



Far Northern Resources Limited

ABN 89 621 685 701

Annual Report

Year Ended 30 June 2024

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CORPORATE DIRECTORY

Directors

Roderick Paul Corps – Chairman Independent
Cameron Woodrow - Managing Director / CEO
Matthew Bashford - Executive Director / CFO

Company Secretary

Catriona Glover

Registered Office and Principal Place of Business

Unit D, 107 Alfred Street
Fortitude Valley, QLD 4006
Telephone: +61 405 424 246
Email: info@farnorthernresources.com
Website: farnorthernresources.com

Auditors

Alex Koutzoumis
Holden & Bolster Avenir Pty Ltd
Level 17, 1 York Street
Sydney NSW 2000

Share Register

Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000
Ph:1300 288 664 (within Australia) or
+61 2 8072 1400 (outside Australia)

Securities Exchange Listing

Far Northern Resources Limited is an Australian Company limited by shares and listed on the Australian Securities Exchange (ASX: FNR).

CHAIRMAN'S LETTER

Dear Shareholders,

It is my pleasure to present the Far Northern Resources Ltd Annual Financial Report for the financial year ended 30 June 2024 (FY24). This past year has been a transformative one for the company, marked by significant progress and the realization of key milestones that have set the foundation for our continued success. Most notably, Far Northern Resources achieved an important milestone by successfully listing on the Australian Securities Exchange (ASX), a move that has not only bolstered our credibility but has also unlocked new avenues for growth and development.

The listing on the ASX has already begun to yield positive results, and we are confident that it will continue to enable the company to focus on enhancing its already impressive suite of assets. With the capital and opportunities provided by this listing, we are better positioned to accelerate the development of our projects and execute our long-term strategy.

A key advantage that sets Far Northern Resources apart is our strategic geographical positioning in Queensland (QLD) and the Northern Territory (NT). These regions offer access to significant local infrastructure, which allows us to build a long-term, sustainable business model that minimizes its environmental footprint. By leveraging our proximity to essential infrastructure, we are confident that we can reduce the environmental impact of our activities while ensuring operational efficiency.

Additionally, our proximity to critical infrastructure gives us the ability to streamline operations and reduce costs, which will help us accelerate the development of our assets. This strategic advantage, combined with the strong gold prices that the market is currently experiencing, positions us to fast-track the realization of early revenue possibilities. The strong performance of gold as a commodity is encouraging, and it supports our belief that we can achieve early-stage revenues that will fuel the company's continued growth. These early revenues are a key part of our plan to transition Far Northern Resources into a self-funded model, ensuring the long-term sustainability of the company while maximizing value for our shareholders.

Our vision for Far Northern Resources remains clear: we aim to maximize shareholder value by building a safe, sustainable, and profitable business. Every decision we make is guided by this vision, and we are confident that our strategic approach will yield significant long-term benefits. With the continued support of our shareholders, we are confident that we can achieve our goals.

In conclusion, the company is well-positioned for future success. The milestones we have achieved in FY24, provide a solid foundation for continued growth. The strength of our asset portfolio, our strategic geographical position as we look ahead, we are focused on executing our plans and driving the company towards a self-funded, sustainable future.

On behalf of the board and management, I would like to extend my sincere thanks to our shareholders for your continued trust and support. We are dedicated to delivering on our promises and ensuring that Far Northern Resources remains a company you can be proud to be a part of.

Thank you for your continued support.



Roderick Paul Corps
Chairman

Managing Director's Letter

Dear Shareholders

It is with great pleasure that I present to you our Company's first Annual Report as a listed Company.

The 2023-24 year has been one of significant achievement and advancement for Far Northern Resources Limited (FNR or the Company), and I am excited to share with you the progress we have made.

In April 2024, FNR successfully listed on the Australian Stock Exchange (ASX) following a well-supported Initial Public Offering (IPO). I would like to extend a warm welcome to our new shareholders and express my sincere thanks to our existing shareholders who have continued to support our journey. Your trust and investment have been instrumental in enabling us to reach this pivotal milestone.

FNR was listed with two flagship projects: the Empire Copper Gold Project in North Queensland and the Bridge Creek Project in the Northern Territory. These projects form the cornerstone of our exploration strategy, and I am pleased to report that we commenced exploration activities in May 2024.

Since then, our team has made substantial progress in advancing these projects. At the Empire Project, we have conducted comprehensive geophysical surveys, identified significant IP anomalies, and successfully completed drilling programs that have confirmed the presence of extensive mineralization. Similarly, at the Bridge Creek Project, our exploration efforts have uncovered promising targets that we are eager to develop further.

The 2023-24 year has laid a strong foundation for our Company's future. As we move forward, I am confident that the work we have done will continue to deliver value for all our shareholders. We remain committed to advancing our projects, exploring new opportunities, and building a prosperous future for the Company.

Thank you for your continued support.

Sincerely,



Cameron Woodrow
Managing Director

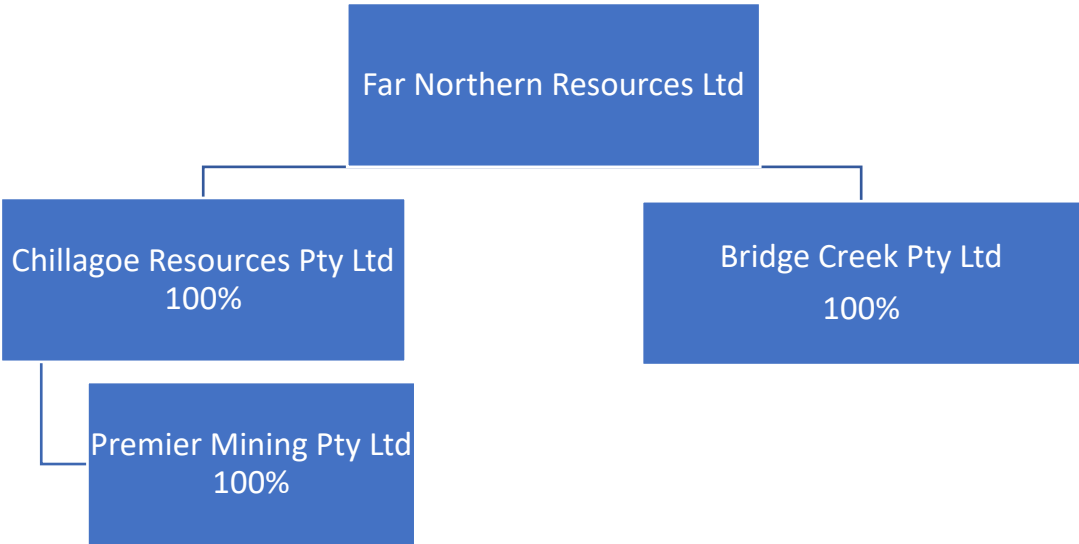
REVIEW OF OPERATIONS

The year 2024 was a pivotal period for the Company, marked by significant milestones in exploration, acquisitions, and corporate growth. FNR successfully listed on the Australian Stock Exchange (ASX), expanded its asset portfolio, and made substantial progress in its exploration activities, particularly in North Queensland and the Northern Territory.

Key Developments

Following the Company's successful listing on the ASX in April 2024 and the completion of the acquisition of Premier Mining Pty Ltd (Premier Mining) and the acquisition of 100% of Bridge Creek Pty Ltd (Bridge Creek), the Company has been progressing its exploration activities in both projects.

