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ACN: 629 672 144

Annual Report
For the Year Ended 30 June 2024



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Corporate Directory

Directors

Hon Adam Giles | *Non-Executive Chairman (Resigned 27 October 2023)*
Mr Nathan Lude | *Non-Executive Chairman (Appointed 9 October 2023)*
Mr Stephen Woodham | *Managing Director*
Mr Stephen Brockhurst | *Non-Executive Director*

Company Secretary Mr Alan Armstrong

Registered and Principal Office

Level 8, 216 St Georges Terrace
Perth Western Australia 6000

Telephone: +61 (8) 9481 0389
Facsimile: +61 (8) 9463 6103

Auditors

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco Western Australia 6008

Bankers

National Australia Bank Limited
Ground Floor, 100 St Georges Terrace
Perth Western Australia 6000

Share Register

Computershare Investor Services Pty Limited
Level 17, 231 St Georges Terrace
Perth Western Australia 6000

Stock Exchange Listing

Australian Securities Exchange ('ASX')
ASX code: LKY

ACN 629 672 144

Website www.locksleyresources.com.au



Directors' Report (continued)

Directors' Report

The Directors present their report together with the consolidated financial statements of Locksley Resources Limited (referred to hereafter as 'Locksley' or the 'Company') and its subsidiaries ("the Consolidated Entity") for the financial year ended 30 June 2024.

Directors

The following persons were directors of Locksley during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Hon Adam Giles | Non-Executive Chairman | Appointed 29 October 2018 | Resigned 27 October 2023
- Mr Nathan Lude | Non-Executive Chairman | Appointed 9 October 2023
- Mr Stephen Woodham | Managing Director | Appointed 29 October 2018
- Mr Stephen Brockhurst | Non-Executive Director | Appointed 29 October 2018

Principal Activity

The principal activity of the Company during the financial year was the evaluation of resource projects.

Operating Results

The operating result of the Company for the financial year was a loss of \$2,133,853 (2023: \$1,500,283). The net assets of the Company for the financial year ended 30 June 2024 amount to \$8,456,020 (2023: net assets \$6,848,908).

Risk Management

The Company aims to identify material risks and manage these effectively. The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, unpredictable and the extent to which the Board can effectively manage them is limited.

The following section is a non-exhaustive list of risks faced by the Company and investors, are not in order of importance or significance and actual events may differ from those described.

Exploration and development

The future value of the Company will depend on its ability to find and develop resources that are economically recoverable. Mineral exploration and development is a speculative undertaking that may be impeded by circumstances and factors beyond the control of the Company. Success in this process involves, among other things; discovery and proving-up an economically recoverable resource or reserve, access to adequate capital throughout the project development phases, securing and maintaining title to mineral exploration projects, obtaining required development consents and approvals and accessing the necessary experienced operational staff, the financial management, skilled contractors, consultants and employees.

The Company is entirely dependent upon its projects, which are the sole potential source of future revenue, and any adverse development affecting these projects would have a material adverse effect on the Company, its business, prospects, results of operations and financial condition.



Directors' Report (continued)

Economic Conditions

Factors such as (but not limited to) political movements, stock market fluctuations, interest rates, inflation levels, commodity prices, foreign exchange rates, industrial disruption, taxation changes and legislative or regulatory changes, may all have an adverse impact on operating costs, the value of the Company's projects, the profit margins from any potential development and the Company's share price.

Reliance on key personnel

The Company's success is to a large extent dependent upon the retention of key personnel and the competencies of its directors, senior management, and personnel. The loss of one or more of the directors or senior management could have an adverse effect on the Company's. There is no assurance that engagement contracts for members of the senior management team personnel will not be terminated or will be renewed on their expiry. If such contracts were terminated, or if members of the senior management team were otherwise no longer able to continue in their role, the Company would need to replace them which may not be possible if suitable candidates are not available.

Future funding risk

Continued exploration and evaluation is dependent on the Company being able to secure future funding from equity markets. The successful development of a mining project will depend on the capacity to raise funds from equity and debt markets. The Company will need to undertake equity/debt raisings for continued exploration and evaluation. There can be no assurance that such funding will be available on satisfactory terms or at all at the relevant time. Any inability to obtain sufficient financing for the Company's activities and future projects may result in the delay or cancellation of certain activities or projects, which would likely adversely affect the potential growth of the Company.

