than 40 years, with lithium and Rare Earth Element (REE) potential discovered during the review.

While much of the global focus for critical minerals has remained on nickel, copper and lithium, the need for REE has also started to grow. The global REE market is forecast to nearly double in growth by 2028, as countries around the world increase their demand for electric vehicles and 'green' technology. Australia is a hotspot for REE potential, known as the fourth greatest producer of the collection of elements, which puts OAR in a strong position following initial results delivered from the review of historical data.

I look forward to keeping our shareholders and stakeholders updated as we move into the next phase of exploration across the Western Eyre Peninsula.

OAR's focus on delivering battery and critical minerals resulted in strategic acquisitions of new assets and strategic decisions around our current assets, to ensure we further our growth in this sector. One of these decisions resulted in the completion of the sale of our 100%-owned Bramfield Iron Ore Project in South Australia to Dragon Resource Investments, a subsidiary of Vietnamese based company, The Hoa Phat Group. The sale both increased our cash position and provided immediate funding for exploration activity, in line with our refocused strategy to develop a strong battery and critical mineral portfolio.

Our financial situation remains strong, as OAR secured funding through a variety of means across 2023, to guarantee our exploration activities can be expanded and accelerated. Supporting this expansion is a strong and experienced exploration team, led by a management team passionate about the projects we have in our pocket. The work conducted by this team in the past financial year has invoked confidence in OAR from stakeholders and from you as shareholders, which is reflected positively in the market.

The desire for consistent supply of metals needed to produce the new era of clean, 'green' technology will only continue to rise. Meeting this strong demand has formed a key part of OAR's exploration strategy and will continue to drive our Company as we look to join the critical mineral tidal wave, whether in Australia or elsewhere.

Thank you to our shareholders who have remained strong in supporting our Company, as we venture into the next phase of exploration and strategic growth.

Yours faithfully

Christopher Gale
Non-Executive Chairman

Review of Operations

1. COMPANY OVERVIEW

Oar Resources Limited ("OAR" or "the Company") is an exploration and development company focused on expanding and developing a portfolio of fully owned battery and critical minerals assets to help meet rising global demand.

OAR has a diverse range of prospective sites across its expansive Western Eyre Peninsula tenement package in South Australia, including the OAR Graphite Project, the Gibraltar Halloysite-Kaolin Project, and newly reviewed areas that show Rare Earth Element (REE) potential. In Western Australia, OAR holds the Crown PGE-Nickel-Copper Project near Julimar, as well as the Denchi Lithium Project in the Northern Goldfields.

The Company holds the rights to a gold exploration project in the highly prospective Walker Lane region of Nevada, USA, which has several neighbouring multi-million-ounce deposits. Through its subsidiary Ozinca Peru SAC, OAR also has ownership of a gold lixiviation plant in Peru, strategically positioned near thousands of small gold miners.

2. PROJECTS

2.1. Western Eyre Peninsula, South Australia

OAR's tenement package in the Western Eyre Peninsula covers an extensive 1,520km^2 of the Gawler Craton in South Australia which has a long and well documented exploration history. In an effort to better understand the validity of this historical work and to guide further exploration efforts, the Company engaged with specialist geophysical consultancy, Terra Resources to compile and review all historical data covering the project area.

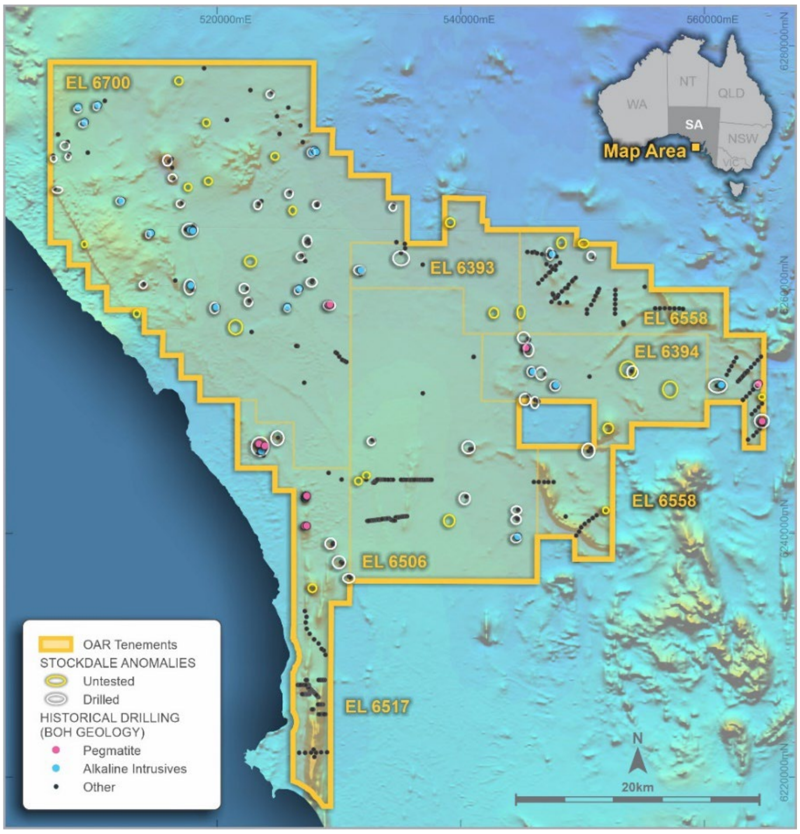

Figure 1. OAR Resource's 100%-owned tenement holdings in the Western Eyre Peninsula, South Australia showing locations of logged alkaline intrusives, pegmatites and previously identified magnetic anomalies.

During the review, it was discovered that the historic dataset inherited from previous explorers was incomplete and lacked digitisation, making it difficult to conduct effective interrogation and assessment of previous exploration. This resulted in Terra Resources and the Company compiling and digitising the data, commencing with historical handwritten drill logs and assays, tenement-by-tenement, across the entire Western Eyre Peninsula project area.

Encouragingly, an initial assessment by Terra Resources' geophysicists revealed several noteworthy geophysical features within the greater project area that have not previously been adequately investigated. This resulted in the exploration team visiting the South Australian Department of Energy and Mining's (DEM) Core Library in Adelaide to analyse historic drilling samples. This work was supported by the South Australian Government, which continues to prioritise the Critical Minerals Exploration industry through the allocation of library resources at its state-of-the-art facility to aid the Company's review activity.

Figure 2. Example of aircore drilling samples and bottom of hole samples that are available for resampling at DEM's exploration library.

Figure 3. Oar Exploration Manager Ross Cameron inspecting historic core at DEM core library in Adelaide.

The review and compilation of data was completed during the 2023 financial year, with encouraging results guiding OAR's next tranche of exploration targets at this project.

OAR Graphite Project, Eyre Peninsula, South Australia

The 100%-owned Oar Graphite Project is situated in the heart of the Eyre Peninsula and has been listed as a Critical Minerals Project by the Federal Government. Formerly known as the Oakdale Graphite Project, this asset has an existing resource for large-flake graphite and has previously demonstrated promising potential for shallow, low-cost, open pit mining.

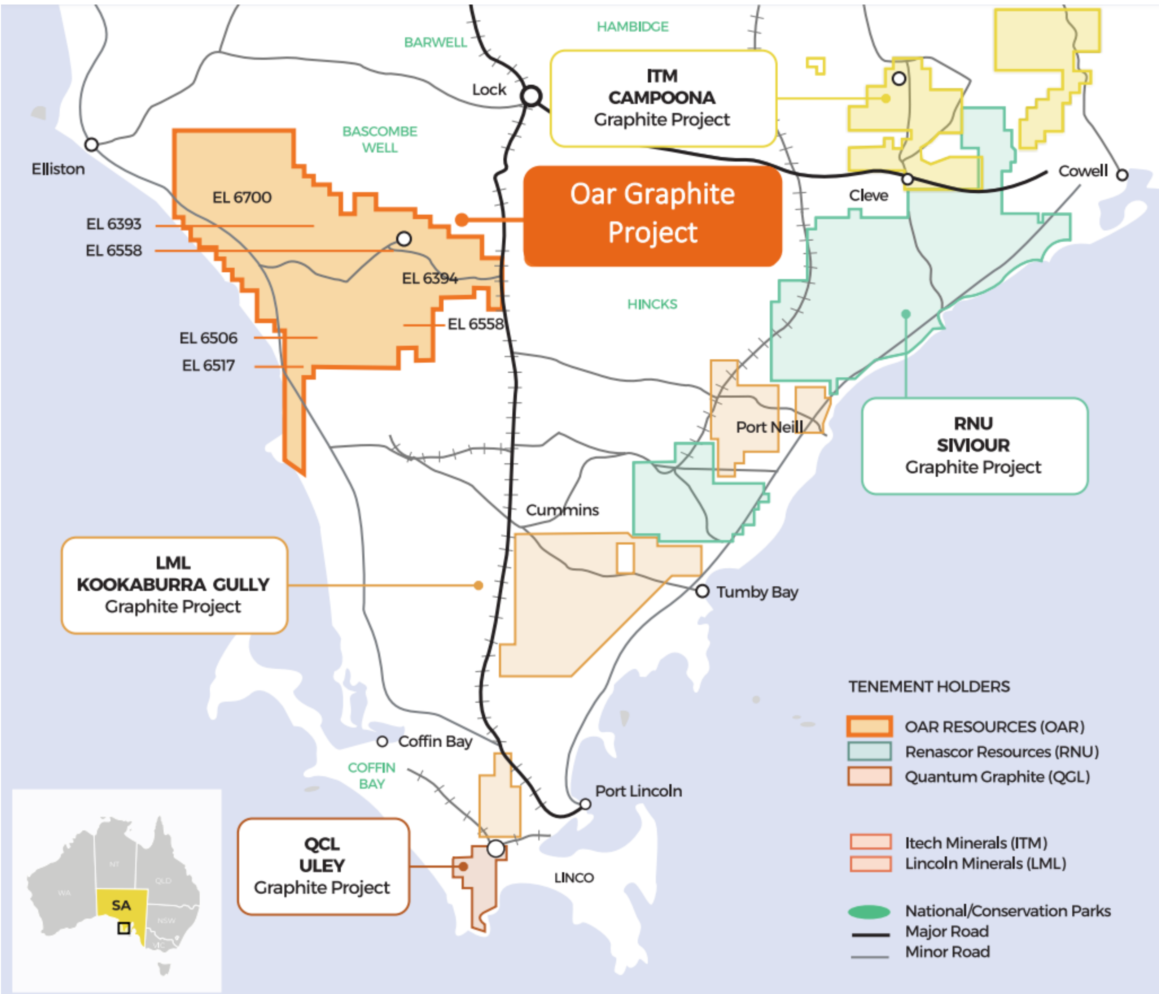

Figure 4. Oar Graphite Project location map, showcasing similar graphite projects on the Eyre Peninsula.

The project remains open along strike and at depth, with a current JORC 2012 resource of 6.22Mt at 4.8% Total Graphite Content (TGC). Metallurgical test work on historic drill core from the project has identified ultra-fine flake graphite, which is currently in high demand by the battery manufacturing industry. While initial tests revealed encouraging grades of 89.1% total graphitic carbon, OAR is confident the final grade concentrate can reach 95% or higher, making it suitable for refining into battery anode material.

The Company also commenced landholder engagement in preparation for a planned aircore drilling campaign, which has received Program for Environment Protection and Rehabilitation (PEPR) approval from the South Australian DEM.

2.2. Gibraltar Halloysite-Kaolin Project, Eyre Peninsula, South Australia

The Gibraltar Halloysite-Kaolin Project is situated within the Company's Eyre Peninsula ground holding and has strong potential with drilling results returning grades as high as 54% halloysite, which is among the highest grades reported in the area.

Figure 5. Gibraltar Halloysite-Kaolin Project location

During the 2023 financial year, OAR identified a range of representative halloysite bearing samples, obtained during the 2021 aircore drilling campaign, and sent them to the Cooperative Research Centre for Contamination Assessment and Remediation of the Environment (crcCARE) at the University of Newcastle for research testwork.

The crcCARE's research aims to modify halloysite and kaolinite minerals to develop emission reduction technologies for use in the cattle industry, to reduce methane emissions produced by ruminant livestock. OAR's halloysite samples were provided for preliminary testing to assess its suitability.

2.3. Denchi Lithium Project, Northern Goldfields, Western Australia

The Denchi Lithium Project is situated near Wiluna in Western Australia's Northern Goldfields region and has historic lithium and rubidium anomalies reported from historic rock chips.

This financial year saw OAR's presence in the region expand with the further tenement applications being granted, which increased the Company's landholding to a combined area of 787.4km^2. Systemic surface exploration at the project continued, with a focus on wide-spread reconnaissance and mapping of previously identified outcropping pegmatites.

