



ADMIRALTY RESOURCES

ADMIRALTY RESOURCES NL

ABN 74 010 195 972

ANNUAL REPORT

2023

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Corporate Directory

Directors:

Ms Qing Zhong
Executive and Managing Director

Ms Jian Barclay
Executive Director

Mr Bin Li
Executive Chairperson

Mr Greg Starr
Independent Non-Executive Director

Group Secretary:

Ms Louisa Le Yi Ho

Bank:

National Australian Bank
Level 13, Tower B
799 Pacific Highway
Chatswood NSW 2067

Scotiabank Azul
Av. Costanera Sur 2710
Piso 21 Torre A
La Condes, Santiago
Chile

Auditor:

RSM Australia Partners
Level 13, 60 Castlereagh Street
Sydney NSW 2000

Telephone: 612 8226 4500
Facsimile: 612 8226 4501

Solicitors:

Australia
Marque Lawyers Pty Ltd
Level 4, 343 George Street
Sydney NSW 2000

Telephone: 61 2 8216 3023
Facsimile: 61 2 8216 3001

Chile
Morales & Besa LTDA.
Av. Isidora Goyenechea 3477, piso 19
Las Condes | Santiago 7550106 | Chile

Telephone: 56 2 2472 7083

For shareholder information contact:

Share registry:

Boardroom Limited
Level 8, 210 George Street
Sydney NSW 2000

Email: services@boardroomlimited.com.au

Website: boardroomlimited.com.au

Stock exchange:

ASX Limited
ASX: ADY

Capital structure:

1,303,579,153 Fully paid ordinary shares

No options issued

For information on the Group contact:

Principal & Registered Office:

Suite 109, Level 1, 150 Pacific Highway
North Sydney NSW 2065

Email: info@ady.com.au

Web: www.ady.com.au

Chairman's Review

Dear Fellow Shareholders,

On behalf of the Board of Admiralty Resources NL, it is my great pleasure to present the Company's Annual Report for the 2023 Financial Year (FY23). FY23 has been an exciting year for the Group with a number of events transpiring as the Group move towards production at its flagship Mariposa Iron Ore Project in Chile (Mariposa Project).

In the first half of FY23, the Company had been working with multiple parties in Australia and Chile to prepare for a ramp up in operations at Mariposa, including more vigorous engagement with local government agencies, local Chilean companies to discuss port access, water and transmission line rights, and increased involvement of our Australian and Chilean legal counsel.

Since 31 December 2022, I have been stationed in Chile to oversee the operations of the Mariposa Project and have witnessed a significant increase in the operational activities, which to date has been achieved in accordance with the Mariposa executive team's timeline. The team at Mariposa continue to maintain a tight line of sight on the key milestones, with the aim to commence production in early 2024.

In March 2023, Admiralty entered into an agreement with Hainan Xinlei Mining Management Co Ltd outlining the abbreviated commercial and project management terms to bring the Mariposa Project into production. The Admiralty Executive Team is pleased that Hainan had undertaken certain expenditure to provide equipment and commence development as the Parties continue to finalise the long-form documentations. Both Parties are cognisant of the significant time and money spent on the Mariposa Project and are endeavouring to do whatever is appropriate to go into production at Mariposa.

I would also like to thank our shareholders and my fellow Board members for their ongoing support as we move into the 2024 Financial Year (FY24). It has been a challenging but rewarding year for the Company, and we look forward to delivering and reporting on the next stage of the Mariposa Project.

Yours sincerely,



Bin Li
Executive Chairperson
Admiralty Resources NL

Chief Executive Officer's Review of Operations

Dear Fellow Shareholders,

As you are aware through intermittent and quarterly updates to the market, the global events and economic climate over the past few years have had substantial impact on the advancement of the Mariposa Project. Despite these challenges, I am pleased to report that Admiralty has made significant progress on the Mariposa Project in FY23. More detail is provided in the "Review of Operations" below.

The key focus of the management team has been to work towards production at the Mariposa Mine, with Mr Bin Li appointed as the Executive Chairperson on 1 January 2023, so that the Company has greater visibility on site and to apply his extensive experience in prior mining projects. The Board also welcomed Mr Gregory Starr, Independent Non-Executive Director appointed 17 March 2023, to provide greater oversight on the corporate governance, regulatory compliance, and stakeholder engagement of the Company as the operation levels increase.

Fellow director Ms Jian Barclay and I travelled to Chile on 30 December 2022 to welcome Mr Li and the new employees who arrived in Mariposa on 31 December 2022, and was able to secure meetings with local peers and suppliers in anticipation of production at Mariposa. We were delighted to be able to engage directly with the local stakeholders to accelerate the Company's local presence and operational partnerships.

Going into FY24, the management team continue to stay focused on the growth opportunities that the Mariposa Project will bring for Admiralty across the board.

I would like to thank my fellow Board members, management and the team at Mariposa who have worked tirelessly to ramp up operations at Mariposa as we continue to grow shareholder value.

Yours sincerely,



Qing Zheng
CEO & Managing Director
Admiralty Resources NL

Review of Operations

Mariposa

Mobilisation of Senior Management Team

Admiralty's wholly owned subsidiary, Admiralty Minerals Chile Pty Ltd, Agencia en Chile, had secured sponsorship and work visas from the National Immigration Service of Chile as the sponsoring employer for five personnel that are strategically important to assist the Company in the development of Mariposa alongside the Company's project partner, Hainan Xinlei Mining Management Co Ltd (Hainan). Included in the personnel is Mr Li, who was also appointed the General Manager of the Mariposa Project. All five employees arrived in Chile on 31 December 2022 and commenced preparatory works on site for the arrival of the mining equipment.

Health and Safety

Significant emphasis has been and continue to be given to the health, safety and wellbeing of the staff and the community in which Admiralty operates. Employees had been thoroughly inducted with the necessary health and safety process, including pre-start meetings and safety toolbox talks, as part of a proactive health and safety policy.

Preparatory Works & Mining Equipment

The equipment site was levelled in preparation for construction of the concentrator and mine stope. Two major highways had been repaired to ensure smooth roadway transportation to the site, with further works completed in order to reduce dust and pollution to the surrounding areas of the mine.

The mining equipment commissioned and acquired by Hainan arrived in several batches between Q3 and Q4 of the financial year, with 23 containers received as part of the first batch of materials in March 2023 and a second batch comprising 15 vehicles of equipment and supplies arrived in April 2023.

Construction of Processing Plant

The processing plant which contains two ball mill machines had been built during FY23. The ball mills will be used to sieve the by-products derived from the production phase of the Mariposa Project once it commences. The team at Mariposa had also completed the work for determining the tension bars, formwork, and screw hole grindings for the next stages of the project. In addition, the first and second conveyor belts had also been built for the transport of materials.

Infrastructure Construction Stage and Installation Phase

The Mariposa Senior Management team had been transitioning from the Infrastructure Construction Stage to the Installation Phase in Q4 of FY23. Infrastructure Construction Stage is the first phase of the Mariposa Project, which involved the construction of the foundations require for the infrastructure and machines required for production. The second stage of the Project is the Installation Phase, where the equipment is being assembled and mounted onto foundations constructed during the Infrastructure Construction Stage. The Mariposa Project has fully shifted into the installation Phase as of Q1 of FY24.

Transmission Line

In the June 2023 quarter, Admiralty engaged an electricity service provider, Energy Engineers SPA, to complete the transmission line design using a substation located around 15 kilometres from the mine. The engineering design for the transmission line was completed in conjunction with the negotiating party. The Company also engaged in further discussions during the year with respect to the transmission line, the use of the negotiating party's sub-stations, their connection points for electricity, and negotiations around the actual construction costs of the transmission line.

Water Access

A water reservoir had been built in the Company's other mine in Chile, Soberana, to provide a water source to Mariposa as the Company continue to progress its water rights application. The Company continue to explore more economical ways to obtain water for the Mariposa mine.

Port Access

The Company has engaged with both Las Losas Port and Guacolda Port to explore the different avenues for port access prior to the commencement of production.

Review of Operations

Long-Form Documentation with Hainan

During the financial year, the Group entered into an agreement with certain abbreviated and commercial and project management terms ("Interim Term Sheet") with Hainan Xinlei Mining Management Co Ltd ("Hainan") with respect to the Mariposa Iron Ore Project. Hainan has already undertaken certain expenditure to provide equipment and commence development to progress the Mariposa Mine and are working towards production by early next year. The Parties are in the process of completing the long form documentations, which detail the financial and operational roles and responsibilities of the Group and Hainan. The Group will provide the market with further updates as it executes the long form documentations.

Competent Person

The Company engaged Chilean Competent Persons from Geoinvest S.A.C. E.I.R.L. (Geoinvest) to undertake an updated mineral resource estimate for the Mariposa Project in compliance with the JORC Code 2012 guidelines. The Company will provide further updates once the report is finalised.

Soberana

During the June 2023 quarter, the Company built a reservoir for the purpose of water storage with the intention to provide water supplies to Mariposa. The reservoir can also be used directly at the Soberana site.

The Company noted that the liquidator of the prior operator Rocterra informed the Company during the June 2023 quarter that Rocterra has been liquidated. The Company advised that there had been no financial loss to Admiralty however it was considered prudent to impair the Soberana project until such time as there was more certainty in relation to the planned development activities of the project. Soberana retains the rights to the tenements.

La Chulula

ADY continue to progress the second stage regulatory DIA approval at La Chulula.

Australian Projects

No activities to report during the financial year.

Corporate

During the financial year ended 30 June 2023 the following key activities were undertaken by the Group from a Corporate perspective:

Strengthening of Management Team

Mr Greg Starr was appointed in 17 March 2023 as an Independent non-executive Director.

Mr Starr is a seasoned mining executive, with extensive experience internationally and domestically operating large scale multi-site operations as well as small scale operations in both gold and base metals.

Mr Starr is an experienced public Group director, who joined in March 2023, having held senior board positions in a number of ASX listed companies for over the last 20 years. Over the past 3 years, Mr Starr had held executive and non-executive board positions in ASX listed companies, Diatreme Resources Limited, BIR Financial Limited, and Candy Club Holdings Limited.

Mr Starr has extensive corporate leadership skills and strong financial and business planning capabilities. This enables him to guide the Group in a diversity of corporate and commercial matters, including in corporate governance, regulatory compliance, stakeholder engagement, strategy development, corporate financing, transaction management, and investor relations.