Group Structure



Tenement Details

Tenement		State	Status	Project	Area (ha)	Holder	Grant Date	End Date
ML 20380		QLD	Granted	Empire One	252	Premier Mining Pty Ltd	10/03/2004	30/03/2025
EPM 26473		QLD	Granted	Rocks Reef	2620	Chillagoe Resources Pty Ltd	02/11/2017	01/11/2027
MLN 766		NT	Granted	Bridge Creek	8.09	Bridge Creek Mining Pty Ltd	02/12/1974	31/12/2041
MLN 1060		NT	Granted	Bridge Creek	324.5	Bridge Creek Mining Pty Ltd	22/10/1993	31/12/2031
MLN 30807		NT	Granted	Bridge Creek	272	Bridge Creek Mining Pty Ltd	10/07/2015	09/07/2025

FNR Mineral Resources by Project

Project	Cut-off (g/t)	Indicated			Inferred			TOTAL		
		Tonnes (Mt)	Grade (g/t)	Ounces (koz)	Tonnes (Mt)	Grade (g/t)	Ounces (koz)	Tonnes (Mt)	Grade (g/t)	Ounces (koz)
Empire	0.2	0.54	0.97	16.89	0.28	0.63	5.62	0.82	0.85	22.50
Bridge Creek	0.5				1.97	1.12	70.56	1.97	1.12	70.56
Total		0.54	0.97	16.89	2.25	1.06	76.18	2.79	1.04	93.06

Exploration Activities

Empire Project, North Queensland

High-Grade Copper and Gold Discoveries:

Recent reconnaissance works south of Empire which exhibited enhanced geochemical signatures that had been previously disturbed by small (likely hand-worked) diggings. These small mullock dumps exhibit strong signs of mineralisation. Additional rock chips collected and assayed from these have shown excellent results - see FNRs announcement released on 15 April 2024. The assays returned values as high as 12.64% copper and 4.12 g/t gold, extending the known mineralization to the south.

FNR ROCK CHIPS

SampleID	Easting (GDA94 MGA Z55)	Northing (GDA94 MGA Z55)	Au ppm	Ag ppm	Al ppm	As ppm	Cu ppm	Fe %	Mg ppm	Mn ppm	Na ppm	Pb ppm	S ppm	Ti ppm	Zn ppm
FNRRCS24001	202,869	8,094,868	0.785	175.1	55865	1654	126432	6.86	3438	1848	701	255	314	1997	346
FNRRCS24002	202,853	8,094,968	4.124	100.2	62228	431	115872	6.51	1976	1150	683	6272	916	1733	7276
FNRRCS24003	202,514	8,094,716	0.921	187.7	35526	193	118941	3.63	856	1348	763	336	1619	863	5793
FNRRCS24004	202,502	8,094,721	1.193	107	46137	284	96044	6.75	1083	968	637	89	2313	1086	1643
FNRRCS24005	202,349	8,094,605	2.168	230.8	24157	50855	760	24.57	493	98	3771	27293	25236	201	278
FNRRCS24006	202,342	8,094,609	0.75	57.3	83281	835	65345	4.25	2568	181	1011	431	440	2475	177
FNRRCS24007	202,250	8,094,541	1.687	42.9	7778	57238	2182	41.51	406	60	1512	6281	29401	499	123
FNRRCS24008	202,241	8,094,557	0.701	34.3	61319	2374	26059	6.98	2589	217	1681	2148	15310	2609	261



FNRCS24001



FNRCS24002



FNRCS24003

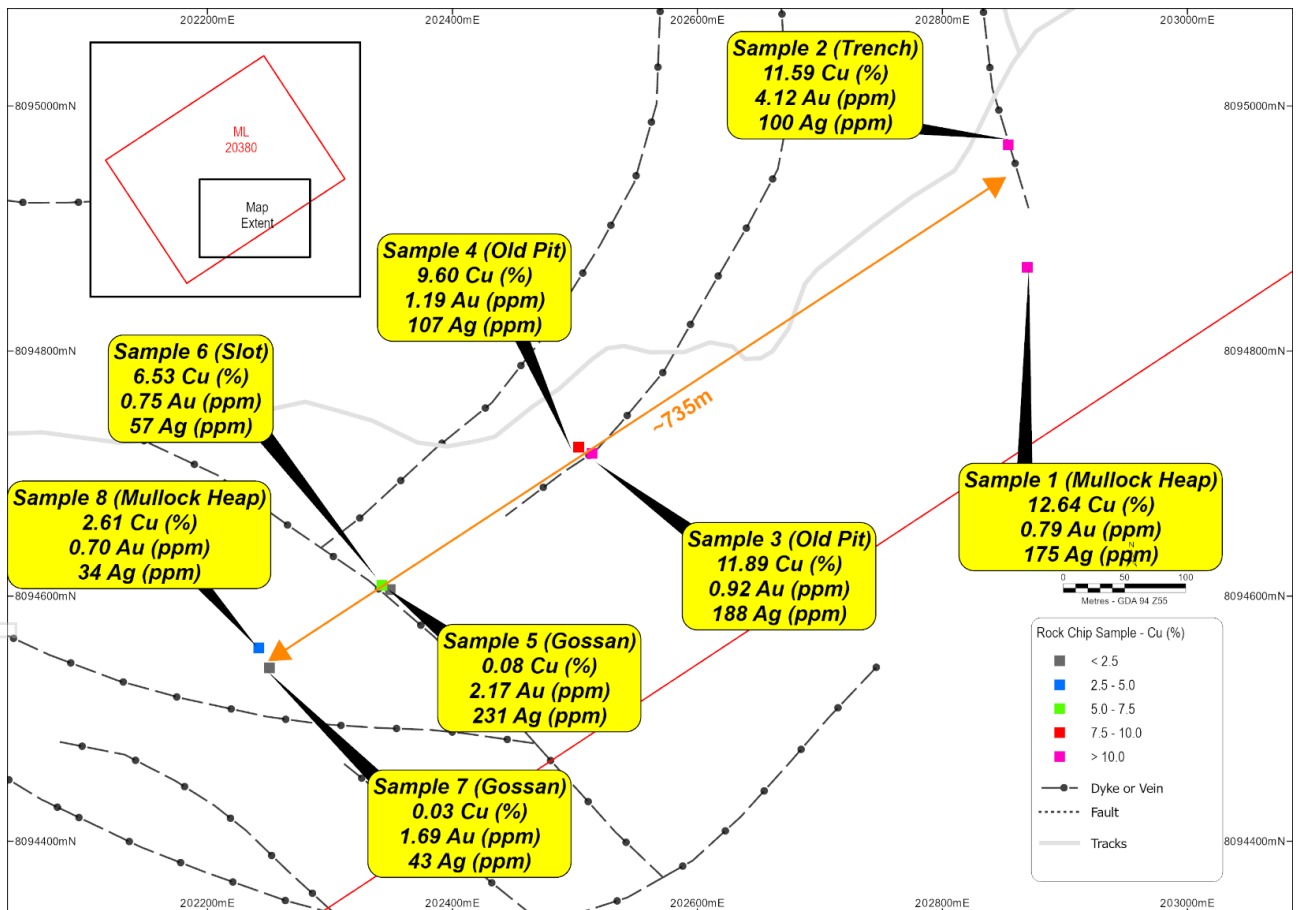


Figure 1. Rock Chip Samples taken south of the Empire Prospect

Geophysical Survey and IP Anomalies:

A comprehensive Pole Dipole Induced Polarisation (PDIP) survey was conducted over the Empire Mining Lease (ML), leading to the identification of five significant chargeability anomalies. These anomalies are associated with structurally controlled resistivity lows, indicating potential zones of mineralization. The survey was the first systematic geophysical examination of the Empire ML and has highlighted several new targets for further exploration (see FNR's announcement released on 12 June 2024)