2.4. Douglas Canyon Gold-Silver Project, Nevada, USA

The 100%-owned Douglas Canyon Gold-Silver Project is located in the prolific gold-silver region of Southern Nevada, USA, which hosts numerous high-grade projects.

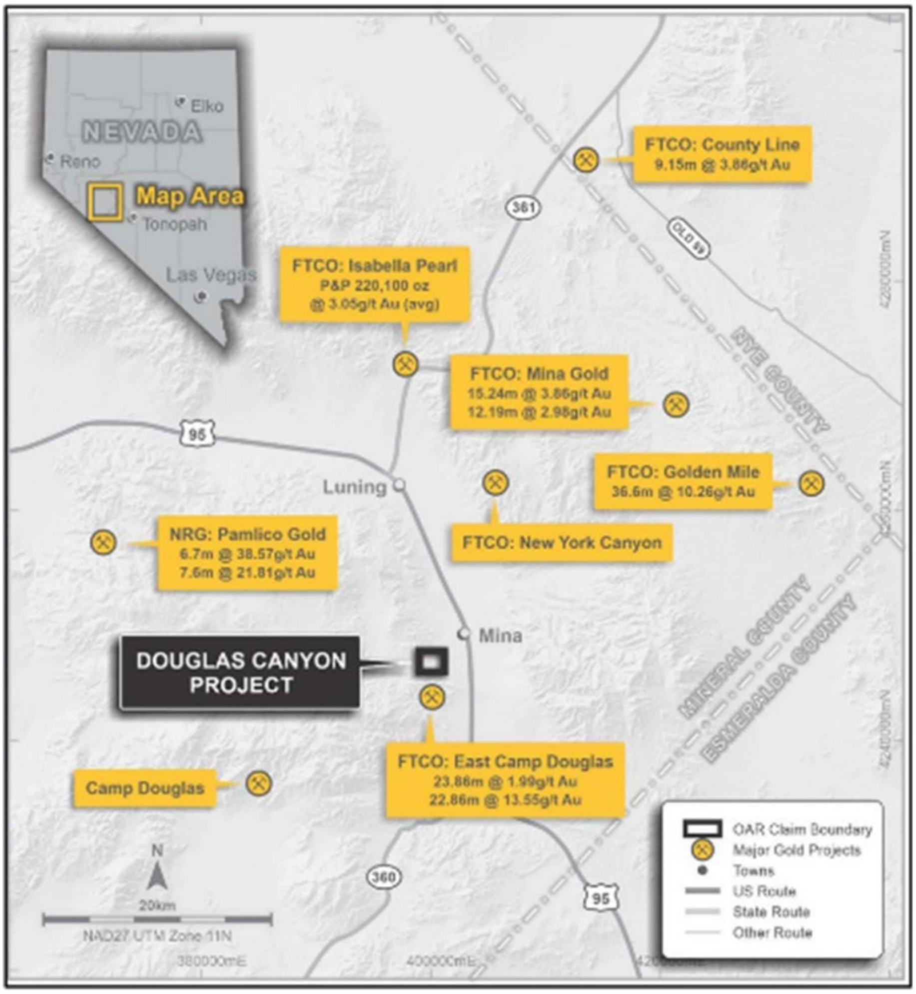

Figure 6. Douglas Canyon Project location map

Earlier in the financial year, reconnaissance geological mapping was undertaken within the western extension of the project area. Results revealed extensive andesite volcanics or rhyolite tuffs as well as quartz veins, which were able to be sampled. Results from gold and silver analysis of 13 select samples of potentially mineralised quartz vein material during the 2023 financial year reinforced the project's exploration potential.

OAR continues to actively seek joint venture partners to augment the project's exploration potential and future activity.

Sample_ID	Northing[1]	Easting[2]	Au (FA_ppm)	Ag (FA_ppm)	Comments
485658	4246643	399650	0.58	264	Hematitic vein quartz
485659	4246684	399480	0.62	6	Milky quartz with variable hematite in structure
485660	4246809	399356	<0.03	<3	Variably limonitic milky quartz
485661	4246812	399982	1.12	126	Shear in andesite with minor limonitic quartz
485662	4246899	398675	2.26	136	Andesite with minor limonitic quartz
485663	4247125	398458	0.31	76	Silicified and quartz veined zone
485664	4247412	399283	<0.03	<3	Limonite-stained milky quartz
485665	4247350	398450	<0.03	<3	Limonitic quartz
485666	4247764	398266	0.49	<3	6m wide gossanous Limonitic andesite and variably limonitic quartz
485667	4246603	399096	3.89	50	Gossanous quartz vein and quartz stockwork cutting andesite
485668	4247365	399482	1.2	6	Limonitic milky quartz
485669	4247314	399453	0.1	8	Hematite and limonite-stained quartz vein
485670	4247200	399250	0.18	<3	Hematitic milky quartz and quartz breccia

Table 1: Rock chip results from the Douglas Canyon Project, incoporating the western lease extension

2.5. Chimu Gold Plant – Peru

OAR continues to maintain its 100%-owned Chimu Gold Project in Peru in good standing as the Company assesses options to commission or divest.

The project remains fully permitted and construction ready, with licensing in place to process up to 340 tonnes per day. The surrounding Southern Peru region hosts a significant number of small gold producers accustomed to similar processing arrangements.

During the financial year, discussions commenced with a number of parties with a view to fund the development or divest the project, enabling OAR to focus on battery and critical mineral projects.

[1] Projected coordinates – UTM NAD27 z11S
[2] Projected coordinates – UTM NAD27 z11S

3. CORPORATE

3.1. Capital Raisings

$1.75 million Borrowing (May & June 2023)

OAR raised $1.75 million through issue of Convertible Notes to accelerate exploration and development activities at fully owned battery and critical mineral assets. The unsecured Convertible Notes were issued in two tranches with a face value of $1,000 each.

- Tranche 1: 968 Convertible Notes which raised $968,000
- Tranche 2: 782 Convertible Notes which raised $782,000

The Convertible Notes have a term of 24 months, with interest payable quarterly at 10% per annum. Noteholders will receive 125 free attaching options per $1 subscribed, with an exercise price $0.007 each and expiring 30 June 2026.

The Convertible Notes can only be converted after three months from their date of issue and convert at the lower of:

- $0.006
- 15% discount to 15 day VWAP prior to conversion date

3.2. Sale of Non-Core Bramfield Iron Ore Project

The Company entered into a definitive and binding Tenement Sale Agreement for the sale of its wholly owned Bramfield Iron Ore Project in South Australia to Vietnamese based company, The Hoa Phat Group (via its subsidiary Dragon Resource Investment Pty Ltd) (*ASX announcement, 10 February 2022*) and finalised the sale for an all-cash settlement of $440,000 (*ASX announcement, 21 November 2022*).

3.3. Small Share Parcel Sale Facility

OAR initiated a Small Share Parcel Sale Facility, which allowed holders of the Company ordinary shares valued at less than $500 to dispose their holdings without incurring brokerage or other sale costs (*ASX announcement, 26 June 2023*).

The Small Share Parcel Sale Facility was completed on 30 August 2023 (*ASX announcement 31 August 2023*). A total of 1,598 shareholders with an aggregate of 117,696,730 shares participated in the Facility. The shares were sold at an average price of $0.0049 each. The reduction of the Company's shareholder base by 1,598 shareholders will significantly reduce the Company's administrative and corporate costs moving forward.

3.4. Expiry of Listed Options

217,000,000 listed options exercisable at $0.03 each on or before 24 June 2023 (OARAG) lapsed during the period.

3.5. Board and Management Appointment

The Company appointed Mr Paul Stephen as Chief Executive Officer of the Company on 8 November 2022, and he was subsequently promoted as Managing Director on 7 August 2023.

4. COMPETENT PERSON STATEMENTS

Information in the ASX announcement that relates to Exploration Results and Exploration Targets is based on information completed by Mr Ross Cameron, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Cameron is an employee of Oar Resources Ltd and has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Cameron consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

No new information that is considered material is included in this document. All information relating to exploration results has been previously released to the market and is appropriately referenced in this document. JORC tables are not considered necessary to accompany this document.

Directors' Report

Your directors present the following report for the financial year ended 30 June 2023.

1. DIRECTORS

The names and details of the Company's directors at any time during or since the end of the year are as follows:

CHRISTOPHER GALE (Non-Executive Chairman)

Christopher (Chris) Gale is the Non-Executive Chairman of Oar Resources. Mr Gale has extensive experience in senior management roles in both the public and private sectors, especially in commercial and financial roles.

He has also held various board and executive roles at a number of technology and mining companies during his career. He was the founder and is currently Managing Director of Latin Resources and has been operating in South America for over 10 years.

Mr Gale is the Managing Director of ASX listed resources company, Latin Resources Limited (ASX:LRS) and is also the Non-Executive Chairman of Solis Minerals Limited (ASX: SLM, TSXV: SLMN).

Chris is the past Chairman of the Council on Australian Latin American Relations (COALAR) established by the Australian Government Department of Foreign Affairs and Trade (DFAT).

He is a founding director of Allegra Capital, a boutique corporate advisory firm based in Perth and is a member of the Australian Institute of Company Directors (AICD).

PAUL STEPHEN (Managing Director) – Appointed on 8 November 2022 as Chief Executive Officer and subsequently promoted as Managing Director on 7 August 2023.

Mr Stephen has a Bachelor of Commerce degree from the University of Western Australia, has held directorships across both Australian Securities Exchange, London and Canadian Stock Exchange listed companies, and has a strong knowledge of operations and compliance across multiple jurisdictions.

Mr Stephen was the co-founder and Executive Director of Crusader Resources Ltd, where he oversaw the discovery, development and operations of the Posse Iron Ore mine in Brazil.

He managed the discovery and delineation of more than 2.6 million ounces of gold for Crusader while operating in Brazil, resulting in the company achieving a market valuation of more than A$160 million.

Mr Stephen has extensive operational experience in mine site servicing and contracting as a founder and Managing Director of Integrated Fuel Services, a Western Australian company specialising in providing fuel services to mining and aviation clients.

DAVID VILENSKY (Non-Executive Director)

Mr. Vilensky is a practising corporate lawyer and an experienced listed company director. He is the Managing Director of Perth law firm Bowen Buchbinder Vilensky and has more than 35 years' experience in the areas of corporate and business law and in commercial and corporate management.

Mr Vilensky practises in the areas of corporate and commercial law, corporate advisory, mergers and acquisitions, mining and resources and complex dispute resolution. Mr Vilensky acts for a number of listed and public companies and advises on directors' duties, due diligence, capital raisings, compliance with ASX Listing rules, corporate governance and corporate transactions generally.

Mr Vilensky is also the Non-Executive Chairman of ASX listed resources company Latin Resources Limited (ASX: LRS).

ANTHONY GREENAWAY (Non-Executive Director)

Mr Greenaway is a qualified geologist with over 25 years' experience in mineral exploration and development. He has held senior management roles in both public and private exploration companies, across a range of commodities including gold, iron ore, and nickel-copper-PGE's.

COMPANY SECRETARY

Yugi Gouw

Mr. Gouw has a Bachelor of Commerce from Curtin University, is a Certified Practising Accountant, and has a Graduate Diploma of Applied Corporate Governance from the Governance Institute of Australia. Over the last 10 years, he has worked with various ASX listed companies as both Company Secretary and Chief Financial Officer.

2. DIRECTORS' INTERESTS

The relevant interest of each director in the share capital of the Company as notified by the directors to the Australian Securities Exchange in accordance with S205G (1) of the Corporations Act 2001, at the date of this report is as follows:

Directors	No of Ordinary Shares	No. of Options over Ordinary Shares	No of Share Rights
Mr Christopher Gale	54,786,762	Nil	Nil
Mr Paul Stephen	Nil	Nil	Nil
Mr David Vilensky	31,381,032	Nil	Nil
Mr Anthony Greenaway	11,378,867	Nil	3,505,618

3. DIRECTORS' MEETINGS

The number of directors' meetings held during the financial year and the number of meetings attended by each director are as follows:

Director	Directors' Meetings	
	Eligible to attend	Attended
Mr Christopher Gale	6	6
Mr Paul Stephen	4	4
Mr David Vilensky	6	6
Mr Anthony Greenaway	6	6

4. UNISSUED SHARES UNDER OPTION

There were 210,000,000 unissued ordinary shares of the Company under option at the date of this report.

5. SHARES ISSUED ON EXERCISE OF OPTIONS

No shares have been issued on the exercise of options during the financial year.

6. DIVIDENDS PAID OR RECOMMENDED

There were no dividends paid or declared by the Company during the financial year.

7. PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were mineral exploration on its existing projects in South Australia, Western Australia and the Alpine Project in Nevada, USA and gold processing plant development in Peru.

There were no significant changes in the nature of the principal activities during the financial year.

8. REVIEW AND RESULTS OF OPERATIONS

Following the acquisition of Denchi Lithium Project, the Group expanded its presence in the region with the further tenement applications being granted, which increased the Company's landholding to a combined area of 787.4km2. Systemic surface exploration at the project continued, with a focus on wide-spread reconnaissance and mapping of previously identified outcropping pegmatites.

During the period, the Group engaged with specialist geophysical consultancy, Terra Resources to compile and review all historical data covering the Western Eyre Peninsula in South Australia, which revealed several noteworthy geophysical features within the greater project area that have not previously been adequately investigated. This resulted in the exploration team visiting the South Australian Department of Energy and Mining's (DEM) Core Library in Adelaide to analyse historic drilling samples. This work was supported by the South Australian Government, which continues to prioritise the Critical Minerals Exploration industry through the allocation of library resources at its state-of-the-art facility to aid the Company's review activity. The Group also commenced landholder engagement and received Program for Environment Protection and Rehabilitation (PEPR) approval from the South Australian DEM.

The Group also undertaken a reconnaissance geological mapping within the western extension of the Douglas Canyon project area. Results revealed extensive andesite volcanics or rhyolite tuffs as well as quartz veins, which were able to be sampled. Results from gold and silver analysis of 13 select samples of potentially mineralised quartz vein material during the period reinforced the project's exploration potential.

9. RESULTS OF OPERATIONS

The financial result for the year ended 30 June 2023 was a loss of $724,974 (2022: loss of $3,779,857).

10. SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There was no significant change in the state of affairs of the Group that occurred during the financial year under review that is not mentioned elsewhere in this report or listed below.

11. AFTER BALANCE SHEET DATE EVENTS

Refer note 19 for listing of after balance date events.

Apart from matters contained within the Note, Directors are not aware of any matters or circumstances not otherwise dealt with in this report that has significantly, or may significantly affect, the operations or the state of affairs of the Consolidated entity in future financial periods.

12. KEY BUSINESS RISKS

The Company is subject to various risk factors. Some of these are specific to its business activities while others are of a more general nature. Individually, or in combination, these risk factors may affect the future operating and financial performance of the Company.

i. Occupational health and safety risks

The Company seeks to ensure that it provides a safe workplace to minimise risk of harm to its employees and contractors. It achieves this through an appropriate safety culture, safety systems, training, and emergency preparedness.

ii. Exploration Risk

Exploration and Mineral Resource development incorporates a high degree of technical and geological risk. The natural endowment of the ground being explored is the limiting factor and there always remains a risk of insufficient natural endowment to make an economic discovery.

Detailed planning of exploration programs, with external consultant input where required, ensures the highest quality exploration targets are tested. The Board approves all exploration programs and budgets to achieve outcomes in the Company's (and shareholders) best interests, with regular reporting provided to the Board of the results of exploration programs.

The Company undertakes business development activities to source new projects for the Company with the objective of acquiring assets with a high potential for exploration success.

iii. COVID-19

The Company continues to consider the implications of the COVID-19 pandemic on its business. Throughout 2023, the impact of COVID-19 was minimal, however, the Company has continued to manage the potential risk that COVID-19 poses to the health and safety of its workforce across all jurisdictions that it operates in. COVID-19 also poses implications to other risks highlighted including financial, operational, supply-chain, and employee management, including attracting and retaining talent.

iv. Environmental Risks

The Company is committed to best practice in environmental management, based upon current community expectations, applicable legislation and regulatory standards, all of which can change over time. The Board maintains the responsibility to ensure that the Company's environment policies are adhered to and to ensure that the Company is aware of, and is in compliance with, all relevant environmental legislation. There have been no environmental breaches during the 2023 financial year.

v. Community and social risks

The Company operates in jurisdictions with varying community, heritage and social laws and cultural practices. Community expectations are continually evolving and are managed through the development of robust strategies, maintaining strong relationships with communities and delivering on commitments.

vi. Cyber risks

The Company takes a risk-based approach to managing cyber security, with a focus on ensuring good practice across standard processes. The Company utilises tools and services provided by external information technology consultants to actively manage its cyber risks, noting the increasing risk trend in the external environment.

vii. Financial risks

The Company faces risks relating to the cost and access to funds, movement in interest rates and foreign exchange rates (refer to Note 17 to the financial statements). The Company recognises the importance of maintaining a strong balance sheet that enables flexibility to pursue strategic objectives. The Company maintains policies which define appropriate financial controls and governance which seek to ensure financial risks are recognised, managed and recorded in a manner consistent with generally accepted industry practice and governance standards.

viii. Regulatory and compliance risk

New or evolving regulations and international standards are outside the Company's control and are often complex and difficult to predict. The potential development of opportunities can be jeopardised by changes to fiscal or regulatory regimes, adverse changes to tax laws, difficulties in interpreting or complying with local laws, material differences in sustainability standards and practices, or changes to existing political, judicial or administrative policies and changing community expectations.

ix. Business interruption risk

Circumstances may arise which preclude operations at certain sites including natural weather events or disasters, material disruption to the Company's logistics chain, critical plant failure or industrial action.

The Company undertakes regular reviews for mitigation of property and business continuity risks and manages the risks associated with COVID-19 to minimise the health, safety and business impacts.

The Company maintains an insurance program that may offset a portion of the financial impact of a major business interruption event.

13. INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

During the financial year, the Consolidated entity maintained an insurance policy which indemnifies the directors and officers of the Consolidated entity in respect of any liability incurred in connection with the performance of their duties as directors or officers of the Consolidated entity to the extent permitted by the Corporations Act 2001. The Consolidated entity's insurers have prohibited disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

The Consolidated entity has not paid any insurance premiums in respect of any past or present directors or auditors, other than as required by law.

14. PROCEEDINGS AGAINST THE CONSOLIDATED ENTITY

On 25 August 2020, John Lynch, a former director of the Company, commenced proceedings against the Company in the Queensland Magistrate Court ("Proceedings"). Mr Lynch claimed payment of the aggregate sum of $66,821 (plus interest and legal cost) for allegedly unpaid consultancy fees and administration services provided in prior years. The Company denied the claims and defended the Proceedings with the assistance of legal representation.

Subsequent to 30 June 2023, the parties reached a without prejudice settlement of the Proceedings without any admission of liability pursuant to which the Company agreed to pay Mr Lynch the total sum of $35,000 in full and final settlement of the Proceedings inclusive of interest and costs. This sum has been paid and the Proceedings against the Company have been dismissed.

On 13 August 2021, Zaius Investments Pty Ltd ("Zaius"), a company associated with Andrew Knowles, a former general manager of the Company, commenced proceedings against the Company in the Perth Magistrate Court ("Proceedings") claiming an aggregate sum of $32,663 (plus interest and legal costs) for alleged unpaid consulting fees and capital raising fees. The Company denies the claims and has taken steps to defend the Proceedings and with the assistance of legal representation has filed a Defence, Set-Off and Counterclaim against Zaius for an amount substantially in excess of the claim of Zaius in the Proceedings. The Company is of the opinion that any exposure in relation to the Proceedings is minimal.

15. LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company will continue to pursue its operating strategy to create shareholder value through the acquisition of potential mineral projects, as well as the exploration and development of mineral resources from its existing project portfolio.

16. NON-AUDIT SERVICES

The Consolidated entity's auditors provided non-audit services in relation to tax and consultancy services to certain entities within the Group for which $7,388 (2022: $6,236) was paid or payable by the Consolidated entity. The directors are satisfied that the provision of the non-audit services was compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of the non-audit services provided was not such that auditor independence was compromised.

17. AUDITOR'S INDEPENDENCE DECLARATION

The Auditors Independence Declaration for the year ended 30 June 2023 has been received and can be found on page 56 of the financial report.

Remuneration Report (Audited)

This remuneration report for the year ended 30 June 2023 outlines the remuneration arrangements of the Group in accordance with the requirements of the Corporations Act 2001 (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly and indirectly, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report, the term executive includes executive directors and other senior management of the Group.

1. DIRECTOR AND SENIOR MANAGEMENT

1.1. Non-executive directors

Chris Gale	Non-Executive Chairman
David Vilensky	Non-Executive Director
Anthony Greenaway	Non-Executive Technical Director

1.2. Executive director

Paul Stephen	Chief Executive Officer/Managing Director

1.3. Other Executives

Yugi Gouw	Chief Financial Officer & Company Secretary
Ross Cameron	Exploration Manager

2. REMUNERATION GOVERNANCE

2.1. Remuneration Committee

The Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration Committee Charter including the following processes to set the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.

The Board approves the remuneration arrangements of the CEO/Managing Director and other executives and all awards made under incentive plans following recommendations from the Remuneration Committee.

The Board also sets the remuneration of non-executive directors, subject to the fee pool approved by shareholders.

The Board approves, having regard to the recommendations of the CEO/Managing Director, the level of incentives to other personnel and contractors.

The Board seeks external remuneration advice as and when required to ensure it is fully informed when making remuneration decisions. Remuneration advisors are engaged by and report directly to the Board. No consultants were used or paid by the Group during the year.

3. NON-EXECUTIVE DIRECTOR REMUNERATION ARRANGEMENTS

The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The Constitution and the ASX listing rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting of shareholders.

Non-executive directors are remunerated by way of fees based on remuneration of executive directors of comparable companies and scope and extent of the Company's activities. Non-executive directors are also entitled to participate in the Non-Executive Director Deferred Rights Plan which was approved by shareholders on 30 July 2020. Non-Executive Directors do not receive retirement benefits nor do they participate in any other incentive programs.

72,000,000 share rights were issued to directors during the year 2021.

No options or share rights were awarded to non-executive directors as remuneration during the year.

Non-Executive Director Deferred Rights Plan

The Non-Executive Director Deferred Rights Plan was approved by shareholders on 30 July 2020 for the purpose of retaining non-executive directors, controlling the cash cost of directors fees and aligning the interests of Non-executive directors with shareholders and providing them with the opportunity to participate in the future growth of the Group.

Under the plan the Group may offer share rights to Non–executive directors of the Company. Share rights issued under the Deferred rights plan comprise of retention rights being rights that vest and may be exercised into Restricted Shares, based on completion of a period of service.

The Board in their absolute discretion determine the number of share rights to be offered and the criteria that may apply. Offers made under the Deferred rights plan must set out the number of share rights, the vesting conditions and the measurement period.

The retention rights are issued for no consideration, however, the vesting of the benefits are conditional on achieving certain measurable performance measures. The performance measure for retention rights is the completion of service for the year. Vesting of the share rights is measured over a three-year interval after the commencement of the respective measurement period. At the end of the measurement period and subject to the performance measures, each share right will convert into one ordinary share in the Company. The Group is aware that the vesting of share rights is treated as income to executives and attracts tax in a similar manner to cash payments irrespective of the executive selling or retaining the resulting shares.

The maximum percentage of base remuneration that a non-executive director may receive in share rights is 100% which is pre-determined based on the advice of the remuneration consultant.

Where a non-executive director or employee ceases employment prior to their incentives vesting due to resignation or termination for cause, incentives will be forfeited. Where a non-executive director or employee ceases employment for any other reason, they may at the Board's discretion, retain a number of unvested share rights on a pro-rata basis to reflect their period of service during the measurement period. These unvested share rights only vest subject to meeting the relevant performance measures.

The Board will not seek any increase in the aggregate remuneration for the non-executive director pool at the AGM.

3.1. EXECUTIVE REMUNERATION ARRANGEMENTS

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group that is competitive by market standards and aligns their interests with those of shareholders.

Executive remuneration consists of fixed remuneration and variable remuneration comprising short term incentives and long-term incentives.

3.2. Fixed remuneration

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

While the fixed remuneration of the executives is not directly linked to the Group's financial performance or share price, it is reviewed annually by the Board through a process that considers individual performance, Group performance and market conditions.

3.3. Variable remuneration

The Company established an Incentive Rights Plan (the Plan) that was approved by shareholders on 30 July 2020 and applies to full time and permanent part time employees and contractors.

The Plan provides the Company with a range of incentives to attract, retain and align the interest of shareholders and employees and contractors.

3.4. Short term incentives

Short term incentives (STI) may include cash and shares and are awarded to executives based on the achievement of KPI's. Given the current stage of the Company's evolution and the market conditions for mineral exploration and development companies, no STI were paid for the year ended 30 June 2023.

3.5. Long term incentives

Long term incentives (LTI) Plan was approved by shareholders on 30 July 2020 and are considered annually by the Remuneration Committee to align remuneration with the creation of shareholder value over the long term.