Review of Operations

Competent Person Statements

Mineral Resources Estimates

Mr Sergio Alvarado Casas, from Geoinvest S.A.C. E.I.R.L. (Geoinvest) has been engaged to undertake an updated mineral resource estimate for the Mariposa Project in compliance with the JORC Code 2012 guidelines. Mr Casas, is a Chilean Competent Person in compliance with ASX Listing Rules and the JORC Code 2012, being qualified personnel under the Comisión Calificadora de Competencias en Recursos y Reservas Mineras (Chilean Mining Commission or Comisión Minera). The Company will provide further updates once the report is finalised.

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Directors' Report

The Directors present their report on Admiralty Resources NL ("Admiralty" or the "Group") for the financial year ended 30 June 2023 (the "financial year").

Directors

The names and details of the Directors of the Group in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Ms Qing Zhong	Managing Director & CEO (<i>appointed on 4 December 2013</i>)
Ms Jian Barclay	Executive Director (<i>appointed on 22 February 2019</i>)
Mr Bin Li	Executive Chairperson (<i>appointed on 22 September 2014</i>)
Mr Greg Starr	Independent Non-Executive Director (<i>appointed 17 March 2023</i>)

Names, Qualifications, Experience and Special Responsibilities

Ms Qing Zhong (*Managing Director & Chief Executive Office, appointed 4 December 2013*)

Mrs Zhong has been involved in capital management and investment businesses for over 15 years. Mrs Zhong has been responsible for mining investments in Mexico and Australia, and her involvement has been instrumental in securing capital to enable the Group to continue exploration activities and negotiate with potential financiers to commence construction and production at the Mariposa Mine.

Ms Jian Barclay (*Executive Director, appointed 22 February 2019*)

Mrs Barclay has been associated with the Group for the past 10 years and has been a key member of the executive team that has assisted in the more recent project development and site visits to Chile.

Through these visits Mrs Barclay has become intimately involved in understanding and navigating the requirements of the Chilean projects (including regulatory and compliance requirements) and has assisted in the successful negotiation of contracts and sourcing of local expertise necessary to progress the Group's interests in the region.

Mr Bin Li (*Executive Chairperson, appointed 22 September 2014*)

Mr Li is a senior mining engineer with over 30 years' experience in metallurgy and a graduate of mining and metallurgy from the Jiang Xi Metallurgy University and this technical experience is relevant to the Group's current and next stages of development.

Mr Li and Mrs Qing Zhong (Managing Director & CEO) has been the driving force behind negotiating with potential financiers to commence construction and production at the Mariposa Mine.

Mr Greg Starr (*Independent Non-Executive Director, appointed 17 March 2023*)

Mr Starr is an experienced public Group director, who joined in March 2023, having held senior board positions in a number of ASX listed companies for over the last 20 years. Over the past 3 years, Mr Starr had held executive and non-executive board positions in ASX listed companies, Diatreme Resources Limited, BIR Financial Limited, and Candy Club Holdings Limited.

Mr Starr has extensive corporate leadership skills and strong financial and business planning capabilities. This enables him to guide the Group in a diversity of corporate and commercial matters, including in corporate governance, regulatory compliance, stakeholder engagement, strategy development, corporate financing, transaction management, and investor relations.

The Group is looking forward to a strong governance system driven by an Independent Non-Executive director as the Group moves towards the construction and production of the Mariposa Mine.

Directors' Report

Interest in the Share and Options of the Group

As at the date of this report, the interest of the Directors in the shares and options of Admiralty Resources NL were as follows:

Shareholder	Ordinary Shares	Unlisted Options
Qing Zhong	214,953,465	Nil
Jian Barclay	12,663,604	Nil
Bin Li	25,000,000	Nil
Greg Starr	Nil	Nil

Earnings per share

Basic and diluted earnings per share for the year was (\$0.16) cents, 2022: (\$0.27) cents.

Dividends

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

Rounding of Amounts

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

Operating and Financial Review

Admiralty Resources NL is a public Group limited by shares which is incorporated and domiciled in Australia with foreign subsidiaries.

Nature of Operations and Principal Activities

The principal activity of the Group during the financial year was mineral exploration.

Results from Operations and Financial Position

The Group incurred a net loss after tax for the year ended 30 June 2023 of \$2.0 million (2022: \$3.5 million loss). Net cash outflows from operating activities were \$0.7 million (2022: \$1 million).

At 30 June 2023, the Group had cash on hand of \$0.40 million (2022: \$0.57 million). The Directors believe the Group maintains a prudent capital structure and is in a robust position to continue progressing its projects.

Review of Operations

During the financial year, the Group was principally focussed on exploration at Chile.

For further information on these projects please refer to the Review of Operations within this Annual Report.

Risk Management

The Group takes a proactive approach to risk management. The Board is responsible for ensuring that risks, including emerging risks, and also opportunities, are identified on a timely basis and the Group's objectives and activities are aligned with the risks and opportunities identified by the Board.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Board approval of a strategic plan designed to meet stakeholders needs and manage business risk; and
- Implementation of Board approved budgets and Board monitoring of progress against those budgets.

Directors' Report

Directors' Meetings

The number of meetings of Directors (including meetings of committees of Directors) held during the financial year and the numbers of meetings attended by each Director were as follows:

Note there were no meetings of the Directors Remuneration and Nomination committee or the Audit and Risk Managements as the general meetings of the boards addresses any issued arising from these committees.

	Directors' Normal Meetings		Directors' Remuneration and Nomination Meetings		Directors' Audit and Risk Management Meetings	
	No.	No.	No.	No.	No.	No.
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Qing Zhong	5	5	-	-	-	-
Jian Barclay	5	5	-	-	-	-
Bin Li	5	5	-	-	-	-
Greg Starr ¹	2	2	-	-	-	-

1. Mr Greg Starr was appointed 17 March 2023 and was an invitee for the 15 March 2023 board meeting.

Committee Membership

As at the date of this report, the Group has separately constituted Audit and Risk, Remuneration and Nomination Committees, with the following representation of the Board.

	Audit and Risk	Remuneration and Nomination Committees
Qing Zhong	Yes	Yes
Jian Barclay	Yes	No
Bin Li	No	Yes
Greg Starr	Chair	Chair

Significant Changes in State of Affairs

During the financial year, the Group entered in to Head of Agreement with Hainan Xinlei Mining Co Ltd ("Hainan") for the extraction of resources at Mariposa Chile.

The Group is in the process of finalising long form agreements that will allow for the exploitation of mineral resources.

Matters Subsequent to the End of the Financial Year

No other matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

Environmental Issues

The Group carried out operations at the Mariposa site in accordance with the Company's environmental approval (DIA) obtained from local Chilean regulatory authorisations. The Company's Competent Person, Sergio Alvarado Casas, from Geoinvest S.A.C. E.I.R.L. (Geoinvest) had commented that:

"...noteworthy that ADY obtained environmental permits early on from the relevant authorities. The environmental authorization process can be extensive, and based on Geoinvest's experience, it usually takes a long time."

To date, the Company has not had any environmental issues and continue to be vigilant in ensuring that it adheres to the guidelines pursuant to the DIA approval.

Directors' Report

Likely Developments and Expected Results of Operations

The Group will continue to focus on delivering outcomes from the Mariposa project with Hainan, with production estimated to commence in early 2024.

Indemnification and Insurance of Directors and Officers

During the financial year, the Group does not have in place insurance that covers Director and Officers liability.

Indemnification of Auditors

The Group has not indemnified its auditors, RSM, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify RSM during or since the financial year.

Auditor Independence and Non-Audit Services

Section 307C of the *Corporations Act 2001* requires the Group's Auditors to provide the Directors of Admiralty Resources NL with an Independence Declaration in relation to the audit of the full-year financial report. This report has been received and is attached to the Directors' Report at page 14.

Non-Audit Services

During the financial year the entity's auditor, RSM, provided nil non-audit services.

Remuneration Report (Audited)

This Remuneration Report outlines the Director and Executive remuneration arrangements of the Group in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report, Key Management Personnel (KMP) are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including all Directors of the Group.

Details of Key Management Personnel

Qing Zhong	Managing Director & CEO (<i>appointed on 4 December 2013</i>)
Jian Barclay	Executive Director (<i>appointed on 22 February 2019</i>)
Bin Li	Executive Chairperson (<i>appointed on 22 September 2014</i>)
Greg Starr	Independent Non-Executive Director (<i>appointed 17 March 2023</i>)

There were no changes of KMP after the reporting date and before the date the financial report was authorised for issue.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee comprises Mr Gregory Starr (Chairperson), Ms Qing Zhong and Mr Bin Li.

The Remuneration and Nomination Committee reviews and approves the Group's remuneration policy in order to ensure that the Group is able to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered to be commensurate for an entity of the Group's size and level of activity as well as the relevant Directors' time, commitment and responsibility.

Remuneration Philosophy

The performance of the Group depends upon the quality of its Directors and Executives. To prosper, the Group must attract, motivate and retain highly skilled Directors and Executives.

To this end, the Group embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre Executives;
- Establish appropriate hurdles for variable executive remuneration; and

Remuneration Structure

In accordance with best practice corporate governance, the structure of Non-Executive Director and Executive Remuneration is separate and distinct.

Directors' Report

Non-Executive Director Remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Group with the ability to attract and retain Directors of the highest calibre, whilst keeping costs acceptable to shareholders.

Structure

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.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process.

Each Non-Executive Director receives a fee for serving as a Director of the Group. The remuneration of Non-Executive Directors for the years ended 1 July 2022 and 30 June 2023 is detailed later in this report.

Non-Executive Directors have long been encouraged by the Board to hold shares in the Group (purchased by the Director on market). In addition, long term incentives in the form of options may be awarded to Non-Executive Directors, subject to shareholder approval, in a manner which aligns this element of remuneration with the creation of shareholder wealth.

Executive Remuneration

Objective

The Group aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group and so as to:

- Reward Executives for Group and individual performance against targets set by reference to appropriate benchmarks;
- Align interests of Executives with those of shareholders;
- Link reward with strategic goals; and
- Ensure total remuneration is competitive by market standards.

Structure

In determining the level and make-up of Executive remuneration the Board considers market conditions and remuneration paid to Senior Executives of companies similar in nature to Admiralty Resources NL. Remuneration consists of the following key elements:

- Fixed Remuneration
- Variable Remuneration:

Fixed Remuneration

Objective

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.