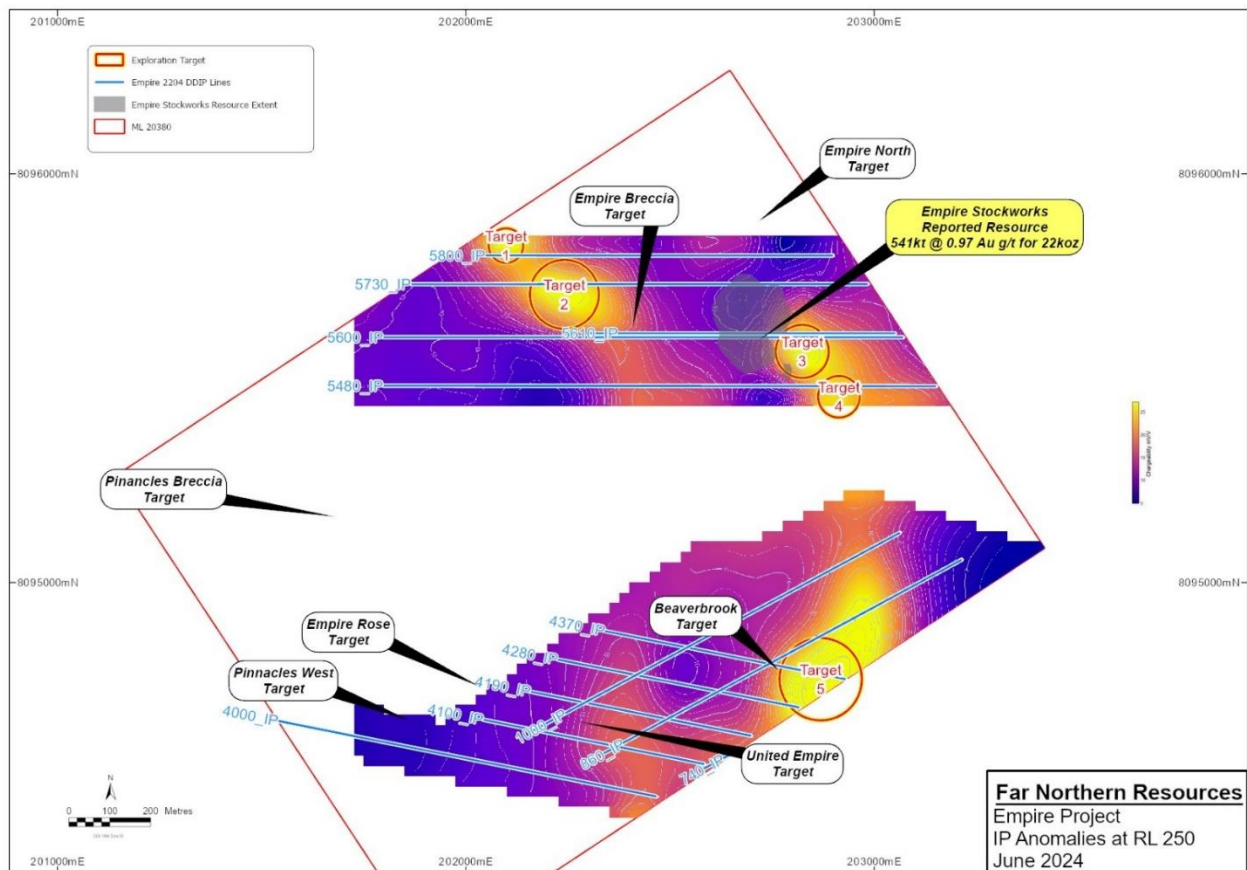


FIGURE 1: IP CHARGEABILITY ANOMALIES AT AN MRL OF 250 (SURFACE IS APPROXIMATELY ~315RL)

As announced to the market on 15 July 2024, RC Drilling has commenced on ML 20380. The drilling program comprised a total of 5 holes to test the IP anomalies referred to above. FNR ultimately drilled 6 holes and assays from all 6 holes intercepted high grade quartz veins that formed the basis of previous modelling (see FNR's announcement dated 12 September 2024). FNR intends to continue to update the resource and economic modelling with a view to moving into future feasibility studies.

Bridge Creek Project, Northern Territory

Exploration commenced at the Bridge Creek project, with initial activities including desk-top studies and fieldwork. These efforts led to the identification of the los prospect, a promising target for future exploration. The project area is considered highly prospective for gold and copper, aligning with FNR's broader exploration strategy.

The accomplishments in 2024 have positioned FNR for continued success in 2025. The Company's solid financial footing, combined with its expanded exploration portfolio and promising initial results, sets the stage for further growth. FNR plans to advance its exploration efforts, particularly at the Empire and Bridge Creek projects, with additional drilling and geophysical surveys planned to test and expand the identified targets.

CORPORATE MATTERS

Result of Operations

The Company's net assets increased from \$1.9m to \$9.2m. The Company held \$3.56 million in cash and cash equivalents at 30 June 2024 compared to \$425,891 at 30 June 2023.

Operating cash outflows for the period totalled \$1.013 million (2023: outflow of \$308,204) with cash inflows from capital raising proceeds totalling \$4.165 million (2023: inflow of \$725,000).

The Company has performed in a manner consistent with that of a junior exploration company. The net loss for the year was \$1,077,519 (2023: loss of \$394,994) is reflective of the corporate and overhead costs incurred in ensuring regulatory compliance is maintained and legal fees incurred in relation to corporate activities during the year.

We note the emphasis of matter paragraph regarding the going concern assumption included in the Auditor's Report, refer to Note 1(r) for further disclosure.

ASX Listing and Capital Raising

The Company made its debut on the ASX in April 2024, successfully raising \$4.165 million through its Initial Public Offering (IPO), issuing 20,825,000 shares at \$0.20 each.

This successful capital raising has bolstered the Company's financial position, enabling it to accelerate its exploration and development activities.

Acquisition of Premier Mining and Bridge Creek Mining

The Company expanded its portfolio by finalising the acquisition of 100% of Premier Mining and acquiring 100% of Bridge Creek Mining, enhancing its footprint into the Northern Territory. These acquisitions have provided the Company with highly prospective tenements for gold and copper exploration, aligning with FNR's strategic focus on these key commodities.

Safety and Sustainability

The Board of Directors of FNR are committed to executing the Company's strategy and operations in a safe and responsible manner. Pleasingly, drilling activities were productive and safe with no reportable safety or environmental incidents during the year.

DIRECTORS' REPORT

Your directors submit the annual financial report of Far Northern Resources Limited, (the Company) for the year ended 30 June 2024.

Directors

The names of the Directors who held office during or since the end of the year and until the date of this report are as follows.

Roderick Corps
Cameron Woodrow
Matthew Bashford

Roderick Corps – Chairman – appointed as a Director 15 November 2022

Mr Corps has been involved in the finance industry for over 30 years, having worked as a stockbroker for Porter Western limited (now Macquarie Group) and Morgan Stanley and JP Morgan in the United Kingdom. Mr Corps has been a Director of Eternal Resources Ltd Holdings Ltd (ASX:BRN) and Voyager Global Group Ltd - now Cyelip Group (ASX: CYQ). From 2013 to 2021 Mr Corps was the corporate and investor relations manager for Westgold Resources Ltd (ASX: WGXO). He is currently a non - executive director of Marketch Ltd and the Managing Director of NICO Resources Limited (ASX:NC1). Mr Corps is considered by the Board to be an Independent Director.

Cameron Woodrow – Managing Director– appointed as a Director 14 September 2017

Mr Woodrow is the founding director of Far Northern Resources Limited. He has been responsible for managing the day-to-day operation of the company in conjunction with FNR's geologist. In his role as CEO he is responsible for the ongoing operations under the board's supervision.

Mr Woodrow's' earlier career started in the Investment banking industry in Europe and Australia taking on roles as a corporate advisor and sales trader at Paterson Securities and the Stonebridge Group. His early years were spent at Merrill Lynch and Credit Suisse in London. His experience spans 23 years, during which time he has developed a significant corporate network in the financial and mining industry both in Australia and overseas.

Mr Woodrow has not been a director of other ASX listed companies in the last 3 years.

Matthew Bashford – Executive Director and CFO– appointed as a Director 17 May 2019

Mr Bashford is an experienced company director having completed his Bachelor of Commerce at University of Queensland in 1994 and is a Chartered Accountant ANZ and currently a Partner at Cloudtec Accountants Brisbane that services private and public companies. He has over 28 years in private and public as CFO and Company Secretary.

He has been instrumental in the success of Far Northern Resources Limited since inception and been involved in structuring, all capital raisings to date and accounting/tax compliance.

Mr Bashford has not been a director of other ASX listed companies in the last 3 years.

Dividends

No dividends were declared since the start of the financial year and the Directors do not recommend the payment of a dividend in respect of the financial year.

Principal Activities

The principal activity of the Company during the year was exploration for and evaluation of economic deposits for gold and copper in Queensland and Northern Territory. There were no significant changes in these activities during the financial period.

Review of Operations

During the year, the Company carried out exploration on its tenements with the objective of identifying economic deposits of gold and other metals. The full review of operations, included within this Annual Report, immediately precedes this Directors' Report.

Operating results for the year

The net result of operations for the year was a loss after income tax of \$1,077,519 (2023: \$394,994 loss). The Operating and Financial Review, included in the full review of operations, can be found immediately preceding this Directors' Report.

Significant changes in the state of affairs

ASX Listing and Capital Raising

The Company made its debut on the ASX in April 2024, successfully raising \$4.165 million (before issue costs) through its Initial Public Offering (IPO) - issued 20,825,000 shares at \$0.20 each. This successful capital raising bolstered the Company's financial position, enabling it to accelerate its exploration and development activities.