3.6. LTI's can include:

- cash;
- retention rights being rights that vest and may be exercised into Restricted Shares, based on completion of a period of service and comprise no more than third of the LTI value; and
- performance rights, being rights that vest and may be exercised into Restricted Shares, based on achievement of specified performance objectives and comprise no more than two thirds of the LTI value.

The retention and performance rights are issued for no consideration, however, the vesting of the benefits are conditional on achieving specific measurable performance measures that are aligned with the Group's strategic objectives.

The following performance measures were used, in equal weighting:

- Completion of service for the year; and
- Shareholder returns (Total shareholder return of 33% per annum or greater).

Vesting of the LTI is measured over a three-year interval after the commencement of the respective measurement period. At the end of the measurement period and subject to the performance measures, each share right will convert into one ordinary share in the Company. The Group is aware that the vesting of share rights is treated as income to executives and attracts tax in a similar manner to cash payments irrespective of the executive selling or retaining the resulting shares.

The maximum percentage of base remuneration that an executive may receive as a LTI is pre-determined based on the advice of the remuneration consultant. The maximum percentage of base remuneration that the Managing Director and other executives can receive is 40%.

Where a director or employee ceases employment prior to their incentives vesting due to resignation or termination for cause, incentives will be forfeited. Where a director or employee ceases employment for any other reason, they may at the Board's discretion, retain a number of unvested share rights on a pro-rata basis to reflect their period of service during the LTI grant performance period. These unvested share rights only vest subject to meeting the relevant LTI performance measures.

3.7. Non-Executive Directors

The Group does not have contracts with Non-Executive Directors, who are elected to the Board by shareholders on rotation. The pool of directors' remuneration, including cash payments for directors' fees and share based incentive remuneration, is approved by shareholders in Annual General Meeting.

In accordance with the total directors' fees approved by shareholders, the Board has agreed the directors' fees to be paid up to a maximum of $74,000 per annum for each director. No committee fees are paid.

Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the company and are able to participate in the Non-Executive Deferred Rights Plan.

Employment agreements and contracts

The Group has entered into contracts and agreements with executives, the details of which are provided below.

3.8. CEO/Managing Director

The CEO/Managing Director is employed under an employment agreement, with no fixed term where either party may terminate the agreement with or without cause by giving eight weeks' notice respectively.

3.9. Chief Financial Officer (CFO) and Company Secretary

The current CFO and Company Secretary is employed under an employment agreement with no fixed term where either party may terminate the agreement with or without cause by giving one month and three months' notice respectively.

3.10. Exploration Manager

The Exploration Manager is employed under an employment agreement with no fixed term where either party may terminate the agreement with or without cause by giving one month notice.

4. REMUNERATION OF KEY MANAGEMENT PERSONNEL AND EXECUTIVES FOR THE YEAR ENDED 30 JUNE 2023

2023	Short-term benefits			Post-employment	Other long-term benefits	Share-based payments			Total	Performance related	Equity compensation
	Salary & Fees	Bonus	Non-cash benefits	Super & Other benefits	Long service leave	Share rights [2]	Shares	Loan funded shares			
	$	$	$	$	$	$	$	$	$	%	%
Directors											
C. Gale	74,000	-	-	-	-	122,096	-	-	196,096	62	62
D. Vilensky	60,000	-	-	-	-	30,530	-	-	90,530	34	34
A. Greenaway	60,000	-	-	-	-	18,178	-	-	78,178	23	23
Other KMP											
Y. Gouw	130,000	-	-	13,650	-	18,178	-	-	161,828	11	11
P. Stephen[1]	195,385	-	-	20,515	-	-	-	-	215,900	-	-
R. Cameron	113,805	-	-	18,795[3]	-	-	-	-	132,600	-	-
Total	**633,190**	**-**	**-**	**52,960**	**-**	**188,982**	**-**	**-**	**875,132**	**22**	**22**

[1] Mr. Paul Stephen was appointed on 8 November 2022 as Chief Executive Officer.
[2] The share rights valuation is an accounting valuation/estimation calculated in accordance with Australian Accounting Standards based on historical share price when the rights were issued or approved by shareholders.
[3] The amount includes salary sacrifice benefit for the year.

5. REMUNERATION OF KEY MANAGEMENT PERSONNEL AND EXECUTIVES FOR THE YEAR ENDED 30 JUNE 2022

	Short-term benefits			Post-employment	Other long-term benefits	Share-based payments			Total	Performance related	Equity compensation
2022	Salary & Fees	Bonus	Non-cash benefits	Super	Long service leave	Share rights [2]	Shares	Loan funded shares			
	$	$	$	$	$	$	$	$	$	%	%
Directors											
C. Gale	240,000	-	-	-	-	263,205	-	-	503,205	52	52
D. Vilensky	60,000	-	-	-	-	43,943	-	-	103,943	42	42
J. van den Elsen[2]	36,000	-	-	-	-	(10,978)	-	-	25,022	-	-
J. Richard[3]	80,769	-	-	7,500	-	-	-	-	88,269	-	-
A. Greenaway[1]	112,500	-	-	9,750	-	11,833	13,000	-	147,083	17	17
Other KMP											
Y. Gouw	130,000	-	-	13,000	-	11,833	13,000	-	167,833	15	15
R. Cameron[4]	25,000	-	-	2,500	-	-	-	-	27,500	-	-
Total	**684,269**	**-**	**-**	**32,750**	**-**	**319,836**	**26,000**	**-**	**1,062,855**	**33**	**33**

[1] Mr. Anthony Greenaway was previously General Manager – Geology of the Company and was appointed on 1 February 2022 as Non-Executive Technical Director.
[2] Mr. van den Elsen resigned as Non-Executive Director on 1 February 2022.
[3] Mr. Richard was appointed on 1 February 2022 as Managing Director and resigned on 29 April 2022.
[4] Mr. Cameron was appointed on 1 April 2022 as Exploration Manager.
[5] The share rights valuation is an accounting valuation/estimation calculated in accordance with Australian Accounting Standards based on historical share price when the rights were issued or approved by shareholders.

6. ADDITIONAL DISCLOSURES RELATING TO REMUNERATION

a) Share holdings of key management personnel

2023	Balance at start of year	Granted as remuneration	On exercise of options/conversion of rights	Net change other	Balance at end of year
Directors					
C. Gale	25,764,574	-	12,182,116[1]	-	37,946,690
D. Vilensky	12,982,343	-	4,291,058[1]	-	17,273,401
A. Greenaway	1,000,000	-	-	-	1,000,000
Other KMP					
Y. Gouw	1,000,000	-	-	-	1,000,000
P. Stephen	-	-	-	-	-
R. Cameron	-	-	-	-	-
	40,746,917	**-**	**16,473,174**	**-**	**57,220,091**

[1]Share rights vested and converted into ordinary shares during the period.

2022	Balance at start of year	Granted as remuneration	On exercise of options	Net change other	Balance at end of year
Directors					
C. Gale	15,607,432	-	16,657,142[2]	(6,500,000)[3]	25,764,574
D. Vilensky	7,053,772	-	5,928,571[2]	-	12,982,343
J. van den Elsen	-	-	5,928,571[2]	(2,928,571)[3]	3,000,000[5]
J. Richard	-	-	-	2,428,571[4]	2,428,571[6]
A. Greenaway	-	1,000,000	-	-	1,000,000
Other KMP					
Y. Gouw	-	1,000,000	-	-	1,000,000
R. Cameron	-	-	-	-	-
	22,661,204	**2,000,000**	**28,514,284**	**(7,000,000)**	**46,175,488**

[2]Share rights vested and converted into ordinary shares during the period.
[3]Shares disposed by Mr Gale and Mr van den Elsen during the period.
[4]Shares acquired on market by Mr Richard during the period.
[5]Mr van den Elsen resigned on 1 February 2022 and the shareholding details was at the date of resignation.
[6]Mr Richard resigned on 29 April 2022 and the shareholding details was at the date of resignation.

b) Option holding of key management personnel

The number of options held by directors and other key management personnel both directly and indirectly are set out below.

There were no options held by directors and other key management personnel in year 2023.

2022	Balance at start of year	Granted as remuneration	Exercised	Net change other[1]	Balance at end of year	Vested exercisable	Vested not exercisable
Directors							
C. Gale	2,000,000	-	-	(2,000,000)	-	-	-
D. Vilensky	1,763,443	-	-	(1,763,443)	-	-	-
J. van den Elsen	-	-	-	-	-	-	-
J. Richard	-	-	-	-	-	-	-
A. Greenaway	-	-	-	-	-	-	-
Other KMP							
Y. Gouw	-	-	-	-	-	-	-
R. Cameron	-	-	-	-	-	-	-
	3,763,443	**-**	**-**	**(3,763,443)**	**-**	**-**	**-**

[1]The options expired during the period.

c) Share right holdings of key management personnel

30 Jun 2023	Balance at start of year	Granted as remuneration	Converted to Shares	Net change other	Balance at end of year
Directors					
C. Gale	25,200,000	-	(12,600,000)	-	12,600,000
D. Vilensky	9,000,000	-	(4,500,000)	-	4,500,000
A. Greenaway	5,842,697	-	-	-	5,842,697
Other KMP					
Y. Gouw	5,842,697	-	-	-	5,842,697
P. Stephen	-	-	-	-	-
R. Cameron	-	-	-	-	-
	45,885,394	**-**	**(17,100,000)**	**-**	**28,785,394**

30 Jun 2022	Balance at start of year	Granted as remuneration	Converted to Shares	Net change other	Balance at end of year
Directors					
C. Gale	42,000,000	-	(16,800,000)	-	25,200,000
D. Vilensky	15,000,000	-	(6,000,000)	-	9,000,000
J. van den Elsen	15,000,000	-	(6,000,000)	(9,000,000)	-
J. Richard	-	-	-	-	-
A. Greenaway	-	5,842,697	-	-	5,842,697
Other KMP					
Y. Gouw	-	5,842,697	-	-	5,842,697
R. Cameron	-	-	-	-	-
	72,000,000	**11,685,394**	**(28,800,000)**	**(9,000,000)**	**45,885,394**

On 5 January 2022, 11,685,394 share rights were issued to Mr Greenaway and Mr Gouw in accordance with the Company LTI plan.

d) Vesting profile of share rights granted to key management personnel

	Number	Grant date	Vested in year (%)	Net change other (%)	Date at which share rights are to be vested
Directors					
C. Gale – Retention Rights					
Tranche 1	5,544,000	22/12/2020	100%	-	01/07/2021
Tranche 2	4,158,000	22/12/2020	100%	-	01/07/2022
Tranche 3	4,158,000	22/12/2020	-	-	01/07/2023
C. Gale – Performance Rights					
Tranche 1	11,256,000	22/12/2020	100%	-	01/07/2021
Tranche 2	8,442,000	22/12/2020	100%	-	01/07/2022
Tranche 3	8,442,000	22/12/2020	-	-	01/07/2023
D. Vilensky – Deferred Rights					
Tranche 1	6,000,000	22/12/2020	100%	-	01/07/2021
Tranche 2	4,500,000	22/12/2020	100%	-	01/07/2022
Tranche 3	4,500,000	22/12/2020	-	-	01/07/2023
A. Greenaway – Performance Rights					
Tranche 1	1,565,843	05/01/2022	-	(100%)	16/12/2022
Tranche 2	1,174,382	05/01/2022	-	-	16/12/2023
Tranche 3	1,174,382	05/01/2022	-	-	16/12/2024
A. Greenaway – Retention Rights					
Tranche 1	771,236	05/01/2022	100%	-	16/12/2022
Tranche 2	578,427	05/01/2022	-	-	16/12/2023
Tranche 3	578,427	05/01/2022	-	-	16/12/2024
J. van den Elsen – Deferred Rights					
Tranche 1	6,000,000	22/12/2020	100%	-	01/07/2021
Tranche 2	4,500,000	22/12/2020	-	(100%)	01/07/2022
Tranche 3	4,500,000	22/12/2020	-	(100%)	01/07/2023
Other KMP					
Y. Gouw – Performance Rights					
Tranche 1	1,565,843	05/01/2022	-	(100%)	16/12/2022
Tranche 2	1,174,382	05/01/2022	-	-	16/12/2023
Tranche 3	1,174,382	05/01/2022	-	-	16/12/2024
Y. Gouw – Retention Rights					
Tranche 1	771,236	05/01/2022	100%	-	16/12/2022
Tranche 2	578,427	05/01/2022	-	-	16/12/2023
Tranche 3	578,427	05/01/2022	-	-	16/12/2024

e) Other transactions with key management personnel

During the year, $6,000 (2022: $12,536) was paid excluding GST to Bowen Buchbinder Vilensky Lawyers, a legal firm related to Mr Vilensky for legal services rendered.