Unforeseen expenditure risk

Exploration and evaluation expenditures and development expenditures may increase significantly above existing projected costs. Although the Company is not currently aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company and its proposed business plans.

Environmental, weather & climate change

The highest priority climate related risks include reduced water availability, extreme weather events, changes to legislation and regulation, reputational risk, and technological and market changes. Mining and exploration activities have inherent risks and liabilities associated with safety and damage to the environment, including the disposal of waste products occurring as a result of mineral exploration and production, giving rise to potentially substantial costs for environmental rehabilitation, damage control and losses. Delays in obtaining approvals of additional remediation costs could affect profitable development of resources.

Tenure and Access risk

While the Company does not anticipate there to be any issues with the grant or renewals of its tenements, there can be no assurance that the application (or future applications) will be granted. Mining and exploration licences are subject to periodic renewal. The renewal of the term of granted tenure is subject to the discretion of the relevant authorities. Renewal conditions may include



Directors' Report (continued)

increased expenditure or obligations on the Company or compulsory relinquishment of areas of the tenements. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

The Company's tenements may overlap third party interests or private property that may limit the Company's ability to conduct exploration and mining activities. Where the Project overlaps private land, exploration and mining activity on the Project may require authorisation or consent from owners of the land. Restrictions or inability to access the Company's tenements adversely affect the operations, financial position and/or performance of the Company.

Review of Operations

Highlights for the Year Ending 30 June 2024

- Change of Directors – the appointment of Mr Nathan Lude in the role of Non-Executive Chairman effective from the 9 October 2023.
- Successful acquisition of the Highly Prospective REE Mojave Project in California, USA; 12.1% (122,338 ppm) TREO High-Grade Rock chips from the El Campo Prospect
- Drilling at Tottenham returned up to 5.03% Copper and 0.53g/t Gold

The Board of Locksley Resources Limited (ASX:LKY) ("Locksley" or the "Company") is pleased to provide the following operational activities report up to 30 June 2024.

MOJAVE PROJECT

Highlights for the Mojave Project.

El Campo Prospect

- Drilling approvals were received, to target the El Campo 'lode';
- The surface sampling program returned very high-grade assays;
 - 12.1% (121,388 ppm) Total Rare-Earth Oxide (TREO's) and 3.19% (31,940 ppm) NdPr;
- The mapping and sampling program also identified a 860m long interpreted prospective horizon associated with high-grade outcropping samples between 1.03% and 12.1% TREO.

North Block

- Multiple REE targets were identified within the North Block of the Mojave Project post the field program in February 2024;
- Six (6) catchment areas were identified as prospective for ongoing REE exploration;
- Catchments area interpreted to be feeding topographic low stream sediments with elevated REE.

North-East Block

- Locksley staked an additional 5.7km² of mineral claims to the northeast of the North Block.



Directors' Report (continued)

The Mojave Project

Locksley was pleased to report during the 2024 financial year that it has successfully completed the acquisition of the highly prospective rare-earth elements (REE) exploration project located adjacent to the largest REE mine in the USA. The Company successfully acquired 100% of the issued capital of Enigma Strategic Minerals Pty Ltd ("ESM") which, through its wholly owned subsidiaries, owned 201 mineral claims making up the North Block and South Block of the Mojave Project located in the Mojave Desert, California, USA, along with an additional five (5) mineral claims making up the El Campo Prospect area.

In addition, and based on the structural interpretation, Locksley also pegged an additional 5.7km² of claims to the north-east, closing off a possible north-west prospective area not previously held, bringing the total land tenure for the Mojave Project to 24.4km². (see Figure 1).

The Mojave Project consists of three areas: The North Block comprising of 164 claims totalling 14.9km², North-East Block comprising of 71 claims totalling 5.7km², South Block comprising of 37 claims totalling 3.5km², and the El Campo Prospect comprising of 5 claims totalling 0.34km².