Acquisition of Bridge Creek Mining and Premier Mining

The Company expanded its portfolio by acquiring 100% of Bridge Creek Mining and increased its ownership to 100% of Premier Mining. These acquisitions have provided the Company with highly prospective tenements for gold and copper exploration, aligning with FNR's strategic focus on these key commodities.

Significant events after the reporting date

There has not been any matter or circumstance that has arisen after the reporting date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Likely developments and expected results

The Company will continue to undertake drilling and exploration activities on its Queensland and Northern Territory assets.

Environmental legislation

The Company is committed to minimising the environmental impacts of its exploration and operations of each project with an appropriate focus placed on compliance with environmental regulations. No environmental breaches have occurred or have been notified by any Government agencies during the year ended 30 June 2024.

Remuneration Report (audited)

This report details the remuneration arrangements in place for each Director of the Company for the financial year ended 30 June 2024. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

Remuneration Policy

As a consequence of the size and composition of the Board, the Company does not have a standalone remuneration committee. The Board as a whole has responsibilities typically assumed by a remuneration committee. The Board reviews and approves the Company's remuneration policy in order to ensure that the Company 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 Company's size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The remuneration of any Director will be decided by the Board, without the affected Director participating in that decision-making process. In addition, subject to any necessary Shareholder approval, a Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director (e.g. non-cash performance incentives such as options). Directors are also entitled to be paid reasonable travel and other expenses incurred by them in the course of the performance of their duties as Directors.

The Board reviews the remuneration (including short- and long-term incentive schemes and equity-based remuneration, where applicable) and performance of Directors. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

The Board also sets policies for senior executive remuneration, setting the terms and conditions of employment for senior executives, undertaking reviews of senior executive performance, including setting goals and reviewing progress in achieving those goals. The Board reviews the Company's senior executive and employee incentive schemes (including equity-based remuneration) (where applicable) and making recommendations to the Non-Executive Chair on any proposed changes.

The Board may seek any information it considers necessary to fulfil its duties as a remuneration committee, which includes the right to obtain appropriate external advice.

Non-executive director fees are determined with an aggregate Directors' fee pool limit approved by shareholders. At the 2023 Annual General Meeting, shareholders approved a maximum total remuneration of \$350,000 per annum which may be paid to the Non-Executive Directors.

Executive Service Agreements and Letters of Appointment

(a) Roderick Corps

On 23 May 2023 the Company and Roderick Corp signed a directors engagement letter in respect of Mr Corps acting as the Non-Executive Chairman of the Company.

Mr Corps is paid \$45,000 per annum paid monthly in arrears commencing from the Company listing its shares on ASX for these services.

The terms and consideration of the appointment together with Mr Corps duties are standard for this sort of agreement.

Remuneration Report (continued)

(b) Cameron Woodrow

On 23 May 2023 the Company and Cameron Woodrow entered into an agreement in respect of his acting as the Executive Director and CEO of the Company. The agreement noted Mr Woodrow had been engaged in the position since 1 September 2022.

In consideration for Mr Woodrow acting in the position, he is entitled to an annual salary of \$150,000 plus superannuation payable monthly in arrears. His remuneration is to be reviewed in July of each year and increase by a minimum of the Consumer Price Index, Brisbane.

The terms and conditions of the appointment together with Mr Woodrow's duties are standard for this sort of agreement.

(c) Matthew Bashford

On 23 May 2023 the Company and Matthew Bashford entered into an agreement in respect of his role as an executive director and Chief Financial Officer.

Mr Bashford is entitled to an annual payment of \$35,000 for acting as a director, paid monthly in arrears commencing on the Company listing its Shares on the ASX.

In respect of his acting as a Chief Financial Officer, his firm Cloudtec Accountants would be paid normal commercial rates in respect of his acting as Chief Financial Officer in addition to other accounting services provided to the Company.

The terms and conditions of the appointment together with Mr Bashford's duties are standard for this sort of agreement.

Details of Remuneration

For the financial year ended 30 June 2024

The remuneration for key management personnel of the Company during the period was as follows:

30 June 2024	Short-term benefits			Post-employment benefits	Share-based payments	Total	Performance Related Remuneration
	Director's fees	Salary	Non-monetary Benefits	Superannuation Contributions	Equity-settled		
	\$	\$	\$	\$	\$	\$	%
Roderick Corps	-	7,500	-	825	-	8,325	-
Cameron Woodrow	-	150,000	-	16,500	-	166,500	-
Matthew Bashford	-	35,833	-	3,942	-	39,775	-
TOTALS:	-	193,333	-	21,267	-	214,600	-

Remuneration Report (continued)

For the financial year ended 30 June 2023

The remuneration for key management personnel of the Company during the period was as follows:

30 June 2023	Short-term benefits			Post-employment benefits	Share-based payments	Total	Performance Related Remuneration
	Director's fees	Salary	Non-monetary Benefits	Superannuation Contribution	Equity-settled		
	\$	\$	\$	\$	\$	\$	%
Roderick Corps	-	-	-	-	-	-	-
Cameron Woodrow	-	100,000	-	10,500	-	110,500	-
Matthew Bashford	-	-	-	-	-	-	-
TOTALS:	-	100,000	-	10,500	-	110,500	-

Details of Ordinary Shares held – directly and indirectly held

30 June 2024	Balance at beginning of year	Issued during the period as remuneration	Net change other	Balance at end of year
Roderick Corps	-	-	-	-
Cameron Woodrow ⁱ	10,990,000	-	-	10,990,000
Matthew Bashford	105,645	-	-	105,645
	11,095,645			11,095,645

¹¹ Held in the name of Kirsten Woodrow <Merrilyn Family Trust>. Mr Woodrow is a beneficiary of the Family Trust

30 June 2023	Balance at beginning of year	Issued during the period as remuneration	Net change other	Balance at end of year
Roderick Corps	-	-	-	-
Cameron Woodrow	10,990,000	-	-	10,990,000
Matthew Bashford	105,645	-	-	105,645
	11,095,645			11,095,645

Remuneration Report (continued)

Details of Unlisted Options held

30 June 2024	Balance at beginning of year	Issued during the year	Options Lapsed	Net change other	Balance at end of year
Roderick Corps	2,333,333	-	-	-	2,333,333
Cameron Woodrow	2,333,334	-	-	-	2,333,334
Matthew Bashford	2,683,333	-	-	-	2,683,333
Total	7,350,000	-	-	-	7,350,000

30 June 2023	Balance at beginning of year	Issued during the year	Options Lapsed	Net change other	Balance at end of year
Roderick Corps	-	2,333,333	-	-	2,333,333
Cameron Woodrow	350,000	2,333,334	-	-	2,333,334
Matthew Bashford	-	2,683,333	-	-	2,683,333
Total	350,000	7,000,000	-	-	7,350,000

As at the date of this report:

- Mr Corps has an interest in 1,000,000 unlisted options with an exercise price of \$0.30 and an expiry date of 30 June 2026 and 1,333,333, unlisted options with an exercise price of \$0.25 and an expiry date of 30 June 2026.
- Mr Woodrow has an interest in 11,000,000 fully paid shares, of which 10,990,000 shares are subject to 24 months escrow from the date of listing. Mr Woodrow also has an interest in 1,000,000 unlisted options with an exercise price of \$0.30 and an expiry date of 30 June 2026 and 1,333,334, unlisted options with an exercise price of \$0.25 and an expiry date of 30 June 2026.
- Mr Bashford has an interest in 105,645 fully paid shares, all of which are subject to 24 months escrow from the date of listing. Mr Bashford also has an interest in 1,000,000 unlisted options with an exercise price of \$0.30 and an expiry date of 30 June 2026 and 1,683,333, unlisted options with an exercise price of \$0.25 and an expiry date of 30 June 2026.

All options are escrowed for 24 months from the date of listing.

No options were exercised during the period.

Related Party Transactions with Directors

The following comprises amounts paid or payable and received or receivable applicable to entities in which KMP have an interest

Related Party Transactions	2024 \$	2023 \$
<i>Paid/payable to:</i>		
Accounting service charges paid to Cloudftec Accountants - an entity associated with Matthew Bashford	50,000	600

End of Remuneration Report

Directors' Meetings

The number of meetings of the Company's Board of Directors attended by each Director during the year ended 30 June 2024 was as follows:

	Number of Board Meetings Held 1 July 2023 to 30 June 2024	Number of Board Meetings Attended
Roderic Corps	6	5
Cameron Woodrow	6	6
Matthew Bashford	6	6

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the Directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as Directors of the Company, except where the liability arises out of conduct involving a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract insuring the Directors and Officers of the Company against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. No liability has arisen under the indemnity as at the date of this report.