The Company has been invoiced $182,010 (2022: $185,283) by Latin Resources Limited, a company related to Mr Gale and Mr Vilensky for technical and admin services provided during the year.

There were no other transactions with other key management personnel during the current or prior year.

END OF REMUNERATION REPORT

Corporate Governance Statement

The Board of Directors is responsible for the Corporate Governance of the Company. The Board is committed to achieving and demonstrating the highest standard of corporate governance applied in a manner that is appropriate to the Company's circumstances. The Company's Corporate Governance statement is located on the Company's website at www.oarresources.com.au.

Christopher Gale
Non-Executive Chairman
Perth, 29 September 2023

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2023

	Note	2023 $	2022 $
Other income	2	774,228	-
		774,228	-
Administrative expenses		(488,622)	(449,003)
Depreciation and amortisation		(2,467)	(2,049)
Finance costs		(141,081)	(6,356)
Occupancy expenses		(51,000)	(38,000)
Employment costs	3	(393,922)	(431,336)
Development expenses		(189,436)	(576,310)
Share based payments		(188,982)	(352,336)
Net foreign exchange gain / (loss)		89,131	25,447
Exploration and Evaluation	10	-	(1,841,482)
Other expenses from ordinary activities		(132,823)	(108,432)
Profit / (loss) before tax		(724,974)	(3,779,857)
Income tax benefit / (expense)	4	-	-
Net profit / (loss) for the year		(724,974)	(3,779,857)
Other comprehensive income, net of income tax			
• Items that will not be reclassified subsequently to profit or loss		-	-
• Items that may be reclassified subsequently to profit or loss		-	-
○ Foreign currency movement		(39,592)	154,769
Other comprehensive income for the year, net of tax		(39,592)	154,769
Total comprehensive income attributable to members of the parent entity		(764,566)	(3,625,088)
Earnings per share			
Basic and diluted loss per share (cents per share)	15b	0.031	0.194

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the attached notes.

Consolidated Statement of Financial Position as at 30 June 2023

	Note	2023 $	2022 $
Current assets			
Cash and cash equivalents	5	1,218,068	704,192
Trade and other receivables	6	39,671	37,240
Other assets	7	79,194	40,897
Total current assets		1,336,933	782,329
Non-current assets			
Other assets	7	178,018	165,057
Rights of use assets	8	95,456	142,724
Plant and equipment	9	747,430	716,711
Exploration and evaluation costs	10	5,612,156	3,145,759
Total non-current assets		6,633,060	4,170,251
Total assets		7,969,993	4,952,580
Current liabilities			
Lease liabilities	11	53,295	54,826
Trade and other payables	12	1,070,553	782,688
Provisions	13	241,764	218,484
Total current liabilities		1,365,612	1,055,998
Non-current liabilities			
Lease liabilities	11	42,161	88,154
Borrowings	14	1,148,437	-
Total non-current liabilities		1,190,598	88,154
Total liabilities		2,556,210	1,144,152
Net Assets		5,413,783	3,808,428
Equity			
Issued capital	15a	13,235,783	11,779,128
Reserves	16	2,333,030	1,459,356
Accumulated losses		(10,155,030)	(9,430,056)
Total equity		5,413,783	3,808,428

The above Consolidated Statement of Financial Position should be read in conjunction with the attached notes.

Consolidated Statement of Changes in Equity as at 30 June 2023

	Note	Issued Capital	Accumulated Losses	Foreign Exchange Translation Reserve	Share-based Payment reserve	Total
		$	$	$	$	$
Balance at 1 July 2021		10,551,004	(5,650,199)	86,021	700,363	5,687,189
Loss for the period		-	(3,779,857)	-	-	(3,779,857)
Other comprehensive income for the period		-	-	154,769	-	154,769
Total comprehensive income for the period		-	(3,779,857)	154,769	-	(3,625,088)
Transactions with owners, directly in equity						
Options Issued		-	-	-	518,203	518,203
Share application	**15a**	1,532,500	-	-	-	1,532,500
Transaction costs		(304,376)	-	-	-	(304,376)
Balance at 30 June 2022		11,779,128	(9,430,056)	240,790	1,218,566	3,808,428
Balance at 1 July 2022		11,779,128	(9,430,056)	240,790	1,218,566	3,808,428
Loss for the year		-	(724,974)	-	-	(724,974)
Other comprehensive income for the period		-	-	(39,592)	-	(39,592)
Total comprehensive income for the period		-	(724,974)	(39,592)	-	(764,566)
Transactions with owners, directly in equity						
Options Issued		-	-	-	913,266	913,266
Share application	**15a**	1,680,000	-	-	-	1,680,000
Transaction costs		(223,345)	-	-	-	(223,345)
Balance at 30 June 2023		13,235,783	(10,155,030)	201,198	2,131,832	5,413,783

The above Consolidated Statement of Changes in Equity should be read in conjunction with the attached notes.

Consolidated Statement of Cash Flows as at 30 June 2023

	Note	2023 $	2022 $
Cash flows from operating activities			
Interest and other income received		774,228	-
Interest and other charges paid		(65,684)	(6,523)
Payments to suppliers and employees		(1,012,212)	(1,526,279)
Net cash used in operating activities	**5c**	(303,668)	(1,532,802)
Cash flows from investing activities			
Payments for Alpine Reclamation Bond		-	-
Purchase of plant and equipment		(1,761)	(75,107)
Payments for exploration and evaluation activity		(921,536)	(1,570,958)
Net cash (used in)/provided by investing activities		(923,297)	(1,646,065)
Cash flows from financing activities			
Proceeds from issue of shares and options		-	1,500,000
Proceeds from Convertible Notes		1,750,000	-
Payments for capital raising costs		(9,159)	(136,200)
Net cash provided by financing activities		1,740,841	1,363,800
Net increase in cash held		513,876	(1,815,067)
Cash and cash equivalents at beginning of the year		704,192	2,519,259
Cash and cash equivalents at the end of the year	**5a**	1,218,068	704,192

The above Consolidated Statement of Cash Flows should be read in conjunction with the attached notes.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

INTRODUCTION

The financial report covers Oar Resources Limited, the Company is a listed public company incorporated and domiciled in Australia.

The principal activities of the consolidated entity during the financial year were the exploration and development of economic mineral deposits.

The Consolidated entity is a for-profit entity.

Authorisation of financial report

The financial report was authorised for issue by the directors on 29 September 2023. This general purpose financial report has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations and the Corporations Act 2001. This financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

Basis of accounting

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

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below in note 1(v).

New, revised or amending Accounting Standards and Interpretations adopted

The Consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all Standards and Interpretations in issue not yet adopted for the year ended 30 June 2023 and have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group.

b) Going concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group made a net loss after tax for the year of $724,974 (2022: $3,779,857). The Group generated net cash inflows for the year of $513,876 (cash outflows 2022: $1,815,067) which resulted in the Group's cash and cash equivalents increasing from $704,192 to $1,218,068 to as at 30 June 2023, with working capital loss of $28,679.

The Directors have prepared a cash flow forecast which requires the Group to raise additional capital, in addition to the receipt of an R&D rebate to meet its ongoing commitments and working capital requirements.

Based on the cash flow forecast and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Group's history of raising capital to date and the support from its shareholders, the directors are confident of the Group's ability to raise additional funds as and when they are required.

Should the Group not be able to achieve the matters set out above, there is material uncertainty as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classifications of liabilities that may be necessary should the Group not be able to continue as a going concern.

c) Principles of Consolidation

Subsidiaries are entities controlled by the Company. The company controls an entity when the company 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. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

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

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

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

d) Segment reporting

Oar Resources Limited operates in the mineral exploration and mining industry in Australia and Peru. The Consolidated entity has adopted AASB 8 Operating Segments whereby segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the Board of Directors. At regular intervals, the board is provided with management information at a group level for the Group's cash position, the carrying values of exploration permits and a group cash forecast for the next twelve months of operation.

e) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. All revenue is stated net of the amount of goods and services tax.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

f) Taxation

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited to Profit or Loss except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

g) Leases

The Group as lessee

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right of use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However all contracts that are classified as short term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right of use of assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right of use assets is at cost less accumulated depreciation and impairment losses.

Rights of use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

h) Impairment of assets

At each reporting date, the consolidated entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Profit or Loss.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

i) Exploration Evaluation and Development Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

j) Government Grants

Government grants relating to assets such as capitalised exploration expenditure are recognised in the Consolidated Statement of Financial Position by deducting the grant in arriving at the carrying amount of the asset. Government grants relating to expenses are recognised as other income.

k) Cash and cash equivalents

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

l) Financial instruments – assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

m) Financial instruments – liabilities

Classification

The Group classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at FVTPL, and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial liabilities and the contractual terms of the cash flows.

For financial liabilities measured at FVTPL, gains and losses, including any interest expenses will be recorded in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

For financial liabilities measured at amortised cost, the effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Recognition and derecognition

Regular way purchases of financial liabilities are recognised on trade-date, the date on which the Group commits to purchase the financial liability. Financial liabilities are derecognised when the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liabilities derecognised and the consideration paid and payable is recognised in profit or loss.

Measurement

At initial recognition, the Group measures financial liabilities at its fair value plus, in the case of financial liabilities not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial liabilities. Transaction costs of financial liabilities carried at FVTPL are expensed in profit or loss.

n) Share-based Payment

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

The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an internal valuation using Monte Carlo simulation model, further details of which are given in note 16.

Post 30 June 2023, there is currently an Incentive Scheme, which provides benefits to directors and senior executives.

o) Employee benefits

i. Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

ii. Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bond bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

p) Plant and equipment

Items of plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and

an appropriate proportion of production overheads. Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

Items of plant and equipment that have not started to be in use, are not depreciated.

q) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the Consolidated entity reacquires its own equity instruments, e.g. as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

r) Earnings per share

i. Basic earnings per share

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

ii. Diluted earnings per share

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

s) Goods and Services Tax (GST) and Peru General Sales Tax (IGV)

Revenues, expenses and assets are recognised net of the amount of associated GST/IGV, unless the GST/IGV incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST/IGV receivable or payable. The net amount of GST/IGV recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Consolidated Statement of Financial Position. Cash flows are presented on a gross basis. The GST/IGV components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

t) Foreign currency transactions and balances

Functional and presentation currency

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

Transaction and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period.

All exchange differences in the consolidated financial report are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined

Group companies and foreign operations

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

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and

retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the profit or loss in the period in which the operation is disposed.

u) Contingent liabilities

A contingent loss is recognised as an expense and a liability if it is probable that future events will confirm that, after taking into account any related probable recovery, an asset has been impaired or a liability incurred and, a reasonable estimate of the amount of the resulting loss can be made.

v) Critical accounting estimates and judgements

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

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the Consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written-off in the period in which this determination is made.

Share based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuation using a Monte Carlo simulation model, using the assumptions detailed in Note 16b share-based payment reserve.

NOTE 2: REVENUE AND OTHER INCOME

	2023 $	2022 $
Other Income		
Interest Income	1,241	-
Sale of Project	400,000	-
R&D tax incentive	372,987	
	774,228	**-**

NOTE 3: PROFIT / (LOSS) BEFORE INCOME TAX

The following significant revenue and expense items are relevant in explaining the financial performance:

	2023 $	2022 $
a) Employment expenses:		
• Director fees	194,000	431,769
• Increase / (decrease) in employee benefits provisions	9,478	4,847
• Wages and salaries	466,652	252,500
• Other employment related costs	48,694	33,532
• Allocated to Exploration/Development expenses	(324,902)	(291,312)
	393,922	**431,336**

NOTE 4: INCOME TAX

	2023 $	2022 $
a) Income tax expense / (benefit)		
Current tax	-	-
Deferred tax	-	-

b) Reconciliation of income tax expense to prima facie tax payable

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

	2023	2022
Prima facie tax on operating loss at 25% (2022: 25%)	(181,244)	(944,964)
Add / (Less) tax effect of:		
• Foreign tax rate difference	(3,585)	(13,626)
• Non-deductible items	21,037	106,705
• Non-assessable income	(93,247)	-
• Deferred tax asset not brought to account	257,039	851,885
Income tax expense / (benefit) attributable to operating loss	-	-

	2023 $	2022 $
c) The applicable weighted average effective tax rates attributable to operating profit are as follows	25.5%	25.4%

The tax rates used in the above reconciliations is the corporate tax rate of 25% (2022:25%) payable by the Australian corporate entity on taxable profits under Australian tax law.