Fixed remuneration is reviewed annually by the Board and the process consists of a review of individual performance, relevant comparative remuneration in the market and, where appropriate, external advice on policies and practices.

Structure

Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group.

The fixed remuneration component of the Directors is detailed later in this report.

Directors' Report

Remuneration Report (Audited) (Continued)

Employment Contracts

The Interim Chief Executive Officer, Ms Qing Zhong is employed under contract. The material terms of Ms Qing Zhong consultancy agreement are as follows:

- Commencement date: 1st July 2014
- Term: No fixed term Remuneration:
- \$140,000 pa (plus GST)
- Termination: 12 months' notice by the board

Ms Zhong has been engaged by the Group through her consultancy trust, Commercial Property Trust.

Services Agreements – Executive and Non-Executive Directors

On appointment to the Board, all Executive and Non-Executive Directors enter into a service agreement with the Group in the form of a letter of appointment. The letter summarises the Board's policies and terms, including compensation, relevant to the director, and among other things:

- the terms of the Directors appointment, including governance, compliance with the Group's Constitution, committee appointments, and re-election.
- the Directors' duties, including disclosure obligations, exercising powers, use of office, attendance at meetings and commitment levels.
- the fees payable, in line with shareholder approval, any other terms, timing of payments and entitlements to reimbursements.
- insurance and indemnity.
- disclosure obligations; and
- confidentiality

Name	Base Salary (inc-superannuation)
Ms Jian Barclay	\$60,000
Mr Bin Li	\$Nil
Mr Greg Starr ¹	\$44,000

Notes:

1. Mr Greg Starr appointed 17 March 2023.

Remuneration of Key Management Personnel

The remuneration tables below set out the remuneration information for the Directors and Executives, which includes the Chief Executive Officer, who are considered to be KMP of the Group.

	Salary & fees	STI bonus	Short-term SBP Options	Other	Long-term Other	Post-employment Superannuation	Total	Performance related
2023	\$	\$	\$	\$	\$	\$	\$	%
Directors								
Qing Zhong ¹	139,992	-	-	-	-	-	139,992	-
Jian Barclay ²	60,450	-	-	-	-	5,727	66,177	-
Greg Starr ³	11,000	-	-	-	-	-	11,000	-
Bin Li	-	-	-	-	-	-	-	-
Total Directors	211,442	-	-	-	-	5,727	217,169	-
Total KMP	211,442	-	-	-	-	5,727	217,169	-

Notes:

1. Payments to Ms Zhong are net of GST and paid via her services trust, Commercial Property Trust.
2. Payments to Ms Barclay are net of GST and paid via her Group, JB Admin Pty Limited.
3. Payments to Greg Starr are net of GST and paid via his service Group, Tearum Advisors Pty Limited. Greg Starr was appointed independent non-executive director on 17 March 2023.
4. The group has entered into a commercial rent agreement with Sun Investment & Holdings Pty Limited for \$2,000 per month plus GST that is an associated entity of Qing Zhong

Directors' Report

Remuneration Report (Audited) (Continued)

			Short-term		Long-term	Post-employment	Total	Performance related
2022	Salary & fees \$	STI bonus \$	SBP Options \$	Other \$	Other \$	Superannuation \$	\$	%
Directors								
Qing Zhong	139,992	-	-	-	-	-	139,992	-
Jian Barclay	95,000	-	-	-	-	10,364	105,364	-
Greg Starr	-	-	-	-	-	-	-	-
Bin Li	-	-	-	-	-	-	-	-
Total Directors	234,992	-	-	-	-	10,364	245,356	-
Total KMP	234,992	-	-	-	-	10,364	245,356	-

Other Transactions with Key Management Personnel

During the financial year, the Group had the following transactions with KMP:

- The Group entered into a commercial lease arrangement with a related Group of the Managing Director, Qing Zhong for the registered and business address of the Group. The terms of the lease arrangement are \$2,000 per month plus GST with no fixed term.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2023.

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2023.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2023.

Additional information

The earnings of the consolidated entity for the five years to 30 June 2023 are summarised below:

	2023 \$	2022 \$	2021 \$	2020 \$	2019 \$
Other income	598,858	663,576	1,862,255	973,758	2,882,055
EBITDA	(1,313,574)	(1,415,040)	1,512,612	167,458	1,775,647
EBIT	(1,315,622)	(1,421,592)	1,493,754	157,403	1,760,811
Loss after income tax	(2,073,238)	(3,501,076)	(737,317)	(1,545,840)	(1,135,957)

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

	2023 cents	2022 Cents	2021 Cents	2020 Cents	2019 Cents
Share price at financial years end	0.006	0.001	0.002	0.001	0.001
Basic earnings per share (cents per share)	(0.16)	(0.27)	(0.06)	(0.13)	(0.10)

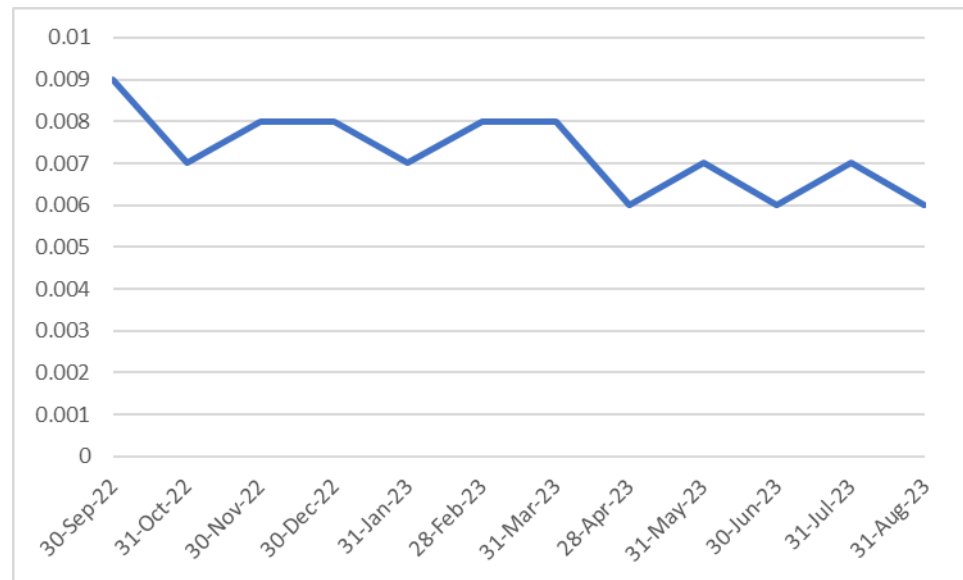
Directors' Report

Remuneration Report (Audited) (Continued)

Group Performance

The Group's share price performance shown in the below graph is a reflection of the past 12 months trading.

Admiralty Resources NL
Share Price Performance (last 12 months)



Shareholdings of Key Management Personnel

The interests of KMP of the Group in shares at the end of the financial year 2023 is as follows:

2023	Balance as at 1 July 2022	Granted as Remuneration	Purchased	Net Change/ Other	Shares Issued on Exercise of Options	Balance as at 30 June 2023
Qing Zhong	217,611,465	-	-	(2,658,000)	-	214,953,465
Jian Barclay	18,063,604	-	-	(5,400,000)	-	12,663,604
Bin Li	25,000,000	-	-	-	-	25,000,000
Greg Starr	-	-	-	-	-	-
Total	260,675,069	-	-	(8,058,000)	-	252,617,069

Other Related Party Transactions

During the year the Group had the following transactions with KMP:

Refer to Note 24 for further detail on Related Party transactions.

Qing Zhong
CEO & Managing Director
Admiralty Resources NL

3 October 2023

End of Remuneration Report

RSM Australia Partners

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www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Admiralty Resources NL for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

RSM

RSM AUSTRALIA PARTNERS


G N Sherwood
Partner

Sydney, NSW
Dated: 3 October 2023

Corporate Governance

Introduction

The Directors of Admiralty Resources NL (the “Company”) are committed to and support the implementation of best practice in corporate governance, applied in a manner that is appropriate to the Company’s circumstances. These policies and procedures are summarised below.

The Company’s corporate governance practices and procedures are directed to provide an appropriate framework for the pursuit of this objective, while protecting the rights and interests of shareholders and ensuring that the Company conducts its business lawfully and ethically. It influences how the objectives of the Company are achieved, how risk is monitored and assessed and how performance is optimised.

The Board and management are committed to corporate governance and, to the extent that they are applicable to the Company, have adopted the Corporate Governance Principles as set out in the Corporate Governance Principles and Recommendation (4th Edition) as published by the ASX Corporate Governance Council, which came into effect on 1 January 2020.

The Board of Directors has put in place a framework of internal policies, procedures and guidelines for the governance of the Company, which has appropriate regard to the ASX Principles and Recommendations.

Whilst the Board has demonstrated, and continues to demonstrate, its commitment to best practice in corporate governance, it emphasises that good corporate governance is only one factor contributing to the success of the Company's operations.

The governance framework is reviewed annually by the Board with the object of achieving at all times the highest standards of corporate governance and ethical corporate behaviour.

Additional information about the Company's corporate governance practices is set out on the Company's website at www.ady.com.au.

Council Principle 1: Lay solid foundations for management and oversight

Role of the Board

The Board's primary role is the protection and enhancement of medium to long term shareholder value. To fulfil this role, the Board is accountable to shareholders and regulators for the activities and performance of the Company and has overall responsibility for the Company’s core business together with its corporate governance. The Board provides guidance to the management team that manages the business and affairs of the Company.

Responsibility of the Board

The corporate governance framework includes guidelines covering Board membership and operation that formalise the functions and responsibilities of the Board, including the nature of matters referred to the Board, and also contain guidelines for the operation and management of the Board.

The Board is collectively responsible for promoting the success of the Company by:

- Overseeing the Company, including its control and accountability systems and the performance of the Managing Director;
- Review and ratification of the integrity of the Company’s financial management and reporting systems and processes;
- Establishment and monitoring of risk assessment and management, internal compliance and control procedures;
- Review and approval of the Company’s yearly and half-yearly financial reports and other financial reporting in compliance with the applicable accounting standards, the Listing Rules and the Australian Securities Exchange and the Corporations Act 2001;
- Appointment, removal and remuneration of and delegation of authority to the Managing Director;
- Appointment, removal and monitoring of the performance of the Company Secretary and the Company’s external accountants;

Corporate Governance

- Appointment of, liaison with, and regular review of the effectiveness and independence of the Company's external auditor;
- Regularly receiving, reviewing and applying reports and recommendations from the Managing Director concerning significant aspects of the Company's business and operations;
- Approving and monitoring financial and other reporting;
- Setting the strategic direction of the Company and monitoring the progress of those strategies;
- Informing itself about and considering the implications of events and circumstances that could significantly affect the Company;
- Taking responsibility for corporate governance;
- Ensuring that appropriate policies and procedures are in place for sound corporate governance including compliance with continuous disclosure requirements and other legal compliance; and
- Reviewing and ratifying systems for health, safety and environment management; risk and internal control and regulatory compliance for both employees and contractors.