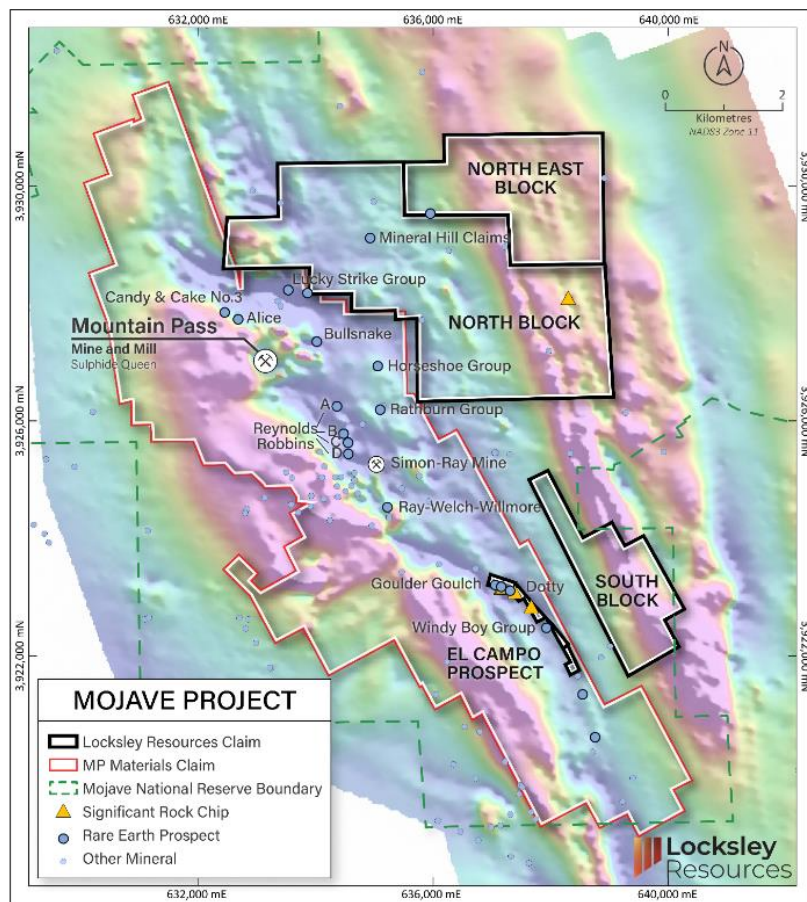


Figure 1. MOJAVE PROJECT – Location of the Mojave Project Prospects relative to MP Materials Mountain Pass Mine and Claims. Background = Regional RTP magnetics



Directors' Report (continued)

El Campo Prospect

Mapping at El Campo defined a south-west dipping cataclastic gneiss prospective for REE mineralisation, the prospective horizon dips at between 45-55 degrees to the south-west and has a footwall of layered granitic gneiss to the east. The prospective horizon appeared to be cut off by a granite to the north-west, the footwall of the interpreted prospective horizon extends for 860m along strike within the El Campo claims.



Figure 2. El Campo 'lode' running 12.1% TREO – Dipping 75° to the south-west

The mapping identified an interpreted prospective horizon that extends for 860m. The highest-grade samples collected within the El Campo claims were associated with a line of historic workings developed on the mapped gossan reported on the 6th September, seven (7) samples over 46m strike returned over 1% TREO, five (5) of those over 3% TREO (including 12.1% TREO) were collected along the line of workings.



Directors' Report (continued)