	2023 $	2022 $
d) Tax losses and deductible temporary differences		
Unused tax losses and deductible temporary differences for which no deferred tax asset has been recognised, that may be utilised to offset tax liabilities:		
Tax losses	1,905,540	1,648,502

The Group has an accumulated estimated tax losses and deductible temporary differences of $1,905,540. Utilisation of the carried forward tax losses and deductible temporary differences is subject to satisfaction of the Continuity of Ownership Test (COT) or, failing that, the Same Business Test (SBT).

Potential deferred tax assets attributable to tax losses have not been brought to account at 30 June 2023 because the Directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

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

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

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

NOTE 5: CASH AND CASH EQUIVALENTS

	2023 $	2022 $
a) Reconciliation of cash		
Cash at bank	1,217,411	703,505
Petty Cash	657	687
	1,218,068	**704,192**

b) The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 17

c) Cash Flow Information

	2023 $	2022 $
Reconciliation of cash flow from operations to (loss)/profit after income tax		
Loss after income tax	(724,974)	(3,779,857)
Cash flows excluded from loss attributable to operating activities		
Non-cash flows in (loss)/profit from ordinary activities:		
• Corporate transaction accounting expense	-	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
• (Increase)/decrease in receivables and other current assets	(14,753)	26,293
• Increase/(decrease) in trade and other payables	427,829	378,242
• Increase/(decrease) in provisions	8,230	1,842,520
• (Increase)/decrease tax balances		
Cash flow from operations	**(303,668)**	**(1,532,802)**

NOTE 6: TRADE AND OTHER RECEIVABLES

	2023 $	2022 $
Current		
GST receivable	15,414	17,124
Other receivables	24,257	20,116
	39,671	**37,240**

NOTE 7: OTHER ASSETS

	2023 $	2022 $
Current		
Prepayments	49,194	40,897
Bond	30,000	-
	79,194	**40,897**
Non-Current		
Tax credits	155,285	143,178
Alpine Reclamation Bond	22,733	21,879
	178,018	**165,057**

NOTE 8: RIGHTS OF USE ASSETS

	2023 $	2022 $
Leased Core Storage	7,301	8,576
Leased Head Office	88,155	134,148
Total Rights of Use Assets	**95,456**	**142,724**
Leased Core Storage		
Lease	57,965	40,441
Accumulated Depreciation	(50,664)	(31,865)
	7,301	8,576

Note 8: Right of Use Assets - Continued

Movement in carrying amounts:		
Lease office building		
Recognised on initial application of AASB 16 (previously classified as operating leases under AASB 117)	8,576	8,011
Addition to right-of-use assets	17,524	17,153
Depreciation capitalised in exploration and evaluation and evaluation costs	(18,799)	(16,588)
Net Carrying amount	7,301	8,576
The statement of Profit and Loss shows the following amounts relating to leases:		
Depreciation charged related to rights-of-use assets	18,799	16,588
Interest expense on lease liabilities	755	1,135

	2023 $	2022 $
Leased Head Office		
Lease	137,981	137,981
Accumulated Depreciation	(49,826)	(3,833)
	88,155	134,148
Movement in carrying amounts:		
Lease office building		
Recognised on initial application of AASB 16 (previously classified as operating leases under AASB 117)	134,148	-
Addition to right-of-use assets	-	137,981
Depreciation for the period	(45,993)	(3,833)
Net Carrying amount	88,155	134,148
The statement of Profit and Loss shows the following amounts relating to leases:		
Depreciation charged related to rights-of-use assets	45,993	3,833
Interest expense on lease liabilities	2,006	167

During the 2022 financial year, the Company entered an office lease with a three-year term.

The Company recognised the lease as a right of use asset and a corresponding liability at the date which the leased premise is available for use by the Company. The right of use asset reflects the lease liability and is depreciated over the term of the lease. The lease liability was measured at the present value basis, discounting using borrowing rate from RBA as of 31 May 2022 of 4.18%.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Consolidated Statement of Profit or Loss and Other Comprehensive income over the lease period.

NOTE 9: PLANT AND EQUIPMENT

	2023 $	2022 $
Cost at beginning of the year	716,711	565,623
Additions during the year	2,096	86,447
Foreign currency effect	31,090	66,690
Less depreciation	(2,467)	(2,049)
Cost at year end	**747,430**	**716,711**

The Group has upgraded the beneficiation operation license for the Chimu Plant from 40 tonnes per day to 340 tonnes per day in the 2022 financial year. The Group assessment has determined that there has been no significant impact on the performance nor financial position of the Group from COVID-19 as at 30 June 2023.

NOTE 10: EXPLORATION AND EVALUATION COSTS

	2023 $	2022 $
Non-current		
Costs carried forward in respect of areas of interest in:		
- Exploration and evaluation phases	5,612,156	4,921,716
Movement on Exploration and Evaluation Costs		
Balance at beginning of period	3,145,759	3,287,462
Additions	760,164	1,539,109
Provision for impairment on Alpine Project[1]	-	(1,841,482)
Acquisition of Denchi Lithium Project[2]	1,680,000	-
Foreign currency translation movement	26,233	160,670
Balance at end of period	**5,612,156**	**3,145,759**

[1] In the financial year ending 30 June 2022, the Company discontinued further exploration work at Lambarson Canyon and Tonopah North project area, and currently focussing exploration work at Douglas Canyon project area.

[2] Refer to Note 27 for the project acquisition details.

NOTE 11: LEASE LIABILITY

	2023 $	2022 $
Lease of Core Storage	7,301	8,832
Lease of Head Office	88,155	134,148
Total Lease Liability	**95,456**	**142,980**
Lease of Core Storage		
Gross lease liabilities – minimum lease payments:		
Less than one year	7,620	9,144
Between one and five years	-	-
More than five years	-	-
	7,620	9,144
Future finance charges on leases	(319)	(312)
	7,301	8,832
The present value of lease liabilities classified as:		
Current	**7,301**	**8,832**
Non-Current	**-**	**-**
	7,301	**8,832**
Lease of Head Office		
Gross lease liabilities – minimum lease payments:		
Less than one year	48,000	48,000
Between one and five years	44,000	92,000
More than five years	-	-
	92,000	140,000
Future finance charges on leases	(3,845)	(5,852)
	88,155	134,148
The present value of lease liabilities classified as:		
Current	**45,994**	**45,994**
Non-Current	**42,161**	**88,154**
	88,155	**134,148**
Total Lease Liabilities		
Current	**53,295**	**54,826**
Non-Current	**42,161**	**88,154**
	95,456	**142,980**

NOTE 12: TRADE AND OTHER PAYABLES

	2023 $	2022 $
Current		
Trade payables	715,902	325,128
Accruals	146,147	301,651
Employment related payables	55,600	54,428
Payable to a shareholder/ex director	47,543	47,543
GST Payable	40,000	-
Others	65,361	53,938
	1,070,553	782,688

NOTE 13: PROVISIONS

	2023 $	2022 $
Current		
Employee entitlements	39,681	31,067
Deferred payments	202,083	187,417
	241,764	218,484

NOTE 14: BORROWINGS

	2023 $	2022 $
Non-Current		
Convertible Notes	1,148,437	-
	1,148,437	-

The Convertible Notes are unsecured with a face value of $ 1,000, were issued in two tranches as follows:

- Tranche 1: 968 Convertible Notes issued on 15 May 2023 to comprise $ 968,000
- Tranche 2: 782 Convertible Notes issued on 28 June 2023 to comprise $ 782,000

The Convertible Notes have a term of 24 months, with interest payable quarterly at 10% per annum. The Convertible Notes can only be converted after three months from their date of issue and convert at the lower of:

- $0.006
- 15% discount to 15 day VWAP prior to conversion date

It is expected that the convertible notes will be converted into shares with each share issued upon conversion will rank equally with the Company's existing shares on issue. At the end of the term, a Noteholder may elect to redeem the Note and seek repayment of funds advanced, rather than converting to OAR's shares.

As at 30 June 2023, no convertible notes had been converted into shares or redeemed, and $1.75 million remained on issue, with $601,563 related to the valuation of free attaching options component was reallocated to Share-based payment reserve (Refer Note 16b).

NOTE 15: ISSUED CAPITAL

	2023 No.	2023 $	2022 No.	2022 $
Fully paid ordinary shares	2,571,037,088	13,235,783	2,154,564,724	11,779,128

a) Ordinary shares

	2023 No.	2023 $	2022 No.	2022 $
At the beginning of year	2,154,564,724	11,779,128	1,823,550,440	10,551,004
Acquisition of Denchi Lithium project	400,000,000	1,680,000		
Conversion of Performance and Deferred rights	16,473,174	-		
Conversion of Incentive and Deferred rights			28,514,284	-
Shares issue to employees			2,500,000	32,500
Placement			300,000,000	1,500,000
Transaction costs relating to share issues		(223,345)		(304,376)
At reporting date	2,571,037,898	13,235,783	2,154,564,724	11,779,128

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

b) Earnings Per Share

	2023 $	2022 $
Reconciliation of earnings to profit or loss		
Loss used in the calculation of basic and diluted EPS	(724,974)	(3,779,857)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	2,321,529,338	1,944,252,748
Loss per share		
Basic and diluted loss per share (cents per share)	(0.031)	(0.194)

The effect of options on issue is anti-dilutive on the loss per share calculation as the exercise price of the options is above the current market price.

c) Capital Management

The Directors' objectives when managing capital are to ensure that the Group can maintain a capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the availability of liquid funds in order to meet its short-term commitments.

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 programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The Group is not subject to externally imposed capital requirements.

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

The working capital position of the Group were as follows:

	Note	2023 $	2022 $
Cash and cash equivalents	5	1,218,068	704,192
Trade and other receivables	6	39,671	37,240
Other current assets	7	79,194	40,897
Lease liabilities – Current	11	(53,295)	(54,826)
Trade and other payables	12	(1,070,553)	(782,688)
Provisions	13	(241,764)	(218,484)
Working capital position		(28,679)	(273,669)

NOTE 16: RESERVES

	Note	2023 $	2022 $
Foreign exchange reserve	16a	201,198	240,790
Share-based payment reserve	16b	2,131,832	1,218,566
		2,333,030	1,459,356

a) Foreign exchange translation reserve

The foreign exchange reserve records exchange differences arising on translation of foreign controlled subsidiary.

b) Share-based payment reserve

	2023 No.	2023 $	2022 No.	2022 $
Balance at beginning of reporting period	412,885,394	1,218,566	916,629,198	700,363
OARAH Options issued to broker[1]	60,000,000	122,722		
Incentive and Deferred rights amortisation	-	188,981		
Conversion of Incentive and Deferred rights	(17,100,000)	-		
OARAG Options expired on 24 June 2023	(217,000,000)	-		
Valuation of free attaching Options on Convertible Notes	-	601,563		
OARO Options expired on 31 December 2021			(546,367,293)	-
OAROC Options expired on 30 November 2021			(121,261,905)	-
OARAG Options issued to Broker			40,000,000	198,367
Conversion of Incentive and Deferred tights			(28,800,000)	-
Cancellation of Deferred rights			(9,000,000)	(11,423)
Incentive and Deferred rights amortisation			-	307,593
Performance rights issued to employees			7,829,214	13,797
Retention rights issued to employees			3,856,180	9,869
Unlisted options issued to Placement participants			150,000,000	-
Balance at end of reporting period	238,785,394	2,131,832	412,885,394	1,218,566

(i) Valuation of Options issued to broker

2023

[1]60,000,000 Options issued to broker in connection to the Placement, exercisable at $0.01 on or before 11 March 2025, were valued at $0.005 on the grant date.

[2]218,750,000 Free Attaching Options to be issued to Convertible Note holders, exercisable at $0.007 on or before 30 June 2026, were valued at $0.00275 on the shareholder approval date.

Input variables	15 July 2022[1]	14 June 2023[2]
Number of Options	60,000,000	218,750,000
Grant date fair value	$0.005	$0.00275
Grant date share price	$0.005	$0.004
Exercise price	$0.01	$0.007
Expected volatility	92%	132%
Option life	2.7 years	3 years
Expiry date	11/03/2025	30/06/2026
Risk-free interest rate	2.69%	4.06%

(ii) Valuation of Share rights

Details of the employees' issued share rights during the reporting period are as follows:

Grant Date	Fair value per share rights	Measurement date of the share rights	Vesting Conditions Market/Non-market
05 January 2022	$0.0046	16 December 2022	market
05 January 2022	$0.0064	16 December 2023	market
05 January 2022	$0.0072	16 December 2024	market
05 January 2022	$0.0090	16 December 2022	non-market
05 January 2022	$0.0090	16 December 2023	non-market
05 January 2022	$0.0090	16 December 2024	non-market

On 5 January 2022, 11,685,394 share rights were issued to employees in accordance with the Company LTI plan. The market-based share rights were valued based on Hoadley's Hybrid ESO model using following assumptions:

- $0.009 share price at grant date
- 0-2.95 year measurement period
- 0.58%-1.02% risk-free interest rate
- 92.10% to 119.40% volatility

$0.009 per non-market share rights were valued based on share price at grant date.
7,011,236 share rights remain outstanding at the date of the report.