The Board must convene regular meetings with such frequency as is sufficient to appropriately discharge its responsibilities. Between regular meetings it will also ensure that important matters are addressed by way of circular resolutions. The Board may, from time to time, delegate some of the responsibilities listed above to its senior management team.

Responsibility of the Managing Director:

Responsibility for management of the Company's business and affairs, within the scope of the governance framework established by the Board, is delegated to the Managing Director, and subject to the oversight and supervision of the Board. It is the responsibility of the Managing Director, acting within his delegated authority, to manage the Company and its business.

The responsibilities of the Managing Director include:

- developing and recommending to the Board strategies, business plans and annual budgets for the Company;
- implementing the strategies, business plans and budgets adopted by the Board;
- managing resources within budgets approved by the Board;
- ensuring compliance with applicable laws and regulations; and
- ensuring the Board is given sufficient information to enable it to perform its functions, set strategies and monitor performance.

Appointment, induction and training

In selecting new Directors, the Board must ensure that the candidate has the appropriate range of skills, experience and expertise that will best complement Board effectiveness.

The Company ensures that appropriate background checks are undertaken regarding the potential new Director's character, experience, education, criminal record and bankruptcy history before appointing or putting forward a Director to shareholders for election as a Director.

The Company also provides its shareholders with all material information in its possession that is relevant to their decision on whether or not to elect or re-elect a Director through the Notice of Meeting, Director Resumes and other information contained in the Annual Report and on the Company's website.

Upon appointment, each Director will receive a written agreement which sets out the terms of their appointment. New Directors will also attend an induction program where they are briefed on the Company's:

- operations and the industry sectors in which it operates;
- financial, strategic, operational and risk management position;
- governance matters, policies and procedures; and
- the Director and committee member's rights, duties and responsibilities.

Corporate Governance

Directors are also provided with regular professional development opportunities to develop and maintain the skills and knowledge needed to perform their role as Directors effectively.

Company Secretary

All Directors have access to the Company Secretary. The Company Secretary is accountable to the Board, through the Chair, on all corporate governance matters.

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

The role of the Company Secretary includes:

- advising the Board and its committees (as established from time to time) on governance matters;
- monitoring that Board and committee policy and procedures are followed;
- coordinating the timely completion and despatch of board and committee papers;
- ensuring that the business at Board and committee meetings is accurately captured in the minutes; and
- helping to organise and facilitate the induction and professional development of directors.

Diversity Policy

The Company is committed to ensuring an inclusive workplace that encourages and embraces diversity, and have established a Diversity Policy which is available on the Company's website.

The respective proportions of men and women on the Board, in senior executive positions and across the Company are as below:

	Men	Women
Board	50%	50%
Senior executive	33%	67%

Performance Review of Directors

As part of the annual review of the performance of the Board, the appropriate size, composition and terms and conditions of appointment to and retirement from the Board are considered. The level of remuneration for non-executive directors is considered with regard to practices of other public companies and the aggregate amount of fees approved by shareholders. The Board also reviews the appropriate criteria for Board membership collectively.

The Board had undertaken a review and have agreed to maintain the current Director fees by giving consideration to the current working capital needs of the Company.

Performance review of Executives

A performance evaluation of the Managing Director is conducted annually. The Managing Director is requested to provide feedback on how they feel they have performed over the 12-month period.

The Board had undertaken a review of the Executive Directors and have agreed to maintain the current Director fees by giving consideration to the current working capital needs of the Company.

Corporate Governance

Council Principle 2: Structure the board to add value

The Company considers that each Director possesses skills and experience suitable for building the Company. The skills, experience and expertise relevant to the position of each Director (who is in office at the date of the Annual Report and their term of office) are detailed in the Directors' Report. To add value to the Company, the Board is structured to discharge adequately its responsibilities and duties in respect of the size and scale of operations.

Nomination Committee

The Nomination and Remuneration Committee (Nomination Committee) addresses succession issues and ensures the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively through regular review and assessment.

The Chair of the Nomination Committee is Independent and Non-Executive Director, Mr Gregory Starr, and the Members consists of Executive Chairman Mr Bin Li and Managing Director Mrs Qing Zhong. The Nomination Committee does not consist of fully independent Directors due to the limited size of the Board. The Board will continue to assess the need for a fully independent Nomination Committee.

Board Skills and Experience

The length of service of each Director is set out in the Directors' Report of the Annual Report. The skills and experience of the directors are set out in the matrix below.

Experience	Industry
<ul style="list-style-type: none"> • Mining investment • Mine engineering, development and management • Capital raising management • Corporate Finance • Corporate Governance • Accounting 	<ul style="list-style-type: none"> • Mining & Geology • Investment Banking • Legal • Finance and Accounting

Independent Directors

Currently, the Board does not have a majority of Directors which are considered to be independent, with Mr Gregory Starr being the only Independent Non-Executive Director. However, the Company believes it has the right mix of skills, independence and experience on the Board at this time, given the Company's current business objectives and stage of growth.

At all times during the year, the Company has maintained a separation between the Chair and Managing Director roles.

Corporate Governance

The following table provides information in relation to the independence of Directors as at year end:

Name	Position	Independent	Factors affecting independence	Length of Service
Bin Li	Executive Chairman	No	Nominated by majority shareholder and elected as Non-Executive Director at General Meeting of Members on 21 September 2014.	9 years
Qing Zhong	Managing Director	No	Employed in an executive capacity as Managing Director.	9 years, 9 months
Jian Barclay	Executive Director	No	Employed in an executive capacity.	4 years, 7 months
Gregory Starr	Independent Non-Executive Director	Yes	There are no known factors affecting independence.	6 months

Induction and Training

When appointed to the Board, a new director will receive an induction appropriate to their experience.

Directors are encouraged to seek professional development to develop and maintain the skills and knowledge needed to perform their role as directors effectively.

Council Principle 3: Instil a culture of acting lawfully, ethically and responsibly

Core Values

Due to the size of the Board and the Company not having permanent employees, the Board has not set expressly articulated its values. However, the Board is committed to a cultivating a corporate culture whereby all directors and employees behave acting lawfully, ethically and responsibly.

Code of Conduct

The Board has adopted a Corporate Code of Conduct to establish and encourage observance of standards of ethical and responsible decision making and behaviour that is necessary to maintain confidence in the Company's integrity. This enables Directors to recognise legal, social and other obligations and guide compliance to the Company's shareholders and stakeholders.

All staff and employees are required to report any breach of the Code to the Board.

Directors are required to disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist in so far as it affects the activities of the Company. Directors are required to take actions to ensure they act in accordance with the Corporations Act. This may include taking no part in discussions or the decision making process, where a conflict exists.

Whistleblower Policy

The Board has adopted a Whistleblower Policy and all employees are encouraged to speak up about any unlawful, unethical or irresponsible behaviour within the organisation.

The Company's anti-bribery and corruption policy is included as part of its Code of Conduct.

Corporate Governance

Council Principle 4: Safeguard integrity in corporate reporting

Audit Committee

The Audit and Risk Committee (Audit Committee) the functions as outlined in the Audit and Risk Committee Charter:

- overseeing the reliability and integrity of the Company's accounting policies, financial reporting and disclosure practices;
- reviewing financial reporting, due diligence, financial systems integrity and business risks;
- reviewing and monitoring the Company's external Audit and Risk management procedures;
- monitoring and reviewing the effectiveness of the Company's internal compliance and control;
- reviewing the external auditor's qualifications and independence;
- reviewing the performance of the external auditor;
- assessment of whether the Company's external reporting is consistent with Board Members' information and knowledge and is adequate for shareholder needs; and
- ensuring proper procedures for the selection, appointment or removal of the external auditor and rotation of the external audit engagement partner.

The Chair of the Nomination Committee is Independent and Non-Executive Director, Mr Gregory Starr, and the Members consists of Managing Director Mrs Qing Zhong and Executive Director Mrs Jian Barclay. The Audit Committee does not consist of fully independent Directors due to the limited size of the Board. The Board will continue to assess the need for a fully independent Audit Committee.

CEO Declaration under 295A of the Corporations Act 2001

The Company received from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

External Auditor

RSM Australia Partners are the appointed external auditors of the Company and were appointed at the Company's 2015 Annual General Meeting. The performance of the external auditor is reviewed periodically and, if necessary, applications for tender of external audit services will be requested as deemed appropriate.

It is the practice of the Company to require the external auditor to attend the Annual General Meeting and be available to answer shareholders questions about the conduct of the annual audit and content of the auditor's report.

There are no non-audit services provided by RSM. The external auditors provide an annual declaration of their independence to the Company.

Verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor

In the limited event where the unaudited financial information is released to the market, such information is prepared by independent qualified accountants.

Corporate Governance

Council Principle 5: Make timely and balanced disclosure

Continuous Disclosure

All Directors have been made aware of the continuous disclosure requirements of the ASX Listing Rules and have been provided with a copy of the relevant rules and guidance notes. Continuous disclosure is included on the agenda for all formal meetings of the directors. Directors are made aware of the constraints applicable to private briefings and broker and analyst presentations.

The Directors have allocated responsibility to each director and the company secretary to alert the Board to any operational or regulatory matters respectively which they consider may require disclosure to the market under the continuous disclosure requirements of the ASX Listing Rules. The Directors then consider and approve the form of any such announcement.

All Company announcements require the approval of the board with provision for available directors to approve urgent announcements. The company secretary is responsible for communication with ASX.

All new and substantive investor or analyst presentations will be released to the ASX.

The Annual Report contains a review of operations.

Council Principle 6: Respect the rights of shareholders

Communication Policy

The Company has guidelines to promote effective communication with shareholders and encourage effective participation through a policy of open, balanced disclosure of all material information with respect to the Company's affairs to shareholders, regulatory authorities and stakeholders.