Proceedings on behalf of the Company

No persons have applied for leave pursuant to section 237 of the Corporation Act 2001 to bring, or intervene in, proceedings on behalf of Far Northern Resources Limited.

Auditor Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors to provide the Directors of the Company with an Independence Declaration in relation to the audit of the financial report.

This Independence Declaration follows this report and forms part of this directors' report for the year.

Non-Audit Services

No amounts were paid or payable to the auditor for non-audit services provided during the year.

CORPORATE GOVERNANCE STATEMENT

The Board is committed to achieving and demonstrating the highest standards of corporate governance.

As such, Far Northern Resources Limited (the “Company”) has adopted the Corporate Governance Principles and Recommendations which was released by the ASX Corporate Governance Council and became effective for the financial years beginning on or after 1 January 2020.

The Company’s Corporate Governance Statement for the financial year ended 30 June 2024 was approved by the Board on 26 September 2024.

The Corporate Governance Statement is available on the Company’s website at www.farnorthernresources.com.

Signed in accordance with a resolution of the Directors.



Roderick Paul Corps
Chairman
Brisbane QLD
26 September 2024

.....**END OF DIRECTORS REPORT**.....

AUDITORS INDEPENDENCE DECLARATION

As auditor for the audit of the consolidated financial report of Far Northern Resources Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

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



Alex Koutzoumis
Holden & Bolster Avenir Pty Ltd

Sydney , New South Wales

26 September 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
INTEREST AND OTHER INCOME	2	6,324	27,000
EXPENSES			
Administration Expenses	2	(558,293)	(193,105)
Employee Benefits Expense	2	(214,600)	(110,500)
Exploration Expenses	2	(26,336)	(12,311)
Depreciation Expense		(106,694)	(65,600)
Interest Expense		(1,716)	-
Other Expenses		(176,206)	(51,959)
		(1,083,845)	(433,475)
NET LOSS BEFORE INCOME TAX EXPENSE		(1,077,519)	(406,475)
Income tax expense	4	-	-
Minority Interest		-	11,481
NET LOSS FOR THE YEAR		(1,077,519)	(394,994)
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(1,077,519)	(394,994)
BASIC AND DILUTED LOSS PER SHARE (CENTS PER SHARE)	5	(0.15)	(0.14)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	2024 \$	2023 \$
CURRENT ASSETS			
Cash and Cash equivalents	6	3,564,201	425,891
Other Assets	7	49,890	10,375
Total Current Assets		3,614,091	436,266
NON-CURRENT ASSETS			
Property, Plant and equipment	8	977,190	828,799
Goodwill on Consolidation		2,755,371	553,927
Exploration and Evaluation expenditure	9	2,077,033	76,921
Total Non-Current Assets		5,809,594	1,459,647
TOTAL ASSETS		9,423,685	1,895,913
CURRENT LIABILITIES			
Trade and other payables	10	111,470	55,652
Total Current Liabilities		111,470	55,652
NON-CURRENT LIABILITIES			
Related Party Loan	11	90,038	78,931
Total Non-Current Liabilities		90,038	78,931
TOTAL LIABILITIES		201,508	134,583
		9,222,177	1,761,330
EQUITY			
Issued capital	12	11,361,435	2,678,592
Accumulated losses		(2,139,348)	(1,140,365)
Minority Interests		-	223,103
TOTAL EQUITY		9,222,177	1,761,330

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2024

	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts	6,324	27,000
Payments to suppliers and employees	(1,019,922)	(335,204)
Net cash (used in) operating activities	(1,013,598)	(308,204)
CASH FLOWS FROM INVESTING ACTIVITIES		
Loan to/(from) related parties	(13,062)	(1,128)
Net cash (used in) investing activities	(13,062)	(1,128)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Capital Raising	4,165,000	725,000
NET CASH PROVIDED BY FINANCING ACTIVITIES	4,165,000	725,000
Net increase/(decrease) in cash held	3,138,340	415,668
Cash at beginning of period	425,891	10,223
Cash at end of period	3,564,231	425,891

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 30 JUNE 2024

	Notes	Issued Capital \$	Accumulated Losses \$	Total \$
Company				
Balance at 1 July 2022		1,953,502	(745,371)	1,442,683
Loss for the year		-	(394,994)	(394,994)
Total Comprehensive Loss		1,953,502	(1,140,365)	(1,047,689)
<i>Transaction recorded directly in equity</i>				
Issue of Share Capital	12	725,000	-	725,000
Minority Interests		-	-	223,103
Balance at 30 June 2023		2,678,592	(1,140,365)	1,761,330
Balance at 1 July 2023		2,678,592	(1,140,365)	1,761,330
Loss for the year		-	(1,077,488)	(1,077,488)
Total Comprehensive Loss		-	(1,077,488)	(1,077,488)
<i>Transaction recorded directly in equity</i>				
Capital raising – IPO Placement	12	4,165,000	-	4,165,000
Bridge Creek Pty Ltd – Vendor acquisition	12	3,717,933	-	3,717,933
Premier Mining Pty Ltd – Vendor acquisition	12	800,000	-	800,000
		8,682,933	(1,077,488)	7,461,847
Balance at 30 June 2024		11,361,525	(2,139,348)	9,222,177

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2024

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

Your Directors present their report on the Company for the financial year ended 30 June 2024. The Company is a listed public company registered in Australia. The principal activities are the exploration for and evaluation of economic deposits for gold and copper in Queensland and Northern Territory.

The address of the Company's registered office is Unit D, 107 Alfred Street, Fortitude Valley QLD 4006.

(b) Basis of preparation and statement of compliance

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

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated.

The financial statements are presented in Australian dollars.

The financial statements for the year ended 30 June 2024 were approved and authorised for issue by the Board of Directors on 24 September 2024.

(c) Critical accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that

are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Exploration and evaluation expenditure carried forward

In accordance with accounting policy Note 1 (g), management determines when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been capitalised in respect of that area of interest are written off. In determining this, assumptions including the maintenance of title, ongoing expenditure and prospectivity are made. During the year, no amounts were written off.

Refer to Note 11 for disclosure of carrying values.

Recovery of deferred tax assets

Deferred tax assets are currently not recognised in the financial statements. The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised. Given the current stage of the Company's exploration and development cycle, the likelihood and timeline of future taxable income cannot be reliably estimated. Refer to Note 4.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Far Northern Resources Limited. The Company's activities included the exploration and evaluation of projects in North Queensland and Western Australia.

In addition, corporate assets which are not directly attributable to the business activities of the operating segment are not allocated to a segment. This primarily applies to the Company's registered office and administrative duties. There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

(e) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(f) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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

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

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

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Other taxes

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

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

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

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

(g) Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value-in-use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at a revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case, the carrying amount of the asset is increased to its recoverable amount.

That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(h) *Cash and cash equivalents*

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(i) *Trade and other receivables*

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment for expected credit losses. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days.

Impairment of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Company will not be able to collect all amounts due according to the original contractual terms.

Factors considered by the Company in making this determination include known significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Company.

The impairment allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term, discounting is not applied in determining the allowance.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) *Financial Instruments*

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable). Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- fair value through other comprehensive income (FVOCI).
- amortised cost fair value through profit or loss (FVTPL).

Financial assets other than equity instruments that do not meet the above amortised cost criteria are measured at fair value through profit or loss. This includes financial assets that are held for trading and investments that the Company manages based on their fair value in accordance with the Company's documented risk management and/or investment strategy.

Equity instruments are measured at fair value through profit or loss unless the Company irrevocably elects at initial recognition to present the changes in fair value in other comprehensive income as described below.

Upon initial recognition, financial assets measured at fair value through profit or loss are recognised at fair value and any transaction costs are recognised in profit or loss when incurred.

Subsequent measurement of financial assets

Financial assets at fair value through other comprehensive income (FVOCI).

The Company accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is "hold to collect" the associated cash flows and sell; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income (OCI) will not be recycled upon derecognition of the asset.

Financial assets at fair value through profit or loss.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

Classification and measurement of financial liabilities

The Company's financial liabilities include borrowings, trade and other payables. The Company does not have any derivative financial instruments in any period presented.