Details of the Director's issued share rights during the reporting period are as follows:

Grant Date	Fair value per share rights	Measurement date of the share rights	Vesting Conditions Market/Non-market
22 December 2020	$0.0186	01 July 2021	market
22 December 2020	$0.0184	01 July 2022	market
22 December 2020	$0.0182	01 July 2023	market
22 December 2020	$0.0190	01 July 2021	non-market
22 December 2020	$0.0190	01 July 2022	non-market
22 December 2020	$0.0190	01 July 2023	non-market

At the Annual General Meeting held on 22 December 2020, shareholders approved 15,000,000 deferred and 13,860,000 retention rights, together with 28,140,000 performance rights to Directors. The market-based share rights were valued based on Hoadley's Hybrid ESO model using following assumptions:

- $0.02 share price at grant date
- 0-2.66 year measurement period
- 0.08%-0.12% risk-free interest rate
- 145% to 125% volatility

$0.02 per non-market share rights were valued based on share price at grant date.
Nil share rights remain outstanding at the date of the report.

NOTE 17: FINANCIAL RISK MANAGEMENT

a) Financial Risk Management Policies

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and procedures for measuring and managing risk, and the management of capital.

The Group's financial instruments consist mainly of deposits with banks, monies loaned, and accounts payable and receivable.

The Group does not speculate in the trading of derivative instruments.

Summary of the Group's Financial Assets and Liabilities is shown below:

	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	2023 Total $	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	2022 Total $
Financial Assets								
• Cash and cash equivalents	1,218,068	-	-	1,218,068	704,192	-	-	704,192
• Trade and other receivables	-	-	39,671	39,671	-	-	37,240	37,240
Total Financial Assets	1,218,068	-	39,671	1,257,739	704,192	-	37,240	741,432
Financial Liabilities								
Financial liabilities at amortised cost								
• Lease liabilities	-	95,456	-	95,456	-	142,980	-	142,980
• Trade and other payables	-	-	1,070,553	1,070,553	-	-	782,688	782,688
• Borrowings	-	1,148,437	-	1,148,437	-	-	-	-
Total Financial Liabilities	-	1,243,893	1,070,553	2,314,446	-	142,980	782,688	925,668
Net Financial Assets /(Liabilities)	1,218,068	(1,243,893)	(1,030,882)	(1,056,707)	704,192	(142,980)	(745,448)	(184,236)

b) Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity price risk. However, the sole material risk at the present stage of the Group is liquidity risk and foreign currency risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Group's risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discuss all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

i. Credit risk

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

Due to the current nature of the Group, being an exploration entity, the Group is not exposed to material credit risk.

ii. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

- Typically, the Group ensures that it has sufficient cash to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.
- The financial liabilities of the Group include trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days of the reporting date.

c) Contractual Maturities

The following are the contractual maturities of financial liabilities of the Group:

	Within 1 Year 2023 $	Greater Than 1 Year 2023 $	Total 2023 $	Within 1 Year 2022 $	Greater Than 1 Year 2022 $	Total 2022 $
Financial liabilities due for payment						
Lease liabilities	95,456	-	95,456	142,980	-	142,980
Trade and other payables	1,070,553	-	1,070,553	782,688	-	782,688
Borrowings	1,148,437		1,148,437	-	-	-
Total contractual outflows	2,314,446	-	2,314,446	925,668	-	925,668
Financial assets						
Cash and cash equivalents	1,218,068	-	1,218,068	704,192	-	704,192
Trade and other receivables	39,671	-	39,671	37,240	-	37,240
Total anticipated inflows	1,257,739	-	1,257,739	741,432	-	741,432
Net inflow/(outflow) on financial instruments	(1,056,707)	-	(1,056,707)	(184,236)	-	(184,236)

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

(1) 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.

The Board meets on a regular basis and considers the Group's interest rate risk.

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Due to the low amount of debt exposed to floating interest rates, interest rate risk is not considered a high risk to the Group. Movement in interest rates on the Group's financial liabilities and assets is not material.

(ii) Foreign exchange risk

The Group also has transactional currency exposures from operating costs and concession and other payments that are denominated in currencies other than the Australian dollar (AUD). The currencies in which these transactions are primarily denominated are the United States dollar (USD) and Peruvian Sol (PEN).

The Board attempts to mitigate the effect of its foreign currency exposure by acquiring USD in accordance with budgeted expenditures when the exchange rate is favourable. Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group, but is not expected to be significant to the Group.

(2) Net Fair Values

(i) Fair value estimation

The fair values of financial assets and financial liabilities are presented in the table in Note 17a and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Financial instruments whose carrying value is equivalent to fair value due to their nature include:

- Cash and cash equivalents;
- Trade and other receivables;
- Trade and other payables; and
- Borrowings

The methods and assumptions used in determining the fair values of financial instruments are disclosed in the accounting policy notes specific to the asset or liability.

NOTE 18: COMMITMENTS

	2023 $	2022 $
Not later than one year	479,000	240,000
Later than one year but not later than five years	1,280,000	120,000
Later than five years	-	-
	1,759,000	360,000

The Group has no other material leasing commitments as at 30 June 2023.

In order to maintain current rights of tenure to mining tenements in South Australia, the Group has the discretionary exploration expenditure requirements in accordance with the Amalgamated Expenditure Agreement (AEA) where the Company need to meet minimum expenditure of $255,000 over a year period.

The obligation, which is subject to renegotiation upon expiry of the current AEA, is not provided for in the financial statements and is payable in the future.

If the Group decides to relinquish certain leases and/or does not meet these obligations, exploration and evaluation assets recognised in the consolidated statement of financial position may require review to determine appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

In order to maintain current rights of tenure to mining tenements in Western Australia, the Group need to meet minimum exploration expenditure of $ 1,284,000 over five years.

NOTE 19: EVENTS AFTER REPORTING DATE

Mr Paul Stephen, the Company's CEO was promoted as Managing Director on 7 August 2023, with his remuneration and other contractual arrangements remain unchanged from what has been disclosed previously.

In June 2023, the Company initiated a Small Share Parcel Sale Facility, which allowed holders of the Company ordinary shares valued at less than $500 to dispose their holdings without incurring brokerage or other sale costs. The Small Share Parcel Sale Facility was completed on 30 August 2023. A total of 1,598 shareholders with an aggregate of 117,696,730 shares participated in the Facility. The shares were sold at an average price of $0.0049 each. The reduction of the Company's shareholder base by 1,598 shareholders will significantly reduce the Company's administrative and corporate costs moving forward.

NOTE 20: CONTINGENT LIABILITIES

Aside from the following additional contingent liabilities, there has been no other change in contingent liabilities since last annual reporting date. The following liabilities are treated as contingent liabilities as it is dependent on certain milestone to occur, with no current obligation at present.

Acquisition of Denchi Project:

- Fully paid OAR ordinary shares, valued at $250,000, with each share having a deemed price equal to the higher of $0.01 or the 30-day VWAP of OAR shares prior to issue, conditional upon OAR having delineated a maiden inferred JORC Code compliant Mineral Resource, which exceeds 10 million tonnes of Li_2O with a minimum grade of 1% Li_2O, within five years from completion of the acquisition.

Acquisition of Crown Project:

- 27,000,000 fully paid ordinary shares in the Company contingent on the granting of the drilling program approval by the WA Mines Department.

Acquisition of Alpine Project:

- Extension of the Exploration Period in respect of Douglas Canyon Project to 31 August 2025, where the Company is responsible to comply with all government regulations and minimum expenditure requirements for the Douglas Canyon Project, or facilitate the transfer of the gold projects back to the Vendor.
- $2,000,000 in cash or fully paid ordinary shares in the Company on the announcement of the first 500,000 ounces of gold or gold equivalent JORC Code compliant resource for the Douglas Canyon Project.
- 2% Net Smelter Royalty to be calculated in accordance with the net smelter royalty formula on normal standard commercial terms for Royalty agreements, with the options of a buyback in the future.

On 13 August 2021, Zaius Investments Pty Ltd, a company associated with Andrew Knowles, a former consultant to the Company, commenced proceedings against the Company in the Western Australia Magistrate Court in the aggregate sum of $32,663 (including interest and costs) for alleged unpaid consulting fees and capital raising fees. The Company denies the claims and has taken steps to defend the proceedings with the assistance of legal representation and is of the opinion any exposure is minimal.

NOTE 21: SEGMENTAL REPORTING

For management's purposes, the Group is organised into two main operating segments based on geographic areas, Australia, Peru and USA during the current period.

This is different to how it was organised in previous period where the Group is organised into one main operating segment which involves the exploration and development of minerals in Australia and where the financial results from the one segment are equivalent to the financial statements of the Group as a whole.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board (chief operating decision maker) in assessing performance and in determining the allocation of resources. The Group's two operating segments are Australia, Peru and USA. The accounting policies applied for internal reporting purposes are consistent with those applied in the preparation of these financial statements.

The following is an analysis of the Group's revenues, results, assets, liabilities by reportable operating segment for the current period.

2023	Australia	Peru	USA	Total
	$	$	$	$
Revenue				
Interest Income	1,241	-	-	1,241
Other income	400,000	-	-	400,000
R&D tax incentive	372,987	-	-	372,987
Total revenue	**774,228**	**-**	**-**	**774,228**
Depreciation & amortisation expense	(1,918)	(549)	-	(2,467)
Finance costs	(138,851)	(2,230)	-	(141,081)
Development expenses	-	(189,436)	-	(189,436)
Net foreign exchange gain(loss)	-	89,131	-	89,131
Other expenses	(1,255,349)	-	-	(1,255,349)
Total expenses	**(1,396,118)**	**(103,084)**	**-**	**(1,499,202)**
Segment loss	**(621,890)**	**(103,084)**	**-**	**(724,974)**
	$	$	$	$
Segment assets	**6,167,699**	**923,924**	**878,370**	**7,969,993**
Segment liabilities	**(2,500,603)**	**(55,607)**	**-**	**(2,556,210)**
Additions to non-current assets				
Exploration & evaluation assets	413,621	-	72,100	485,721
Acquisition of Denchi Lithium Project	2,000,000	-	-	2,000,000
Plant & equipment	2,096	-	-	2,096
Tax credits	-	12,107	-	12,107
Total additions to non-current assets	**2,415,717**	**12,107**	**72,100**	**2,499,924**

2022	Australia	Peru	USA	Total
	$	$	$	$
Revenue				
Other income	-	-	-	-
Total revenue	**-**	**-**	**-**	**-**
Depreciation & amortisation expense	(1,684)	(365)	-	(2,049)
Finance costs	(3,153)	(3,203)	-	(6,356)
Development expenses	-	(576,310)	-	(576,310)
Net foreign exchange gain(loss)	-	25,446	-	25,446
Exploration and Evaluation	-	-	(1,841,482)	(1,841,482)
Other expenses	(1,379,106)	-	-	(1,379,106)
Total expenses	**(1,383,943)**	**(554,432)**	**(1,841,482)**	**(3,779,857)**
Segment loss	**(1,383,943)**	**(554,432)**	**(1,841,482)**	**(3,779,857)**
Segment assets	**3,269,449**	**878,028**	**805,103**	**4,952,580**
Segment liabilities	**(848,622)**	**(55,626)**	**(239,904)**	**(1,144,152)**

2022 (continued)	Australia	Peru	USA	Total
Additions to non-current assets				
Exploration & evaluation assets	717,866	-	913,038	1,630,904
Plant & equipment	81,641	-	-	81,641
Tax credits	-	55,502	-	55,502
Alpine Reclamation Bond	-	-	7,340	7,340
Total additions to non-current assets	**799,507**	**55,502**	**920,378**	**1,775,386**

Segment loss represents the loss incurred by each segment without allocation of corporate overhead costs. This is the information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

NOTE 22: KEY MANAGEMENT PERSONNEL (KMP) COMPENSATION

The names and positions of KMP are as follows:

- Chris Gale
- Paul Stephen
- David Vilensky
- Anthony Greenaway
- Yugi Gouw
- Ross Cameron

The key management personnel compensation included in administrative expenses, employment costs and development expenses for the current year are as follows:

	2023 $	2022 $
Short-term benefits	633,190	684,269
	633,190	684,269

NOTE 23: PARENT ENTITY DISCLOSURES

	2023 $	2022 $
a) Financial Position of Ozinca Australia Pty Ltd		
Current assets	3,543	4,236
Non-current assets	638,142	638,142
Total assets	641,685	642,378
Current liabilities	40,400	40,400
Non – Current liabilities	788,934	789,069
Total liabilities	829,334	829,469
Net Liabilities	**(187,649)**	**(187,091)**
Equity		
Issued capital	712,049	712,049
Reserve		
Accumulated losses	(899,698)	(899,140)
Total equity	**(187,649)**	**(187,091)**
b) Financial performance of Ozinca Australia Pty Ltd		
Profit / (loss) for the year	(558)	(3,275)
Other comprehensive income	-	-
Total comprehensive income	**(558)**	**(3,275)**

c) Guarantees entered into by Ozinca Australia Pty Ltd for the debts of its subsidiaries

There are no guarantees entered into by Ozinca Australia Pty Limited for the debts of its subsidiaries as at 30 June 2023.