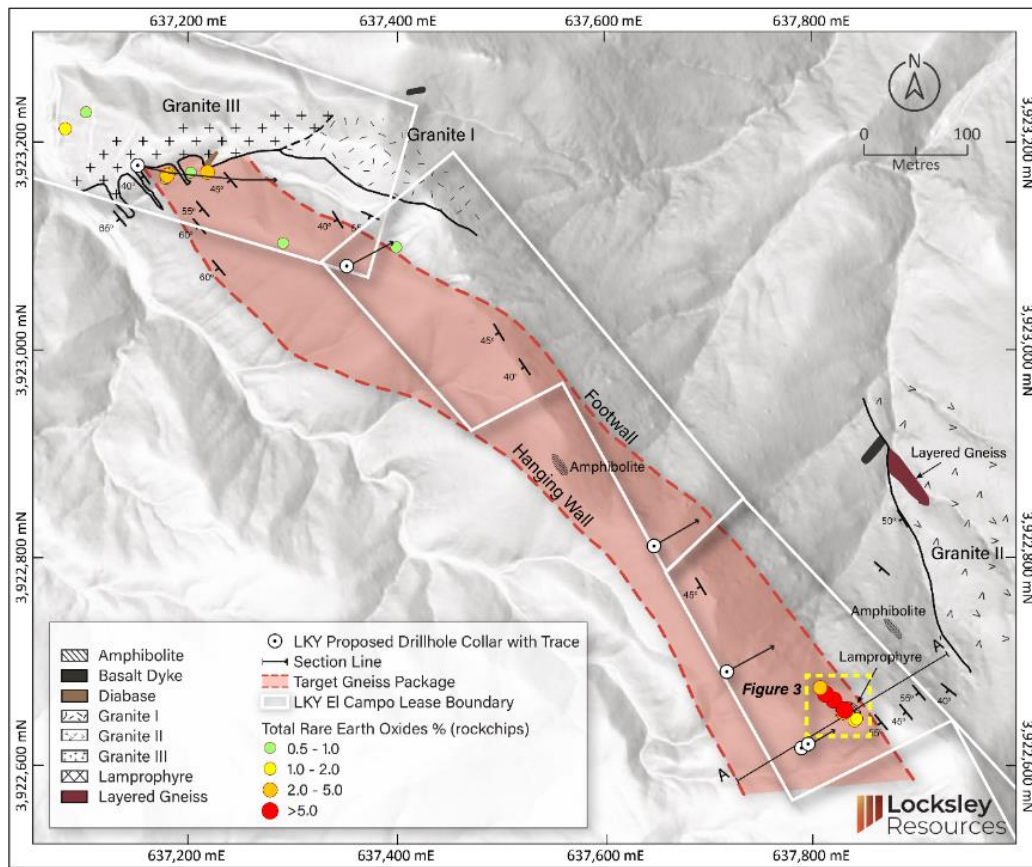


Figure 3. Plan view mapped prospective horizon and rock chip samples. Yellow square = El Campo 'lode' gossan (Figure 4)

The surface expression of the sampled gossan was seen as an oxide stain shedding down slope in detailed drone orthomosaic imagery (figure 4) but could not be traced further than 46m under a steep scree slope to the north-west so remains open under cover along strike. The El Campo 'lode' runs close to parallel to the footwall of the mapped prospective horizon mapped for 860m.

Drilling Approval Received

The United States Bureau of Land Management (BLM) has determined that Locksley's Notice of Intent (NOI) for exploration operations by drilling is complete and satisfies all requirements to ensure that unnecessary environmental degradation is prevented. The Company may proceed with the planned drilling program once the Company adopts the financial guarantee.

The approved drill plan for the El Campo Block includes 5 (five) drill sites spanning north-northwest with outcropping mineralisation that has returned up to 12.1% TREO in rock chip samples. Each of the five drill holes may be advanced to a drill depth of approximately 155m to test the vertical continuity and width of this mineralised feature. Figure 4 displays an example of one of the possible drill sites showing the distribution of rock chip assays along the strike of the outcropping feature, and a planned drill trace (A-A').



Directors' Report (continued)

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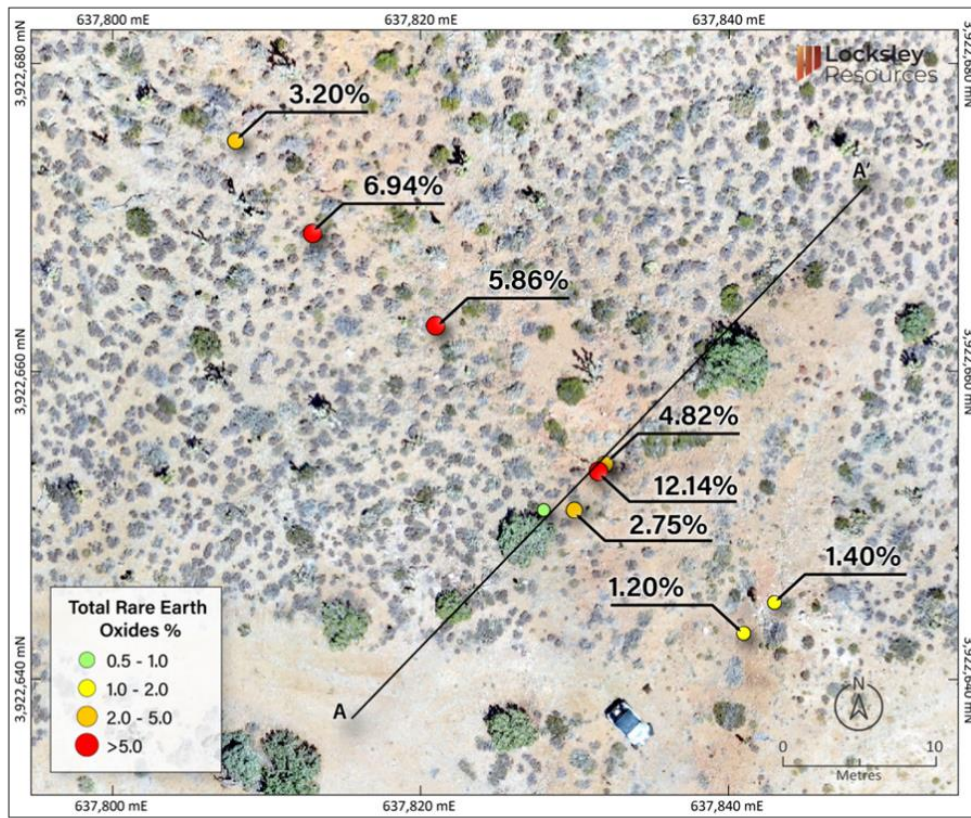