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

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments). All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred.

Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

- Plant and equipment – over 3 to 5 years
- Motor Vehicles – over 3 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

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

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-

generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of comprehensive income in a separate line item.

(ii) Derecognition and disposal

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

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

(l) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(m) Employee leave benefits

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables or in employee benefits, in respect of employees' services up to the reporting date.

They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other long-term employee benefits

The Company's liabilities for annual leave and long service leave are included in other long-term benefits as they are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Company presents employee benefit obligations as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period, irrespective of when the actual settlement is expected to take place.

(n) Issued capital

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

(o) Earnings per share

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

Diluted earnings per share is calculated as net profit/loss adjusted for:

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

(p) Exploration and evaluation expenditure

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

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
 - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
 - (b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation of assets used in exploration and evaluation activities.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.

The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any).

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

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

(q) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain.

Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most

reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material. Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote in which case no liability is recognised.

(r) Going Concern

During the year the group incurred a net loss of \$1,077,519 (2023: loss of \$394,994).

Given the potential funding options and cash management initiatives noted below, the Directors believe the going concern basis is appropriate:

- The Company will continue to exercise appropriate cash management and monitoring of operating cashflows according to exploration success. Future exploration expenditure is generally discretionary in nature and exploration activities may be slowed or suspended as part of the Company's cash management strategy.
- The Company has demonstrated its ability to raise capital via equity placements to shareholders during the period. Given the strong support of substantial shareholders and the prospectivity of the Company's current projects the Directors are confident that any future capital raisings will be successful.

**NOTE 1: STATEMENT OF SIGNIFICANT
ACCOUNTING POLICIES (CONTINUED)**

Should the Company be unable to obtain sufficient future funding, there is a material uncertainty which may cast significant doubt as to whether the Company will be able to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

NOTE 2: LOSS BEFORE INCOME TAX EXPENSE

Note

2024

\$

2023

\$

The following revenue and expense items are relevant in explaining the financial performance for the year.

Interest Received

6,324

-

6,324

-

Expense

Included in administration expenses are the following material items:

- ASX listing fees

92,088

-

- ASX Listing - Equity raised Commissions paid

133,158

-

- ASX Listing - Legal fees

57,805

141,280

- Consultants

197,562

42,525

- Accounting fees

77,680

9,300

Total Administration Expenses

558,293**193,105**

Included in Employee Benefit expenses are the following material items:

Salaries

193,333

100,000

Superannuation

21,267

10,500

Total Employee Benefit expenses

214,600

110,500

Included in Exploration expenses are the following material items:

Exploration Expenses

26,336

-

Total Employee Benefit expenses

26,336**12,311****NOTE 3: AUDITOR'S REMUNERATION**

2024

\$

2023

\$

Auditors Fees

Amounts paid or due and payable for:

Audit and review of financial reports

11,500

19,500

Other non-assurance services

-

-

11,500

19,500

NOTE 4: INCOME TAX EXPENSE**2024****\$****2023****\$****(a) Recognised in the statement of comprehensive income**

Current income tax expense on net loss for the year

-

-

Deferred tax expense relating to the origination and reversal of temporary differences

-

-

Total income tax benefit

-

-

(b) Reconciliation between income tax expense and pre-tax profit/(loss)

Loss before tax

(1,077,519)**(394,994)**

Income tax using the domestic small business corporation tax rate of 30% (2023: 30%).

(323,256)**(118,498)***Tax effect of:*

Non-deductible expenses

-

-

Unused tax losses and temporary differences not recognised as deferred tax assets

323,256**118,498**

Income tax expense on pre-tax loss

-

-

(c) Unrecognised deferred tax balances

Deferred tax assets and (liabilities) calculated at 30% (2023: 30%) have not been recognised in respect of the following:

Income tax losses

641,803**342,109**

Temporary differences

-

-

641,803**342,109**

Deductible temporary differences and tax losses do not expire under current tax legislation. Recoverability of tax losses is subject to satisfying either the Continuity of Ownership Test or the Business Continuity Test in accordance with the tax legislation requirements.

NOTE 5: (LOSS) PER SHARE**2024****\$****2023****\$**

Basic and diluted loss per share (cents per share)

(0.15)**(0.14)**

Weighted average number of ordinary shares used in calculation of loss per share

70,961,135**27,545,471**

Loss used in calculation of basic and diluted (loss) per share (\$)

(1,077,519)**(394,994)**

NOTE 6: CASH AND CASH EQUIVALENTS**2024****2023****\$****\$**

Cash on Hand

628

628

Cash at Bank

3,563,573

425,263

3,564,201**425,891**

Cash at bank earns interest at floating rates on daily bank deposit rates.

NOTE 7: OTHER ASSETS**2024****2023****\$****\$**

GST Refund

49,890

10,375

NOTE 8: PLANT AND EQUIPMENT**2024****2023****\$****\$**

Plant and equipment at cost

1,491,695

966,182

Less: Accumulated depreciation

(514,505)

(137,383)

977,190**828,799***Movement schedule for plant and equipment*

Opening written down value

966,182

966,182

Additions

525,513

-

Disposals

-

-

Vehicle deemed a loss during the period

-

-

Depreciation

(514,505)

(137,383)

Depreciation allocated to exploration expenditure

-

-

Closing written down value

977,190**828,799**

NOTE 9: EXPLORATION AND EVALUATION EXPENDITURE	2024 \$	2023 \$
Cost brought forward in respect of areas of interest in the exploration and evaluation stage	76,921	58,719
Expenditure capitalised brought forward - Bridge Creek	1,976,247	-
Expenditure capitalised during the year	23,865	18,202
	2,077,033	76,921

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on successful development and commercial exploitation or sale of respective areas.

NOTE 10: TRADE AND OTHER PAYABLES	2024 \$	2023 \$
Trade creditors	56,578	36,754
PAYG Withholdings Payable	20,518	10,908
Hunter Funding Insurance	25,452	7,990
Superannuation Payable	8,892	-
Bank Overdraft	30	-
	111,470	55,652

All trade and other payables are non-interest bearing and are normally settled on 30-day terms. All amounts are short-term. The carrying values of trade payables and other payables are considered to be a reasonable approximation of fair value.

NOTE 11: BORROWINGS	2024 \$	2023 \$
<i>Current</i>		
Director Loans	81,993	78,931
Shareholder Loan	8,045	-
	90,038	78,931

NOTE 12: ISSUED CAPITAL		Note	2024		2023	
			No.	\$	No.	\$
Issued capital comprises Fully Paid Ordinary Shares			70,961,135	11,361,435	27,545,471	2,678,592
<i>Movement in issued shares for the year</i>						
Balance at beginning of the financial year			27,545,471	2,678,592	20,545,471	1,953,592
<u>Issued for cash</u>		<u>Date</u>				
IPO Placement of shares		9-04-24	20,825,000	4,165,000	-	-
<u>Shares Issued – non cash</u>						
Bridge Creek Pty Ltd – Vendor acquisition		12-04-24	18,589,664	3,717,933	-	-
Premier Mining Pty Ltd - Vendor acquisition		12-04-24	4,000,000	800,000	-	-
Shares Issued – Private Placement		28-02-2023			7,000,000	725,000
Balance at the end of the year			70,961,135	11,361,435	27,545,471	2,678,592

NOTE 13: RELATED PARTY DISCLOSURES

Transactions with Key Management Personnel

The following comprises amounts paid or payable to entities in which key management personnel (KMP) have an interest.

Directors and Related Entities	Note	2024 \$	2023 \$
Paid/payable to Related Entities:			
Accounting service charges paid to Cloudtec Accountants - an entity associated with Matthew Bashford		50,000	600
Total Remuneration paid to KMP of the Company during the year:			
Salaries		193,333	100,000
Superannuation		21,267	10,500
Total KMP compensation		214,600	110,500

NOTE 14: COMMITMENTS AND CONTINGENT LIABILITIES

(a) Exploration Expenditure Commitments

The Company has certain obligations to perform exploration work and expend minimum amounts of money on such works on mineral exploration tenements. These obligations will vary from time to time, subject to statutory approval and capital management. The terms of the granted licenses and those subject to relinquishment will alter the expenditure commitments of the Company as will any change to areas subject to licence.

(b) Native Title

There are no Native title claims been made with respect to areas which include tenements in which the Company has interests. The Company is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Company or its projects.