Information will be communicated to shareholders as follows:

- The Annual Report is distributed to all shareholders. The Board ensures that the Annual Report includes relevant information about the operations of the consolidated entity during the year, changes in the state of affairs of the consolidated entity and details of future developments, in addition to the other disclosures required by the Corporations Act. The Annual Report is made available on the Company's website and is provided in hard copy format to shareholder who requests it.
- The Half-Year Report contains summarised financial information and a review of the operations of the consolidated entity during the year. The half-year audited financial report is prepared in accordance with the requirements of applicable Accounting Standards and the Corporations Act and is lodged with the Australian Securities Exchange. The Half-Year Report is made available on the Company's website and is sent to any shareholder who requests it.
- The Quarterly Report contains summarised cash flow financial information and details about the Company's activities during the quarter. The Quarterly Report is made available on the Company's website and is sent to any shareholder who requests it.
- Announcements in accordance with the ASX Listing Rules and the Continuous Disclosure obligations;
- A general meeting of shareholders held at least annually, including providing them with notice of meeting and proxy form; and
- The Company's website is well promoted to shareholders and shareholders may register to receive updates, either by email or in hard copy.

The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with the consolidated entity's strategy and goals. Important issues are presented to the shareholders as resolutions. The Company also ensures that the audit partner attends the Annual General Meeting.

The Company endeavours to ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.

Corporate Governance

Company's Website

The Company maintains a website at: www.ady.com.au

On its website, the Company makes the following information available on a regular and up-to-date basis:

- Company announcements and Latest information briefings;
- Notices of meetings and explanatory materials; and
- Quarterly, Half-Year and Annual Reports.

The website is being continuously updated with any information the Directors and management may feel is material. All relevant announcements made to the market, and related information, are placed on the website after they have been released to the Australian Securities Exchange.

The website also provides information about the last three years press releases / announcements including three years of financial data.

Council Principle 7: Recognise and manage risk

Oversight and Management of Material Business Risks

The Company is aware of the risks involved in an exploration and mining company and the specific uncertainties for the Company continue to be regularly monitored and reviewed by the Board. All proposals reviewed by the Board include a conscious consideration of the issues and risks of the proposal.

It has not established a separate committee to deal with these matters as the directors consider the size of the Company and its operations does not warrant a separate committee at this time.

The potential exposures associated with operating the Company are managed by the Managing Director, the Company Secretary and consultants who have significant broad-ranging industry experience, who work together as a team and regularly share information on current activities. During the year, the Managing Director has disclosed to the Board the effectiveness of the Company's management of the material business risks.

Additionally, it is the responsibility of the Board to assess the adequacy of the Company's internal control systems and that its financial affairs comply with applicable laws, regulations and professional practice. The Managing Director and the Company Secretary declare in writing to the Board that the financial reporting, risk management and associated compliance controls have been assessed and found to be operating efficiently and effectively.

The Managing Director and the Company Secretary make this representation prior to the Directors' approval of the release of the annual and six-monthly accounts. This representation is made after enquiry of, and representation by, appropriate levels of management.

This assessment was completed as part of the 30 June 2023 Annual Report and 31 December 2022 Half Year Report.

Internal Audit

The Company does not have an internal audit function, and due to its size and current activities the Board does not believe one is warranted at this time. The Board evaluates and monitors internal control processes to continually improving the effectiveness of its risk management.

Corporate Governance

Material exposure to economic, environmental and social sustainability risks

This information is disclosed in Note 3 – Financial Risk Management in the Annual Report.

Council Principle 8: Remunerate fairly and responsibly

Remuneration Committee

Due to the relatively small size of the Company and its operations, the Board does not consider it appropriate, at this time, to form a separate committee to deal with executive remuneration. The Board as a whole establishes and reviews annually the remuneration of the executive directors, senior executives and employees.

The Board's policy is to remunerate Executive and Non-Executive Directors based on external data including information published by various recruiting firms, the time commitment of Directors, the size and scale of the Company's operations, the quantum of the tasks in the initial phases of development of the Company, market capitalisation and various other factors.

The Company distinguishes the structure of Non-Executive Directors' remuneration from that of Executive Directors.

There are no elements of remuneration related to performance paid to Non-Executive Directors and there are currently no schemes for retirement benefits for Non-Executive Directors. Non-Executive Director's fees are determined within an aggregate pool limit, which is periodically recommended for approval by shareholders.

The Company does not have an equity-based remuneration scheme.



ADMIRALTY RESOURCES

Financial Statements

2023

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Statement of Financial Position

As at 30 June 2023

	Notes	2023	2022
Assets			
Current assets			
Cash and cash equivalents	11	402,986	574,955
Trade and other receivables	12	72,005	77,030
Total current assets		474,991	651,985
Non-current assets			
Property, plant and equipment	13	327,426	178,893
Capitalised exploration and evaluation expenditure	14	24,845,483	22,918,653
Total non-current assets		25,172,909	23,097,546
Total assets		25,647,900	23,749,531
Liabilities			
Trade and other payables	15	462,063	697,621
Convertible notes & borrowings	16	2,023,477	13,277,577
Other liabilities	17	2,896,148	-
Employee benefits	18	-	1,548
Total current liabilities		5,381,688	13,976,746
Non-current liabilities			
Convertible notes & borrowings	16	12,609,280	-
Total non-current liabilities		12,609,280	-
Total liabilities		17,990,968	13,976,746
Net assets/(liabilities)		7,656,932	9,772,785
Equity			
Issued capital	19	148,182,094	148,182,094
Reserves	20	(787,549)	(744,934)
Accumulated losses	21	(139,737,613)	(137,664,375)
Total equity attributable to shareholders		7,656,932	9,772,785

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

Statement of Comprehensive Income

For the year ended 30 June 2023

	Notes	2023	2022
Revenue			
Other income	10	479,340	113,343
Gain on revaluation of financial liabilities		119,518	550,233
Total income		598,858	663,576
Expenses			
Administration		(454,029)	(192,138)
Consultancy & professional expenses		(388,635)	(456,114)
Depreciation expense		(2,048)	(6,552)
Employee benefits expenses		-	(12,187)
Impairment of assets		(586,427)	(883,295)
Exploration expenses		-	(92,827)
Finance costs		(757,616)	(2,079,484)
Foreign exchange (loss) / gain		(414,923)	(390,135)
Occupancy costs		(24,182)	(22,000)
Travel expenses		(44,236)	(29,920)
Total expenses		(2,672,096)	(4,164,652)
Loss before income tax		(2,073,238)	(3,501,076)
Income tax (expense)/benefit	6	-	-
Net loss after income tax		(2,073,238)	(3,501,076)
Other comprehensive income			
Other comprehensive income net of tax		-	-
Total comprehensive loss for the year		(2,073,238)	(3,501,076)
Loss per share for the year attributable to shareholders			
		<i>Cents</i>	<i>Cents</i>
Basic loss per share	7	(0.16)	(0.27)
Diluted loss per share	7	(0.16)	(0.27)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2023

	Notes	2023	2022
Cash flows from operating activities			
Payments to suppliers and employees		(706,008)	(994,237)
Expenditure on mineral interests		-	(`92,827)
Net cash used in operating activities	11	(706,008)	(1,087,064)
Cash flows from investing activities			
Payments for exploration expenditure on mining interest		(2,461,527)	(642,416)
Purchase of property, plant and equipment		(150,582)	-
Net cash used in investing activities		(2,612,109)	(642,416)
Cash flows from financing activities			
Proceeds from issue of ordinary shares		-	2,489,000
Share issue costs		-	(132,000)
Proceeds from borrowings		2,896,148	-
Repayment of borrowings		-	(160,511)
Proceeds from issue of convertible notes		250,000	-
Interest paid on convertible notes		-	-
Net cash provided by financing activities		3,146,148	2,196,489
Net (decrease)/increase in cash and cash equivalents		(171,969)	467,009
Cash and cash equivalents at the beginning of the year		574,955	107,946
Cash and cash equivalents at the end of the year	11	402,986	574,955

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

Statement of Changes in Equity

For the year ended 30 June 2023

Consolidated

	Issued capital	Reserves	Accumulated losses	Total equity
	\$	\$	\$	\$
Balance as at 1 July 2022	148,182,094	(744,934)	(137,664,375)	9,772,785
Loss after income tax expense for the year	-	-	(2,073,238)	(2,073,238)
Other comprehensive income for the year, net of tax	-	(42,615)	-	(42,615)
Total comprehensive loss for the year	-	(42,615)	(2,073,238)	(2,115,853)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	-	-	-	-
Balance at 30 June 2023	148,182,094	(787,549)	(139,737,613)	7,656,932

Consolidated

	Issued capital	Reserves	Accumulated losses	Total equity
	\$	\$	\$	\$
Balance as at 1 July 2021	145,714,094	(744,934)	(134,163,299)	10,805,861
Loss after income tax expense for the year	-	-	(3,501,076)	(3,501,076)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(3,501,076)	(3,501,076)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	2,468,000	-	-	2,468,000
Balance at 30 June 2022	148,182,094	(744,934)	(137,664,375)	9,772,785

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

Notes to the Financial Statements

For the year ended 30 June 2023

Note 1 – Corporate Information

Admiralty Resources NL is a for profit Group incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange (ASX). The financial statements of the Group for the year ended 30 June 2023 were authorised for issue in accordance with a resolution of the Directors on 3 October 2023.

The nature of the operations and principal activities of the Group are described in the Directors Report.

Note 2 – Significant Accounting Policies

Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has been prepared on a historical cost basis, except for certain financial investments that have been measured at fair value. The financial report is presented in Australian dollars.

As a result of the uncertainties inherent in business and other activities, certain items in a financial report cannot be measured with precision but can only be estimated. The estimation process involves best estimates based on the latest information available, which are set out in Note 4.

Comparatives

Certain prior financial year amounts have been reclassified for consistency with the current financial year presentation.

Rounding of Amounts

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

Going concern

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

As disclosed in the financial statements, the Group incurred a loss after tax of \$2,073,238 and had net cash outflows from operating and investing activities of \$706,008 and \$2,612,109 respectively for the year ended 30 June 2023. As at that date the Group had net current liabilities of \$4,906,694.