Figure 4. El Campo 'lode' gossan high-grade TREO rock-chip samples (on drone orthomosaic)

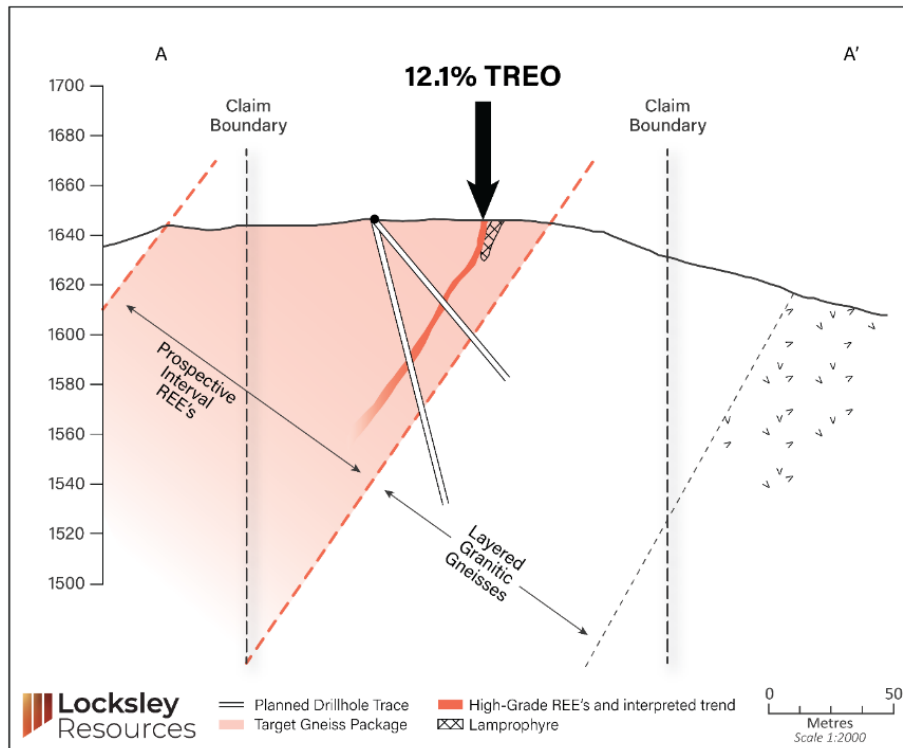


Figure 5. Interpreted cross-section El Campo 'lode' and planned priority drillholes



Directors' Report (continued)

North Block Stream Sediment and Rock Chip Sampling Program

As reported on 23 April 2024, Locksley previously collected over 245 stream sediment samples across the North Claim Block. The results returned highly anomalous values up to 1.44% (14,400 ppm) TREO. Due to the high assay values returned for the sample material type, the Company completed follow-up sampling to test sampling procedures, and to further investigate the distribution of REEs in various sediment grain sizes.

Based on the interpretations from the said stream sediment sampling, further work commenced on detailed mapping and rock chip sampling using publicly available airborne geophysics data and interpreted structural trends to focus the continued effort. During the February 2024 field exercise, additional rock chip samples were collected across the North Claim Block at a reconnaissance level. Results from this sampling effort returned anomalous samples up to 0.36% TREO including six greater than 0.1% TREO in the north-east corner of the claim blocks.

As reported Locksley intends to refocus any future surface sampling efforts on rock chip sampling and along with evaluating strategies for more detailed mapping and rock chip sampling across this rugged terrain.