(c) Lease Commitments

There are no Lease commitments.

Overview

This note presents information about the Company's exposure to credit, liquidity and market risks, its objectives, policies and processes for measuring and managing risk, and the management of capital.

The Company does not use any form of derivatives as it is not at a level of exposure that requires the use of derivatives to hedge its exposure. Exposure limits are reviewed by management on a continuous basis. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

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 Company through regular reviews of the risks.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities. Given the Company is not generating sales nor has significant receivable balances apart from GST payments to be received from the ATO, at the reporting date there were no significant concentrations of credit risk.

(i) Cash and cash equivalents

The Company limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have an acceptable credit rating. The Company has limited its risk to only holding bank accounts with two Australian financial institutions.

(ii) Trade and other receivables

As the Company operates primarily in exploration activities, it does not have trade receivables and therefore is not exposed to credit risk in relation to trade receivables.

The Company where necessary establishes an allowance for impairment that represents its estimate of expected losses in respect of other receivables and investments. Management does not expect any counterparty to fail to meet its obligations.

(iii) Exposure to credit risk

The carrying amount of the Company's financial assets represents the maximum credit exposure.

Liquidity Risk

The Company'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 Company's reputation.

The Company manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows.

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 Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company holds investments in listed securities, refer to Note 8.

Currency Risk

The Company is not exposed to currency risk and at the reporting date the Company holds no financial assets or liabilities which are exposed to foreign currency risk.

Commodity Price Risk

The Company operates primarily in the exploration and evaluation phase of gold projects and accordingly the Company's financial assets and liabilities are subject to minimal commodity price risk.

Interest Rate Risk

The Company is exposed to interest rate risk (primarily on its cash and cash equivalents), which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest-bearing financial instruments. The Company does not use derivatives to mitigate these exposures.

At balance date the Company did not have any cash held in term deposits. During the prior period, excess cash and cash equivalents were held in short term deposit at interest rates maturing over 90 day rolling periods.

(i) Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss or through equity, therefore a change in interest rates at the reporting date would not affect profit or loss or equity.

Capital Management

Capital is defined as the equity of the Company.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, to maintain a strong capital base sufficient to maintain future exploration and development of its projects.

The Company's focus has been to raise sufficient funds through equity to fund exploration and evaluation activities. The Company monitors capital requirements regularly and is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year. The Board considers capital management at each Board meeting and mitigates risks when identified.

NOTE 16: STATEMENT OF CASH FLOWS	2024 \$	2023 \$
Reconciliation of operating loss after income tax to net cash used in Operating activities		
Loss after income tax	(1,077,519)	(394,994)
Add: Non-cash items		
Depreciation	106,694	65,600
Changes in assets and liabilities		
(Increase)/decrease in other current assets	(39,515)	(6,915)
Increase/(decrease) in operating payables	11,107	(55,411)
Net cash used in Operating activities	(999,233)	(275,111)

NOTE 17: EVENTS AFTER REPORTING DATE

There has not been any other matter or circumstance that has arisen after the reporting date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

NOTE 18: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Some accounting pronouncements which have become effective from 1 July 2022 and have therefore been adopted do not have a significant impact on the Company's financial results or position.

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the AASB. None of these Standards or amendments to existing Standards have been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

NOTE 19: LIST OF SUBSIDIARIES

Subsidiaries	Country of Incorporation	% Owned 30 June 2024	% Owned 30 June 2023
Chillagoe Resources Pty Ltd	Australia	100%	100%
Premier Mining Pty Ltd	Australia	100%	73.6%
Bridge Creek Mining Pty Ltd	Australia	100%	0%

During the year, the Company had 3 wholly owned subsidiaries noted above, acquiring 100% of Bridge Creek Mining Pty Ltd and through our 100% subsidiary Chillagoe Resources Pty Ltd acquired the remaining 26.4% of Premier Mining Pty Ltd .

Goodwill is the premium arising on consolidation and is treated as an intangible (non-current) asset. The partial goodwill method has been used.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2024

Basis of preparation

The consolidated entity disclosure statement has been prepared in accordance with the s295 (3A) (a) of the Corporations Act 2001 and includes the required information for Great Southern Mining Limited and the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

Tax Residency

S295 (3A) (vi) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency may involve judgement as there are different interpretations that could be adopted and which could give rise to different conclusions regarding residency. In determining tax residency, the Group has applied the following interpretations

Australian Tax Residency

Current legislation and judicial precedent has been applied, including having regard to the Tax Commissioner's public guidance.

Foreign tax residency

Where appropriate, independent tax advisers have been engaged to assist in the determination of tax residence to ensure applicable foreign tax legislation has been complied with.

Entity Name	Body Corporate Partnership or Trust	Country of Incorporation	% of share capital held by the Company	Australian or Foreign Tax Resident	Jurisdiction For Foreign Tax Resident
Far Northern Resources Limited	Corporate	Australia		Australian	N / A
Chillagoe Resources Pty Ltd	Corporate	Australia	100%	Australian	N / A
Premier Mining Pty Ltd	Corporate	Australia	100%	Australian	N / A
Bridge Creek Mining Pty Ltd	Corporate	Australia	100%	Australian	N / A

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Far Northern Resources Limited (the "Company"):
 - (a) the accompanying financial statements and notes comply with the Corporations Act 2001 including:
 - (i) giving a true and fair view of the Company's financial position at 30 June 2024 and of its performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
 - (c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been 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 ended 30 June 2024.

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



Roderick Paul Corps
Chairman
Brisbane QLD

26 September 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Far Northern Resources Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

I have audited the financial report of Far Northern Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

I 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 (including Independence Standards) ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

I draw attention to Note 1(r) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. My opinion is not modified in respect of this matter.

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 my opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern Opinion section, I have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Carrying value of Exploration and Evaluation expenditure Refer to Note 11	
The Group has capitalised exploration and evaluation expenditure of \$ 2,077,093 as at 30 June 2024. Our audit procedures determined that the carrying value of exploration and evaluation expenditure was a key audit matter as it was an area which required the most communication with those charged with governance and was determined to be of key importance to the users of the financial statements.	Our procedures included but were not limited to the following: <ul style="list-style-type: none">- We obtained an understanding of the key processes associated with management's review of the carrying value of exploration and evaluation expenditure;- We obtained evidence that the Group has current rights to tenure of its areas of interest;- We substantiated a sample of additions to exploration expenditure during the year;- We considered the potential existence of indicators of impairment;- We enquired with management and reviewed ASX announcements and minutes of Directors' meetings to ensure that the Group had not decided to discontinue exploration and evaluation at its areas of interest; and- We examined the disclosures made in the financial report.

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 2024 but does not include the financial report and our auditor's report thereon.

My 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 my 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, I conclude that there is a material misstatement of this other information, we are required to report that fact. I have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of:

- (a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and
- (b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- (a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- (b) the consolidated entity disclosure statement that is true and correct and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- For personal use only
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

I have audited the Remuneration Report included within the Directors' Report for the year ended 30 June 2024.

In my opinion, the Remuneration Report of Far Northern Resources Limited for the year ended 30 June 2024 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.



Alex Koutzoumis
Holden & Bolster Avenir Pty Ltd
Sydney NSW
26 September 2024

ASX ADDITIONAL INFORMATION as at 20 September 2024

Additional information as required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

Ordinary Shares

The Company had 71,461,135 fully paid ordinary shares held by 379 shareholders, of these shares, 31,195,309 ordinary shares are escrowed for 24 months from the date of listing, 4,000,000 ordinary shares are escrowed until 2 April 2025 and 500,000 shares are voluntarily escrowed until 10 October 2024.