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- The Directors are of the opinion that the existing Convertible Note facilities disclosed in note 15 will either be converted to equity or refinanced as required.*
- Included in Note 16 are directors loans to the value of \$2,023,477. The lenders have confirmed that the loans will not be called within 12 months unless the Company is in a financial position to repay such loans. <*
- As reflected in Note 16, the company has an unused funding facility of \$1,311,666 to fund its operational administration expenses over the next 12 months.*
- As reflected in Note 17, the Group has entered into a heads of agreement with Hainan Xinlei Mining Management Co Ltd (Hainan) for the exploitation of resources at Mariposa Chile (Mariposa project). To this end, Hainan has already advanced \$2,896,148 in funding to the Group for the express purpose of preparing the mine site for production. When Hainan establishes a local subsidiary those assets that the Group has purchased on Hainan's behalf will be transferred to Hainan offsetting the loan with no expected cash outflow.*

Notes to the Financial Statements

For the year ended 30 June 2023

Note 2 – Significant Accounting Policies (continued)

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

Mining interests

Mining interests are shown at historical cost, plus exploration costs to date, less impairment, if any. Ultimate recoupment of these costs is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas. Accumulated costs in relation to an abandoned area, or one considered to be of no commercial interest, are written off in full against profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area accordingly to the rate of depletion of economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Admiralty Resources NL ("Group") or 'parent entity' as at 30 June 2023 and the results of all subsidiaries for the year then ended. Admiralty Resources NL and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

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

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

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

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and noncontrolling 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.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 2 – Significant Accounting Policies (continued)

Foreign currency translation

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

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions.

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

Foreign operations

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

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

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

Notes to the Financial Statements

For the year ended 30 June 2023

Note 2 – Significant Accounting Policies (continued)

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market. Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use.

Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation.

Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Compliance statement

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Accounting standards issued but not yet effective

The Australian Accounting Standards Board (AASB) has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group has decided not to early adopt any of these new and amended pronouncements. The Group's assessment of the new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below.

AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018 – 2020 and Other Amendments

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current, AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date

AASB 2022-7a: Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

AASB 2022-5: Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

AASB 17: Insurance Contracts, AASB 2020-5: Amendments to Australian Accounting Standards – Insurance Contracts and AASB 2022-7b : Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

Notes to the Financial Statements

For the year ended 30 June 2023

Note 2 – Significant Accounting Policies (continued)

AASB 2023-1: Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information

AASB 2022-2: Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

New Accounting standards applicable to 30 June 2023 year end

AASB 2020-8: Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2

The impact of these standards is unlikely to be material.

Summary of significant accounting policies

(i) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position and Statement of Cash Flows comprise cash at bank and in hand and deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(ii) Capitalised exploration and evaluation expenditure

Exploration and evaluation costs are expensed in the year they are incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

(iii) Trade and other payables

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

(iv) Issued capital

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction, net of tax, of the share proceeds received.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 2 – Significant Accounting Policies (continued)

(v) Income tax

The income tax expense (benefit) for the period comprises current income tax expense (benefit) and deferred tax expense (benefit).

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

Deferred income tax expenses reflect movements in deferred tax assets and deferred tax liability balances during the period as well as unused tax losses.

Current and deferred income tax expense (benefit) charged is credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

(v) Income tax (continued)

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

When temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future. Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

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

(vi) Trade and other receivables

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

(vii) Property, plant and equipment

All classes of equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis over the estimated

Asset	2023	2022
Equipment	3-10 years	3-10 years

Depreciation is not charged on plant until production commences.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 2 – Significant Accounting Policies (continued)

Summary of significant accounting policies (continued)

Impairment

useful life of the specific asset as follows:

The carrying values of property, plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying values of an asset or cash generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

The recoverable amount of equipment is the greater of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Derecognition

Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

(vii) Property, plant and equipment (continued)

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of Comprehensive Income in the period the item is derecognised.

(viii) Employee benefits

Provision is made for the employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, sick leave and long service leave.

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits expected to be settled within 12 months of the reporting date are measured at the nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national corporate bonds, which have terms to maturity approximating the terms of the related liability, are used.

(ix) Revenue recognition

Interest revenue

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

Sale of Assets

Revenue from the sale of assets is recognised when the significant risks and rewards of ownership of the assets have passed to the buyer, usually on delivery of the asset.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 2 – Significant Accounting Policies (continued)

Summary of significant accounting policies (continued)

(x) Goods and services tax (GST)

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

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

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

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

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

(xiii) Financials instruments

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

Notes to the Financial Statements

For the year ended 30 June 2023

Note 3 – Financial Risk Management and Policies

Overview

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

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Group through regular reviews of the risks.

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- interest rate risk

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's credit risk exposure arises principally from the Group's other financial assets, receivables, including receivables from related parties, security deposits and cash and cash equivalents.

Cash and cash equivalents

The Group's cash and cash equivalents are maintained in banks with credit ratings of AA as per Standard & Poor's as at year-end.

Trade and other receivables

As the Group operates in the mining exploration sector its receivables generally relate to GST receivable from the Australian Taxation Authority and the credit risk is assessed similar to other financial instruments under AASB 9 and the credit risk is low.

Presently, the Group undertakes exploration and evaluation activities in Australia. At the balance sheet date there were no significant concentrations of credit risk and none of the Group's receivables are past due or impaired (2022: Nil).

Exposure to credit risk

The carrying amount of the Group's financial assets represents the Group's maximum credit exposure. None of the Group's trade and other receivables are past due (2022: nil). As at 30 June 2023, the Group does not have any collective impairment on its other receivables (2022: nil).

Guarantees

At the date of this report there are no outstanding guarantees (2022: nil).

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.

The Group manages liquidity risk by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows.

The Group's liquidity risk arises from other financial liabilities and trade and other payables, together comprising the Group's financial liabilities.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 3 – Financial Risk Management and Policies (continued)

Financial liabilities maturing profiles as follows:

	2023	2022
	\$	\$
Maturity profiles		
Less than 6 months	462,060	699,169
6 months to 1 year	4,919,625	13,277,577
1 year to 5 years	12,609,280	-
Greater than 5 years	-	-
Total	17,990,965	13,976,746

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.

Equity risk

The Group considers its exposure to equity risk minimal and has not developed any policies or procedures to manage such risk.

Currency risk

The Group considers that its exposure to currency risk is minimal and has not developed any policies or procedures to manage such risk.

The Group has not entered into any derivative financial instruments to hedge such transactions and anticipated future receipts or payments that are denominated in a foreign currency.

Exposure to currency risk

The Group's exposure to foreign currency risk at reporting related to US\$ accounts and Chilean peso.

Interest rate risk

The Group is exposed to interest rate risk. The Group considers that its exposure to interest risk is minimal, however it has a policy of monitoring interest rates offered by competing financial institutions to ensure it is aware of market trends and it receives competitive interest rates.

Profile

At the reporting date the Group's only exposure to interest rate risk is related to the balance of its cash and cash equivalents. The following table represents the Group's exposure to interest rate risk:

	2023	2022
	\$	\$
Variable rate instruments		
Cash and cash equivalents	402,986	574,955

A change of 1% in variable interest rates would have increased or decreased the Group's equity and profit by \$4 (2022: \$6) and would have had the same effect on cash. The 1% sensitivity is based on reasonable possible movements over a financial year, after observation of a range of actual historical rate movement over the past five years.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 3 – Financial Risk Management and Policies (continued)

Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities are considered to approximate each other. The estimated fair values and carrying amounts are as follows:

Financial assets and liabilities	Note	2023		2022	
		Carrying amount \$	Fair value \$	Carrying amount \$	Fair value \$
Cash and cash equivalents	10	402,986	402,986	574,955	574,955
Trade and other receivables	11	72,005	72,005	77,030	77,030
Trade payables	14	(462,060)	(462,060)	(697,621)	(697,621)
Convertible notes & other payables	15	(17,528,905)	(17,528,905)	(13,976,746)	(13,976,746)
Total		(17,515,974)	(17,515,974)	(14,022,382)	(14,022,382)

The Directors consider the carrying amount of the financial instruments to be a reasonable approximation of their fair value on account of their short to medium-term maturity cycle.

Capital management

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

The Group will raise equity through the issue of shares from time to time as the board sees fit to ensure it meets its objective of continuing as a going concern. The Group does not have any borrowings and has no current plans to obtain any debt facilities; as a result, the Group's total capital is defined as shareholders' equity, and at 30 June stood at:

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

Notes to the Financial Statements

For the year ended 30 June 2023

Note 4 – Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Exploration and evaluation

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. Management has exercised their judgement in determining that none of its mining assets are impaired other than Soberana which has been fully impaired resulting in an impairment expense of \$586,427 in the year under review.

Convertible Note

Included in note 16 are convertible notes liabilities that initially included a conversion option. The fair value of the conversion option was determined at inception and the residual value was ascribed to debt. There is significant estimation uncertainty with regards to the estimation of the fair value of the conversion option and the debt.

The terms of the convertible note include:

- (a) Proceeds provided by the Lender are denominated in USD. The right to convert the debt into ADY NL ordinary shares, which are denominated in AUD;
- (b) Right to convert into ADY NL ordinary shares equivalent to 80% of the Volume Weighted Average Price per share.

Identification of Reportable Segments

The predominant activity of the Group is the exploration for mineral resources. Geographically, the Group operates in two geographical locations being – Australia and Chile. The head office and management activities of the Group take place predominately in Australia. Exploration, appraisal, development and production activities for mineral resources takes place in Chile and the borrowing facility is now held in Australia (note 16).

Accounting policies adopted.

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief operating decision-makers with respect to operating segments, are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Group. Segment revenue and expense are those directly attributable to the segments. Segment assets and liabilities include all those generated by the segments.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 5 – Segment information

Accounting policies adopted

There are no inter-segment sales.

Consolidated 2023	Australia	HK*	Chile	Total
	\$	\$	\$	\$
<i>Revenue</i>				
Revenue from continuing operations	325,689	-	273,169	598,858
Total Revenue	325,689	-	273,169	598,858
<i>Total segment result</i>				
Loss before income tax expense	(1,587,751)	-	(485,487)	(2,073,238)
Income tax expense	-	-	-	-
				(2,073,238)
<i>Assets</i>				
Segment assets	106,043	-	25,541,857	25,647,900
Total assets				25,647,900
<i>Liabilities</i>				
Segment liabilities	15,967,488	-	2,023,480	17,990,968
Total liabilities				17,990,968

* Due to Admiralty Resources (Hong Kong) Limited being reregistered, all assets and liabilities have been transferred to the parent entity, Admiralty Resources NL.