NOTE 24: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. All transactions with key management personnel have been disclosed in the Remuneration Report.

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transaction with related parties inclusive of GST	2023 $	2022 $
• Lascelles Holdings Pty Ltd Trade and other payable to Lascelles Holdings Pty Ltd, an entity related to Mr Gale for director fees	6,000	20,000
• Trade and other payable to Coilens Corporation Pty Ltd, an entity related to Mr Vilensky for director fees	5,000	5,000
• Trade and other payable to Greenaway Family Trust, an entity related to Mr Greenaway for director fees	5,000	10,000
• John Lynch Trade and other payable balance to Mr Lynch for consulting fees from prior year	11,930	11,930
• Bourse Securities Pty Ltd Payable balance to Mr Lynch for advances made in prior periods	47,343	47,343
• Zaius Investments Pty Ltd Trade and other payable to Zaius Investments Pty Ltd, an entity related to Mr Knowles for consulting fees from prior year	36,052	36,052

NOTE 25: AUDITOR'S REMUNERATION

	2023 $	2022 $
Audit and review of the financial reports	35,875	28,231
Tax and compliance services	7,388	6,236
	43,263	34,467

NOTE 26: CONTROLLED ENTITIES

a) Parent entity

Oar Resources Limited is the parent of the Group.

Subsidiaries	Country of Incorporation	Class of Shares	Percentage Owned 2023	Percentage Owned 2022
• Ozinca Australia Pty Ltd	Australia	Ordinary	100%	100%
• Ozinca Peru SAC	Peru	Ordinary	100%	100%
• Australian Precious Minerals Pty Ltd	Australia	Ordinary	100%	100%
• Alpine Resources (USA) Pty Ltd	Australia	Ordinary	100%	100%
• Alpine Metals LLC	USA	Common Stock	100%	100%
• Lymex Tenements Pty Ltd	Australia	Ordinary	100%	100%
• First Standard Minerals Pty Ltd[1]	Australia	Ordinary	100%	-
• Denchi Pty Ltd[1]	Australia	Ordinary	100%	-

[1]Refer Note 27 for the project acquisition details.

b) Investments in subsidiaries are accounted for at cost.

NOTE 27: PROJECT ACQUISITION

Denchi Lithium Project

On 3 November 2022, the Company signed the Binding Term Sheet for the acquisition of the Denchi Lithium Project near Wiluna in Western Australia.

The acquisition of the Project was settled by issuing fully paid OAR ordinary shares to the Vendors, as follows:

- 40,000,000 fully paid OAR ordinary shares within five business days after the date of execution as a non-refundable deposit.
- 200,000,000 fully paid OAR ordinary shares on completion of the acquisition.

The Vendors are also entitled to be issued with the following Deferred Consideration Shares, upon satisfaction of the following milestones:

- 160,000,000 fully paid OAR ordinary shares, subject to and conditional upon the granting of ELA53/2229 and ELA53/2230 within 12 months from completion of the acquisition.
- Fully paid OAR ordinary shares, valued at $250,000, with each share having a deemed price equal to the higher of $0.01 or the 30-day VWAP of OAR shares prior to issue, conditional upon OAR having delineated a maiden inferred JORC Code compliant Mineral Resource, which exceeds 10 million tonnes of Li2O with a minimum grade of 1% Li2O, within five years from completion of the acquisition.

As at the date of this report, 400,000,000 fully paid ordinary shares have been issued to the Vendors and valued at $1,680,000.

DIRECTORS' DECLARATION

The Directors of Oar Resources Limited declare that:

- the attached financial statements and notes thereto 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 thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1(a) to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the Consolidated entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Consolidated entity will be able to pay its debts as and when they become due and payable;

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

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

Christopher Gale
Non-Executive Chairman
Perth, 29 September 2023

AUDITOR'S INDEPENDENCE DECLARATION

HALL CHADWICK

To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the audit of the financial statements of OAR Resources Limited for the financial period ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully,

HALL CHADWICK AUDIT (WA) PTY LTD

MICHAEL HILLGROVE FCA
Director

Dated this 29th day of September 2023
Perth, Western Australia

INDEPENDENT AUDITOR'S REPORT

HALL CHADWICK

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

Report on the Financial Report

Opinion

We have audited the accompanying financial report of OAR Resources Limited ("the Company") and its subsidiaries (collectively "the Group"), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of OAR Resources Limited is in accordance with the Corporations Act 2001, including:

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

ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the Auditor's Responsibility section of our report.

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

Material Uncertainty Related to Going Concern

We draw attention to note 1(b) to the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Our opinion is not modified in respect of this matter.

Independence

We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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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 year. 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. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the below matter, provide the basis for our audit opinion on the accompanying financial report.

1. **Borrowings – Note 14**

Why Significant	How our audit addressed the key audit matter
As disclosed in Note 14 to the financial statements, during the year ended 30 June 2023, the Group had borrowings of $1,148,437. Borrowings are considered to be a key audit matter due to: • the value of the transactions; • the complexities involved in the recognition and measurement of the financial instrument; and • the judgement and estimates involved in determining the treatment and recognition of Convertible Notes.	Our work included, but was not limited to, the following procedures: • Analysing the Convertible Note Agreement to identify the key terms and conditions; • Verifying the funds receipted; • Assessing the accounting treatment of the financial instrument in accordance with the recognition and measurement as well as the disclosure requirements of the relevant Australian Accounting Standards; • Assessing the calculation of the relevant interest expense for the year; and • Examination of the disclosures made in the financial report.

INDEPENDENT AUDITOR'S REPORT continued

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2. Carrying value of capitalised exploration and evaluation costs – Note 10

Why Significant	How our audit addressed the key audit matter
We identified the capitalised exploration and evaluation costs of $5,612,156 as at 30 June 2023 to be a key audit matter due to its significance and the level of judgement required by us in evaluating management's application of the requirements of AASB 6 Exploration for and Evaluation of Mineral Resources. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset. In addition, the assessment of impairment of capitalised exploration and evaluation assets can be inherently difficult particularly in uncertain or depressed market conditions	Our work included, but was not limited to, the following procedures: • Assessing management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the Group holds an interest in, the budgeted and future exploration programmes planned for the areas, made inquiries of management, reviewed the Group's ASX announcements and the Directors' minutes as to the Group's future plans for the areas; • For the area of interest, we assessed the Group's rights to tenure by corroborating to government registries/correspondences and evaluating agreements in place with other parties; • We tested the additions to capitalised expenditure for the year by evaluating sample of recorded expenditure for consistency to underlying records, the requirements of the Group's accounting policy and requirements of AASB 6; • Evaluating the competence, capabilities and objectivity of management's experts in the evaluation of impairment triggers and considered the Director's assessment of potential indicators of impairment; and • Assessing that disclosures relating to the capitalised exploration and evaluation assets are in accordance with Australian Accounting Standards

INDEPENDENT AUDITOR'S REPORT continued

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Other Information

Other information is financial and non-financial information in the annual report of the Group which is provided in addition to the Financial Report and the Auditor's Report. The directors are responsible for Other Information in the annual report. The Other Information we obtained prior to the date of this Auditor's Report was the Director's report. The remaining Other Information is expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, the auditor does not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report. In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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. We are required to report if we conclude that there is a material misstatement of this Other Information in the Financial Report and based on the work we have performed on the Other Information that we obtained prior the date of this Auditor's Report we have nothing to report.

Directors' Responsibilities for the Financial Report

The Directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1(a), the Directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report complies with International Financial Reporting Standards. In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using a going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individual or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

INDEPENDENT AUDITOR'S REPORT continued

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The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern. We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion. We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of OAR Resources Limited for the year ended 30 June 2023, complies with section 300A of the Corporations Act 2001.

INDEPENDENT AUDITOR'S REPORT continued

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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.

HALL CHADWICK AUDIT (WA) PTY LTD

MICHAEL HILLGROVE FCA
Director

Dated this 29th day of September 2023
Perth, Western Australia

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

Statement of security holders as at 22 September 2023
Ordinary Share Capital

2,613,135,704 shares are held by 2,269 individual holders.

Distribution of shareholders by size of shareholdings	Share Holders
1 - 1,000	15
1,001 - 5,000	4
5,001 - 10,000	4
10,001 - 100,000	286
Over 100,000	1,960
TOTAL HOLDERS	**2,269**
Holding less than a marketable parcel	**238**

Voting Rights Each ordinary share carries one vote.

Options do not carry any rights to vote until exercised into fully paid ordinary shares.

Twenty Largest Shareholders – Ordinary Shares

RANK	HOLDER NAME	Number	%
1	TAKA CUSTODIANS PTY LTD <TAKA A/C>	92,160,000	3.53%
2	REID MACHINE PTY LTD <REID MACHINE A/C>	92,160,000	3.53%
3	MS CHUNYAN NIU	86,010,798	3.29%
4	CELTIC CAPITAL PTY LTD	60,500,000	2.32%
5	MR JAMES ADOTEI ALLOTEY	57,116,806	2.19%
6	RNB SUPERFUND PTY LTD <RNB TRADING STAFF S/FUND A/C>	51,482,891	1.97%
7	MR MARK BROGLIO	47,500,000	1.82%
8	FOUCART PTY LTD <CRB A/C>	34,560,000	1.32%
9	MR MARK ANTHONY BROGLIO	32,200,000	1.23%
10	JD SQUARED INVESTMENTS PTY LTD <JD SQUARED INVESTMENTS A/C>	31,400,000	1.20%
11	COILENS CORPORATION PTY LTD	31,381,032	1.20%
12	CITICORP NOMINEES PTY LIMITED	30,772,501	1.18%
13	ALLEGRA CAPITAL PTY LTD	28,289,504	1.08%
14	MR CHRIS GALE & MRS STEPHANIE GALE <THE GALE SUPER FUND A/C>	26,497,258	1.01%
15	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	22,039,313	0.84%
16	MR CHI KIT TSUI	19,150,000	0.73%
17	SUPER MSJ PTY LTD <MSJ SUPER FUND A/C>	18,251,022	0.70%
18	MR GLEN GOULDS	16,800,000	0.64%
19	MR MALCOLM GREGORY MILNE	15,700,000	0.60%
20	MR BASAM NASIR A ALAGGL	15,000,000	0.57%
	Total	**808,971,125**	**30.97%**

Substantial shareholders

There are no substantial shareholders with holdings greater than 5%

COMPANY SECRETARY

Yugi Gouw

REGISTERED OFFICE IN AUSTRALIA

Unit 3, 32 Harrogate Street

West Leederville, WA 6007

Telephone: (08) 6117 4797

SHARE REGISTRY

Automic Registry Services

Level 5, 126 Philip Street

Sydney NSW 2000

Telephone: 1300 288 664

STOCK EXCHANGE LISTING

The Company is listed on the Australian Securities Exchange Limited. The Company ASX code is OAR.

UNQUOTED EQUITY SECURITIES

Ordinary shares (collective security shares)	10,000,000

MINING TENEMENTS LISTING

South Australia

Project	Tenement. No.	Interest held	Status
Brimpton Lake	EL 6558	100%	Exploration Licence
Kapinnie	EL 6394	100%	Exploration Licence
Mt Hope	EL 6517	100%	Exploration Licence
Sheringa	EL 6393	100%	Exploration Licence
Gilbratar	EL 6506	100%	Exploration Licence
Gum Flat	EL 6700	100%	Exploration Licence

Western Australia

Project	Tenement. No.	Interest held	Status
Crown	E70/5406	100%	Exploration Licence
Denchi	E53/2198	100%	Exploration Licence
Denchi	E53/2229	100%	Exploration Licence
Denchi	E53/2230	100%	Exploration Licence
Denchi	E53/2282	100%	Exploration Licence
Denchi	E53/2283	100%	Exploration Licence
Denchi	E53/2284	100%	Exploration Licence
Denchi	E53/2285	100%	Exploration Licence

USA - Nevada

Project	Claim. No.	Interest held	Status
Douglas Canyon	DC 1 – DC 80	100%	Exploration Licence