Distribution of Shareholders

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	6	1,551	0.00%
above 1,000 up to and including 5,000	31	109,168	0.15%
above 5,000 up to and including 10,000	193	1,886,617	2.64%
above 10,000 up to and including 100,000	98	3,700,666	5.18%
above 100,000	51	65,763,133	92.03%
Totals	379	71,461,135	100.00%

Substantial Shareholders

Holder Name	Holding Balance	% IC
HALIFAX CAPITAL PTY LIMITED	18,589,664	26.01%
KIRSTEN SARAH WOODROW <MERRILYN FAMILY A/C>	10,990,000	15.38%
NORTH BROS INVESTMENTS PTY LTD <NORTH GOLD INVEST UNIT A/C>	6,039,675	8.45%
DOOWMAH HOLDINGS PTY LTD	4,000,000	5.60%

Top 20 Shareholders

Position	Holder Name	Holding	% IC
1	HALIFAX CAPITAL PTY LIMITED	18,589,664	26.01%
2	KIRSTEN SARAH WOODROW <MERRILYN FAMILY A/C>	10,990,000	15.38%
3	NORTH BROS INVESTMENTS PTY LTD <NORTH GOLD INVEST UNIT A/C>	6,039,675	8.45%
4	DOOWMAH HOLDINGS PTY LTD	4,000,000	5.60%
5	MR MARK BISHOP	2,750,000	3.85%
6	SWANBANK IND PARK PTY LTD <SWANBANK IND PARK A/C>	2,500,000	3.50%
7	DR MICHAEL PETER FANSHAW & MRS DIANE KIM FANSHAW <MP FANSHAW MEDICALS SUPER A/C>	1,508,063	2.11%
8	NORTH 1 PTY LTD <NORTH FAMILY A/C>	1,460,000	2.04%
9	KING GEORGE INVESTMENTS PTY LTD	1,250,000	1.75%

10	MR RODNEY PATRICK FITZGERALD	1,100,059	1.54%
11	MUHLHAN INVESTMENTS PTY LTD	1,008,064	1.41%
12	MEREDALE PTY LTD <ROSELINC FAMILY>	1,000,000	1.40%
13	KUSTREBA FAMILY INVESTMENTS PTY LTD <KUSTREBA FAMILY A/C>	1,000,000	1.40%
14	TOLTOFF PTY LTD <WATSON SUPER FUND A/C>	1,000,000	1.40%
15	MB INVESTMENT CAPITAL PTY LTD	1,000,000	1.40%
16	MEREDALE PTY LTD <THE ROSELINC FAMILY A/C>	1,000,000	1.40%
17	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	875,000	1.22%
18	KUSTREBA FAMILY INVESTMENTS PTY LTD <KUSTREBA FAMILY SUPER FUND>	500,000	0.70%
19	MR STEVEN ROBERT BUDD	500,000	0.70%
20	GOODY INVESTMENTS PTY LTD <GOODY FAMILY A/C>	500,000	0.70%
	Top 20 Total	58,570,525	81.96%
	Total Issued Capital	71,461,135	100.00%

Share Buy-Backs

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

Class of Shares and Voting Rights

The voting rights attached to ordinary shares, as set out in the Company's Constitution, are that every member in person or by proxy, attorney or representative, shall have one vote when a poll is called, otherwise each member present at a meeting has one vote on a show of hands. No voting rights are attached to any other class of equity security.

Options

Listed Options

There were no listed options

Unlisted options

Details of all unlisted options are below:

Options	Total
FNROPT01 - UNL OPTIONS @ \$0.25 EXP 12/04/2026	1,050,000
FNREOPTA - UNL OPTIONS @ \$0.25 EXP 12/04/2026 E24M	700,000
FNREOPTB - UNL OPTIONS @ \$0.30 EXP 30/06/2026 E24M	3,000,000
FNREOPTC - UNL OPTIONS @ \$0.25 EXP 30/06/2026 E24M>	4,000,000
FNREOPTD - UNL OPTIONS @ \$0.30 EXP 12/04/2027 E24M	500,000

Statement on Use of Funds

The Company has used its cash as at the time of admission in a way consistent with its business objectives

Tenement Information

Current interest in tenements held by Far Northern Resources and its subsidiary companies as at 30 June 2024 are tabled below.

State	Project	Tenement ID	Status	Area (ha)	Grant Date	Interest	Holder
QLD	Empire One	ML 20380	Granted	252	10/03/2004	100%	Premier Mining Pty Ltd
QLD	Rocks Reef	EPM 26473	Granted	2620	02/11/2017	100%	Chillagoe Resources Pty Ltd
NT	Bridge Creek	MLN 766	Granted	8.09	02/12/1974	100%	Bridge Creek Mining Pty Ltd
NT	Bridge Creek	MLN 1060	Granted	324.5	22/10/1993	100%	Bridge Creek Mining Pty Ltd
NT	Bridge Creek	MLN 30807	Granted	272	10/07/2015	100%	Bridge Creek Mining Pty Ltd

Abbreviations:

EPM – Queensland Exploration Permit for Minerals

ML – Queensland Mining Lease

MLN – Northern Territory Mining Lease

Mineral Resources and Ore Reserves

In accordance with ASX Listing Rule 5.21, the Company reviews and reports its Mineral Resources and Ore Reserves at least annually.

The company undertakes an annual review of its Mineral Resources, and any Ore Reserves as required by the JORC Code 2012 Edition and the ASX Listing Rules. The date of reporting is 20 June each year, to coincide with the Company's end of financial year balance date. If there are any material changes to its Mineral Resources or Ore Reserves over the course of the year, the Company promptly reports these changes.

As at 30 June 2024, there were no changes to the Company's reported Mineral Resources or Ore Reserves since their initial release (The information in relation to Empire Stockworks & Bridge Creek Resources was announced to the Australian Securities Exchange (ASX) on 10th April 2024 "Prospectus").

Mineral Resource Governance and Controls

The Company has ensured that the Mineral Resources and Ore Reserves quoted are subject to good governance arrangements and internal controls. The Mineral Resources and Ore Reserves reported have been generated by internal and external Company geologists, who are experienced in best practice modelling and estimation methods.

The relevant Competent Persons have reviewed all data used in the estimate of the Mineral Resources and Ore Reserves and consider the data to have been collected using appropriate industry standard practices and which, to the most practical degree possible, are representative, unbiased, and collected

with appropriate QA/QC practices in place. All Ore Reserves estimates are prepared by Competent Persons using data that they have reviewed and applied appropriate modifying factors.

In addition, the Company's management carry out regular reviews and audits of internal processes and external contractors that have been engaged by the Company.

Far Northern Resources Mineral Resources as at 30 June 2024

Project	Cut-off (g/t)	Indicated			Inferred			Total		
		Tonnes (Mt)	Grade (g/t)	Ounces (koz)	Tonnes (Mt)	Grade (g/t)	Ounces (koz)	Tonnes (Mt)	Grade (g/t)	Ounces (koz)
Empire Stockworks – QLD	0.2	0.54	0.97	16.89	0.28	0.63	5.62	0.82	0.85	22.50
Bridge Creek - NT	0.5				1.97	1.12	70.56	1.97	1.12	70.56
Total		0.54	0.97	16.89	2.25	1.06	76.18	2.79	1.04	93.06

Competent Persons Statement

Mineral Resource and Ore Reserves Statement

The information in this report relating to Mineral Resources for Empire Stockworks and Bridge Creek is based on information compiled by the Competent Persons as defined in the JORC Code. The Competent person has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity they were undertaking to qualify as a Competent Person as defined by the JORC Code. Previously announced information is cross referenced to the original announcements. Mr C Speedy MAIG RPGeo (#10251) is an employee of Angora Resources Pty Ltd and a consultant to Far Northern Resources and consents to the inclusion in this report of this information in the form and context in which it appears.

JORC and previous disclosure

The information contained in this report that relates to exploration results is based on information previously disclosed in the following Company ASX Announcements:

1. Far Northern Resources. ASX (FNR): ASX Announcement 10 April 2024: Prospectus
2. Far Northern Resources. ASX (FNR): ASX Announcement 15 April 2024: Exciting High Grade Gold & Base Metals at Empire Project
3. Far Northern Resources. ASX (FNR): ASX Announcement 12 June 2024: Empire IP Results
4. Far Northern Resources. ASX (FNR): ASX Announcement 15 July 2024: Drilling has commenced at IRGS Project on ML20380
5. Far Northern Resources. ASX (FNR): ASX Announcement 13 August 2024: North Queensland Exploration Update
6. Far Northern Resources. ASX (FNR): ASX Announcement 13 September 2024: Amendment to Empire Project Announcement – The Empire Projects/Chillagoe North Queensland

All of these ASX Announcements are available on the Company's website www.farnorthernresources.com) and the ASX website (www.asx.com.au) under the Company's ticker code "FNR".

The Company confirms that it is not aware of any new information as at the date of this release that materially affects the information included in this release and that all material assumptions and technical parameters underpinning the estimates and results continue to apply and have not materially changed.