Operating information

Consolidated 2022	Australia	HK	Chile	Total
	\$	\$	\$	\$
<i>Revenue</i>				
Revenue from continuing operations	-	550,233	113,343	663,576
Total Revenue	-	550,233	113,343	663,576
<i>Total segment result</i>				
Loss before income tax expense	(461,759)	(1,918,699)	(1,120,618)	(3,501,076)
Income tax expense	-	-	-	-
Loss after income tax expense				(3,501,076)
<i>Assets</i>				
Segment assets	1,876,886	10,725	21,861,920	23,749,531
Total assets				23,749,531
<i>Liabilities</i>				
Segment liabilities	572,431	11,244,493	2,159,822	13,976,746
Total liabilities				13,976,746

Notes to the Financial Statements

For the year ended 30 June 2023

Note 6 – Income tax expense

	Consolidated	
	2023	2022
	\$	\$
Numerical reconciliation of income tax expense/(benefit) to prima facie tax		
loss from continuing operations before tax	(2,073,238)	(3,501,076)
Tax at the Australian rate of 25% (2022: 25%)	(518,310)	(875,269)
Tax effect amounts which are not deductible in calculation taxable income	220,458	382,313
Tax losses not brought to accounts deferred tax asset	297,852	492,956
	Consolidated	
	2023	2022
	\$	\$
The estimated deferred tax assets not brought to account		
Revenue	18,079,782	17,160,506
Tax effect	4,519,946	4,290,126

Note 7 – Earnings per share

	Consolidated	
	2023	2022
	\$	\$
Loss after income tax attributed to the owners of Admiralty Resources NL	(2,073,238)	(3,501,076)
	<i>Number</i>	<i>Number</i>
Weighted average number of ordinary shares used in calculating basic earnings per share	1,303,579,153	1,301,579,153
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,303,579,153	1,301,579,153
	<i>Cents</i>	<i>Cents</i>
Basic losses per share	(0.16)	(0.27)
Diluted losses per share	(0.16)	(0.27)

Note 8 – Director and executive disclosures

(a) Details of Key Management Personnel

Qing Zhong	Managing Director (<i>appointed 4 December 2013</i>)
Jian Barclay	Executive Director (<i>appointed on 22 February 2019</i>)
Bin Li	Non-executive Chairperson (<i>appointed 22 September 2014</i>)
Greg Starr	Independent Non- executive Director (<i>appointed 17 March 2023</i>)

There were no changes of Key Management Personnel after the reporting date and before the date that the financial report was authorised for issue.

Notes to the Financial Statements

For the year ended 30 June 2023

(b) Compensation of Key Management Personnel by category

	2023 \$	2022 \$
Incentive plan		
Short-term	217,169	245,356
Share based payments	-	-
Total	217,169	245,356

Note 9 – Auditor's remuneration

	2023 \$	2022 \$
Remuneration of the current auditor of the Group, RSM, for		
Audit and review of the financial report Independent limited assurance reports	35,800	42,000

Note 10 – Other income

	2023 \$	2022 \$
Rental income	273,169	112,552
FX gains	-	791
Reversal of subsidiary, Bulman Resources Pty Ltd, net assets and liabilities.	206,171	-
Total	479,340	113,343

Note 11 – Cash and cash equivalents

	2023 \$	2022 \$
Cash and cash equivalents		
Cash at bank and on hand	402,986	574,955
Reconciliation of net loss after income tax to net cash flow from operations		
Net loss after income tax	(2,073,238)	(3,501,076)
Adjustments to reconcile profit before tax to net operating cash flows		
Depreciation	2,048	6,552
Interest expense	757,616	2,079,484
Impairment of assets	586,427	883,295
Gain of fair value of derivative liability	(119,518)	(550,233)
Foreign exchange differences	414,923	390,135
Changes in assets and liabilities		
(increase)/decrease in receivables	(54,806)	(227,122)
(decrease)/increase in payables	(219,460)	(168,099)
Cash out-flow from operations	706,008	1,087,064

Note 12 – Trade and other receivables

	2023 \$	2022 \$
Current		
GST refundable	72,005	77,030

Notes to the Financial Statements

For the year ended 30 June 2023

Note 13 – Property, plant and equipment

	2023 \$	2022 \$
Non-current assets		
Land & buildings – cost	212,875	212,875
Less: Accumulated depreciation	(33,982)	(33,982)
	178,893	178,893
 Plant & equipment – at cost	57,168	57,168
Less: Accumulated depreciation	(57,168)	(57,168)
	-	-
 Motor vehicles – at cost	150,582	83,245
Less: Accumulated depreciation	(2,048)	(83,245)
	148,534	-
 Office furniture & equipment – at cost	5,210	5,210
Less: Accumulated depreciation	(5,210)	(5,210)
	-	-
Net property, plant & equipment	327,427	178,893

Note 14 – Capitalised exploration and evaluation expenditure

	2023 \$	2022 \$
Area of interest in exploration and evaluation expenditure		
Capitalised exploration and evaluation – at cost	26,013,423	23,500,166
Less: Impairment	(1,167,940)	(581,513)
	24,845,483	22,918,653

	2023 \$	2022 \$
Movement in capitalised exploration and evaluation expenditure		
Opening balance – at cost	23,500,166	22,857,750
Plus: additions	2,513,257	642,416
Less: Accumulated impairment	(1,167,940)	(581,513)
Closing balance	24,845,483	22,918,653

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

Note 15 – Trade and other payables

	2023 \$	2022 \$
Trade creditors	88,127	295,888
Accrued expenses	239,159	266,956
Client deposits	134,777	134,777
	462,063	697,621

Notes to the Financial Statements

For the year ended 30 June 2023

Note 16 – Borrowings

	2023 \$	2022 \$
Loans payable - current		
Loan from Director ¹	2,023,477	2,023,477
	2,023,477	2,023,477

Note: The loans are unsecured, interest free, and payable on demand.

	2023 \$	2022 \$
Convertible notes and loans payable – non-current		
Convertible Note – cash coupon payable ²	-	1,802,427
Convertible Note – debt host liability ²	5,597,272	5,225,722
Embedded derivative ²	2,267,599	-
Loan from related parties ³	4,688,334	4,225,951
Other loans	56,075	-
	12,609,280	11,254,100

1. This includes a loan at call of \$2,063,682. It is unsecured and non-interest bearing.
2. The convertible notes have been drawn down to a value of US\$3,600,000. The notes bear interest of 12% and are convertible into equity using the 90 day volume weighted average price (VWAP). An amendment was made to the facility extending the maturity date to 31 December 2025. The embedded derivative relates to the conversion option which has been fair valued using a Black Scholes financial model.
3. The Company has a loan agreement with Shanghai Long Sheng Technology Development Co Limited. On 1 July 2022, additional principal was extended to the Company of \$1,500,000 taking the total principal available under this facility to \$6,000,000 (unused portion at YE2023 \$1,311,666). Interest is charged at 5% per annum. All other terms remained the same with the exception of the expiry date to 31 December 2025.

Note 17 – Other liabilities - current

	2023 \$	2022 \$
Hainan Xinlei Mining Management Co Ltd	2,896,148	-
	2,896,148	-

The Group has entered into a heads of agreement with Hainan Xinlei Mining Management Co Ltd (Hainan) for the exploitation of resources at Mariposa Chile (Mariposa project). To this end, Hainan has advanced fund to the Group for the express purpose of preparing the mine site for production. On the establishment of a Chilean subsidiary of Hainan, the assets associated these advanced funds will be transferred to Hainan. When Hainan establishes a local subsidiary those assets that the Group has purchased on Hainan's behalf will be transferred to Hainan offsetting the loan.

Note 18 – Employee benefits

	2023 \$	2022 \$
Annual leave	-	1,548

Notes to the Financial Statements

For the year ended 30 June 2023

Note 19 – Issued capital

	Consolidated			
	2023	2022	2023	2022
	No. Shares		Value of shares	
	\$	\$	\$	\$
Ordinary shares – fully paid	1,303,579,153	1,303,579,153	149,491,360	149,491,360
Cost of capital	-	-	(1,309,266)	(1,309,266)
	1,303,579,153	1,303,579,153	148,182,094	148,182,094

Movement in share capital

	Date	Shares	Issue price	Value
Balance	30 June 2023	1,303,579,153		148,182,094

Ordinary shares

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

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

Share buy-back

There is no current on-market share buy-back.

Capital risk management

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

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

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment.

The consolidated entity is not actively pursuing additional investments in the short term as it continues to pursue the development of its Mariposa Project with Hainan. There are no financing arrangements covenants.

Note 20 – Reserves

	2023	2022
	\$	\$
Foreign currency translation reserve	(787,549)	(744,934)

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Notes to the Financial Statements

For the year ended 30 June 2023

Note 21 – Accumulated losses

	2023 \$	2022 \$
Accumulated losses at the beginning of the financial year	(137,644,375)	(134,163,299)
Loss after income tax expense for the year	(2,073,238)	(3,501,076)
Accumulated losses at the end of the financial year	(139,737,613)	(137,644,375)

Note 22 – Dividends

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

Note 23 – Expenditure commitments

Exploration commitments

The Group has entered into certain obligations to perform minimum work on mineral tenements held. The Group is required to meet tenement minimum expenditure requirement which are set out below. These may be varied or deferred on application and are expenditures expected to be met in the normal course of business.

Note 24 – Contingent liabilities

At the financial reporting date there are no contingent liabilities other than an appeal by Cougar Mines related to tenements owned by Pyke Hill Pty Limited, subsidiary of the Group.

The Group is confident that defence of an appeal would be upheld and notes that additional legal fees may be incurred should the Group be forced to defend an appeal by Cougar Mines.

Note 25 – Events subsequent to the reporting date

No matter or circumstance has arisen since the end of the financial year, other than referred to in the financial statements, which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

Note 26 – Related party transactions.

Payments made to related parties:

			2023	2022
Directors	Name of related entity	Nature of payment		
Qing Zhong	Commercial Property Trust	Managing Director	139,992	139,992
Qing Zhong	Sun Investment & Holdings	Commercial rent	24,182	22,000
Jian Barclay	JB Admin Pty Limited	Director fee	66,450	66,177
Greg Starr	Tearum Advisors Pty Limited	Director fee	11,000	-

Loans to / from related parties:

			2023	2022
Directors	Name of related entity	Nature of loan		
Qing Zhong	Qing Zhong	Loan from director	10,206	10,206
Qing Zhong	Qing Zhong	Loan from director	2,023,477	2,023,477
Qing Zhong	Shanghai Long Sheng technology Development Co Limited	Loan from director	4,688,334	4,215,745

Notes to the Financial Statements

For the year ended 30 June 2023

Note 27 – Interest in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy.

Name of subsidiary	Principal place of business / Country of incorporation	Ownership interest	
		2023 %	2022 %
Bulman Resources Pty Limited ¹	Australia	0	100
Pyke Hill Resources Pty Limited	Australia	100	100
ADY Investment Pty Limited	Australia	100	100
Admiralty Minerals Chile Pty Limited	Australia	100	100
Admiralty Resources (Hong Kong) Limited ²	Hong Kong	0	100
Admiralty Minerals Chile Pty Ltd Agencia en Chile	Chile	100	100
Servicios Admiralty Resources Chile Ltd	Chile	100	100
Admiralty Servicios Mineros SPA ³	Chile	100	0
Fortune Global Holdings Corporation	British Virgin Islands	100	100

- Bulman Resources was deregistered, and all assets and liabilities have been removed from the consolidated financial statements. Any adjustments have been posted the profit and loss and are considered not material.*
- Admiralty Resources (Hong Kong) Limited was deregistered and all the assets and liabilities have been consolidated into the parent entities financial statements, note 26.*
- Admiralty Resources Mineros SPA was incorporated in Chile in February 2023 for the express purpose of facilitating the Heads of Agreement (HOA) with Hainan.*

Note 28 – Parent information

Set out below is the supplementary information about the parent entity. We note that due the deregistration of the Admiralty Resources (Hong Kong) Limited, the Directors resolved that all the transactions and balances within Admiralty resources (Hong Kong) Limited be incorporated into the financial records of the parent as at 30 June 2023. We note that a loss has been included in accumulated losses from the deregistration of Admiralty Resources (Hong Kong) Pty Ltd.

Statement of profit or loss and other comprehensive income

	Parent	
	2023 \$	2022 \$
Loss after income tax	(5,436,693)	(538,653)
Total comprehensive loss	(5,436,693)	(538,653)

Statement of financial position

	Parent	
	2023 \$	2022 \$
Total current assets	74,956	461,067
Total non-current assets	19,474,682	10,916,759
Total assets	19,549,638	11,377,826
Total current liabilities	3,146,100	343,085
Total non-current liabilities	12,724,520	1,786,510
Total liabilities	15,870,620	2,129,595
Equity		
Issued capital	148,182,094	148,182,094
Accumulated losses	(144,503,076)	(138,933,863)
Total equity	3,679,018	9,248,231

Directors' Declaration

For the year ended 30 June 2023

In accordance with a resolution of the Directors of Admiralty Resources NL, I state that:

In the opinion of the Directors':

- (a) The financial statements and notes of the Group are 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 its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2(a); and
- (c) Subject to the matters set out in Note 2, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
- (d) This declaration is made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ending 30 June 2023.

On behalf of the Board



Qing Zhong

Executive Director

Sydney, 3 October 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Admiralty Resources NL

Opinion

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

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

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

Basis for Opinion

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

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

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

Key Audit Matter	How our audit addressed this matter
<i>Carrying Value of Capitalised Exploration Expenditure</i> <i>Refer to Note 13 in the financial statements</i>	
<p>The Group has capitalised exploration expenditure with a carrying value of \$24.79m. We have determined this to be an area of significant risk due to the significant management judgement involved in assessing the carrying value in accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, including:</p> <ul style="list-style-type: none"> • Determination of whether expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest. • Assessing whether any indicators of impairment are present. • Determination of whether exploration activities have progressed to the stage at which the existence of an economically recoverable mineral reserve may be determined. 	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> • Obtaining a listing of client tenements held by the Group and testing ownership on a sample basis; • Obtaining evidence that the Group has valid rights to explore in each area in relation to which expenditure has been recorded; • Testing of expenditure on a sample basis, agreeing items selected to supporting documentation to ensure they were properly incurred in the development of the assets; • Performing substantive testing on the expenditure on a sample basis, to confirm entries had been recorded accurately (considering both nature and quantum of the items selected), completely, in the correct period, and had been appropriately classified in accordance with AASB 6, <i>Exploration for and Evaluation of Mineral Resources</i>; • Assess is any facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. as contemplated in AASB 6, <i>Exploration for and Evaluation of Mineral Resources</i>; • Assessing whether the Group's accounting policy for exploration expenditure is in compliance with Australian Accounting Standard; and • Assessing the adequacy of the disclosures in the financial statements.

Accounting for Convertible Notes

Refer to Note 15 in the financial statements

The Group has convertible note with a maximum drawdown facility of USD \$3,600,000. The loan has been extended on a number of occasions and the balances includes accrued interest.

The convertible note balances are included in Note 15 and include a debt host liability of \$5,597,272 and an embedded derivatives of \$2,294,075.

The accounting for convertible note was considered to be an area of significant risk due to the following:

- Convertible Notes are non-routine and the balance is significant in relation to the total debt funding balance.
- The accounting is technically complex and requires judgement in valuing the derivative financial liability.

Our audit procedures in relation to the accounting for convertible note included:

- Reviewing the convertible note deed of amendment to understand the revision and the related accounting considerations.
- Evaluating the accounting treatment to determine whether the convertible note has compliance with the requirements of Australian Accounting Standards.
- Reviewing the valuation of the derivative financial liability at both inception and its subsequent measurement as at balance date, including the reasonableness of key inputs to the valuation model.
- Assessing the appropriateness of the disclosures in respect of the borrowings and the derivative financial liability.

Other Information

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

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 13 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Admiralty Resource NL., for the year ended 30 June 2023, complies with section 300A of the Corporations Act 2001.

Responsibilities

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

A handwritten signature in blue ink, appearing to read 'G N Sherwood', is written over a horizontal line.

G N Sherwood
Partner

RSM Australia Partners

Sydney, 3 October 2023

Schedule of Mining Tenements

as at 25 September 2023

Tenement Number	Registered Holder	% Held	Country	Project Group
M39/159	Pyke Hill resources Pty Ltd	50	Australia	Pyke Hill
Harper South				
Negrita 1-4	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Negrita Group
Leo Doce, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Negrita Group
Soberana 1-5	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Soberana Group
Phil Cuatro, 1-16	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Soberana Group
Leo 101, 1-30	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Mariposa Group
Leo Cinco, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Mariposa Group
Leo Seis, 1-58	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Mariposa Group
Leo Ocho, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Mariposa Group
Leo Nueve, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Mariposa Group
Leo Once, 1-40	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Mariposa Group
Leo Trece, 1-60	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Mariposa Group
Other sectors				
Pampa Tololo 1-2475	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Pampa Tololo Group
Cerro Varilla 1-732	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Pampa Tololo Group
Leo 14, 1-40	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Other Tenements
Leo 105	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Other Tenements
Leo 106	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Other Tenements
Leo 107	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Other Tenements
Mal Pelo	Admiralty Minerals Chile Pty Ltd Agencia en Chile	100	Chile	Other Tenements

Other Information

as at 25 September 2023

Top 20 shareholders - Ordinary Shares

No.	Shareholder	Shares held	% of issued capital
1	CITICORP NOMINEES PTY LIMITED	236,668,709	18.155%
2	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	177,993,978	13.654%
3	MR ZHONG WANG	129,675,646	9.948%
4	SINO INVESTMENT AND HOLDING PTY LTD	117,161,500	8.988%
5	SOPHIE ZHONG PTY LTD <I LIKE SHOPPING PROPERTY A/C>	70,501,898	5.408%
6	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	26,783,554	2.055%
6	MR BAOJIANG LIU	25,000,000	1.918%
7	AUSTRALIAN CHILE MINING HOLDINGS PTY LTD	24,850,000	1.906%
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	22,767,733	1.747%
9	MR YIQUN FANG	21,967,244	1.685%
10	PERPETUAL PROSPERITY HOLDING PTY LTD <LINDA MA SUPER FUND A/C>	16,666,667	1.279%
11	ALLWAYS BORING PTY LTD <KINGSTON INVESTMENT A/C>	15,888,889	1.219%
12	BRAIDWOOD-WHITE PTY LTD <BRAIDWOOD-WHITE A/C>	13,888,889	1.065%
13	MRS XUEJUAN CHEN	13,888,889	1.065%
14	3D PENCIL PTY LTD <3D PENCIL SUPER FUND A/C>	12,663,604	0.971%
15	AUSTRALIAN AUTOLINES PTY LIMITED <C&T FAMILY A/C>	11,111,112	0.852%
16	PERPETUAL PROSPERITY HOLDING PTY LTD <LINDA MA SF A/C>	10,760,799	0.825%
17	MISS XU CHEN	9,965,373	0.764%
18	MISS STACEY HUI LIN YANG	9,700,000	0.744%
19	MR GUISHENG BAI	8,890,000	0.682%
20	CITICORP NOMINEES PTY LIMITED	236,668,709	18.155%
Total Securities of Top 20 Holdings		976,794,484	74.932%
Total of Securities		1,303,579,153	100%

Substantial Shareholders

The names of substantial shareholders who have notified the Group in accordance with section 671B of the Corporations Act 2011 are:

Shareholder	Shares held	% of issued capital
Citicorp Nominees Pty Ltd	236,668,709	18.16
BNP Paribas Nominees Pty Ltd (IB AU NOMS Retail Client DRP)	177,993,978	13.65
Mr Zhong Wang	129,675,646	9.95

Distribution of Shareholders Number

Size of shareholding	Number of holders	Number of shares	% of issued capital
1 – 1,000	1,386	747,258	0.060
1,001 – 5,000	1,942	5,204,519	0.400
5,001 – 10,000	822	6,260,235	0.480
10,001 – 100,000	1,499	52,543,757	4.030
100,001 Over	425	1,238,823,384	95.030
Total	6,074	1,303,579,153	100.000

Other Information

as at 25 September 2023

Distribution of Shareholders Number (continued)

There is a total of 1,303,579,153 fully paid ordinary shares on issue, all of which are listed on the ASX.

Voting Rights

At shareholder meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Unmarketable Parcels

There were 5523 shareholders holding 53,042,330 shares, which is less than a marketable parcel of shares in the Group at \$0.0070 per share.

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