Additional North-East Claims

The stratigraphy around the Mountain Pass Mine is striking north-west, which is evident in the aerial photography. Interpretation of the radiometric and magnetic imagery identified features interpreted to be displacements of this north-west oriented stratigraphy. These north-west oriented stratigraphic features show a complex array of displacements perpendicular to the strike which may represent cross cutting structures that create the pathway for REE rich intrusions and mineralisation.

Based on the results of the geological field work completed to date and structural interpretation, Locksley pegged an additional 5.7km² of claims to the north-east, closing off a possible north-west prospective area not previously held.

This brings the total land tenure for the Mojave Project to 24.4km² held within three distinctive contiguous claim blocks.



Directors' Report (continued)

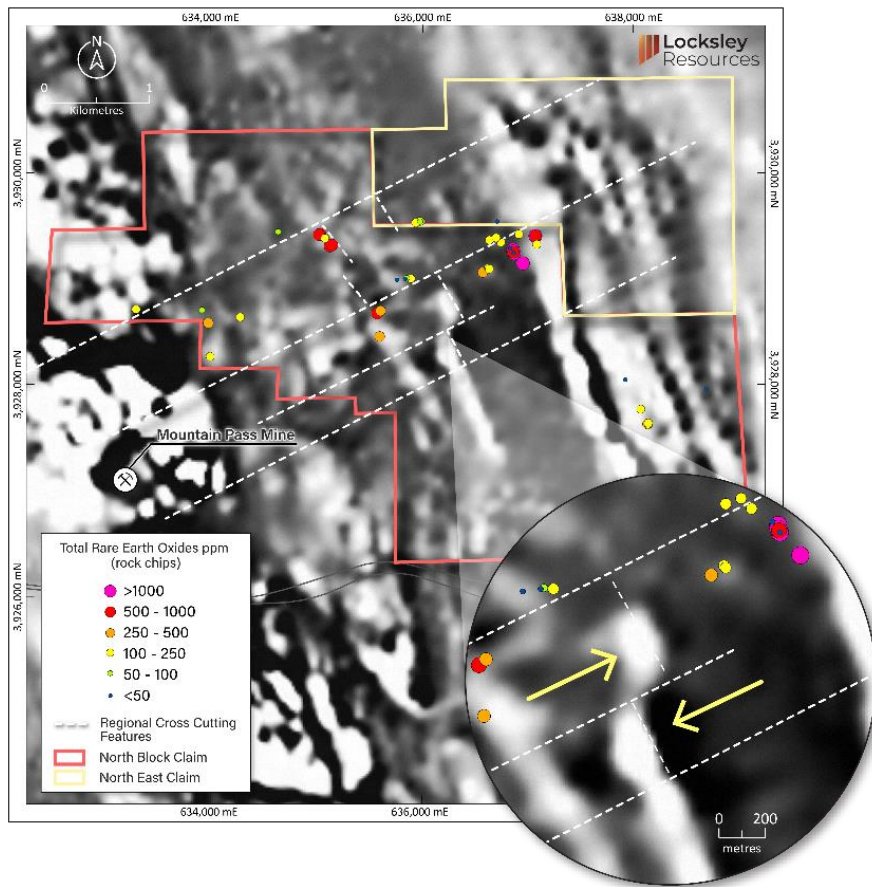


Figure 6. February 2024 rock chip samples across the North Claim Block, overlain on the regional magnetics data.

TOTTENHAM PROJECT

Highlights for the Tottenham Project.

Reverse Circulation (RC) Drilling Program

- Results received for 18 RC drillholes totalling 3,267m
- Drilling was designed to add to known resources and extend into new areas
- Global Inferred JORC Mineral Resource stands at 9.86Mt @ 0.72% Cu, 0.22g/t Au prior to current drilling program
- Mount Royal – Orange Plains infill drilling
 - 8m @ 1.57% Cu and 0.16g/t Au from 65m (TORC030)
 - Including 2m @ 5.03% Cu and 0.53g/t Au from 67m;

As reported on 21 August 2023 Locksley was pleased to announce the assay results received from the drilling program conducted at the Tottenham Copper-Gold Project. The drilling predominantly focused on testing targets for additional resources to complement the existing Inferred JORC Mineral Resource Estimate (MRE) of 9.86 Mt @ 0.72% Cu and 0.22g/t Au at the Mount Royal - Orange Plains Deposit.



Directors' Report (continued)

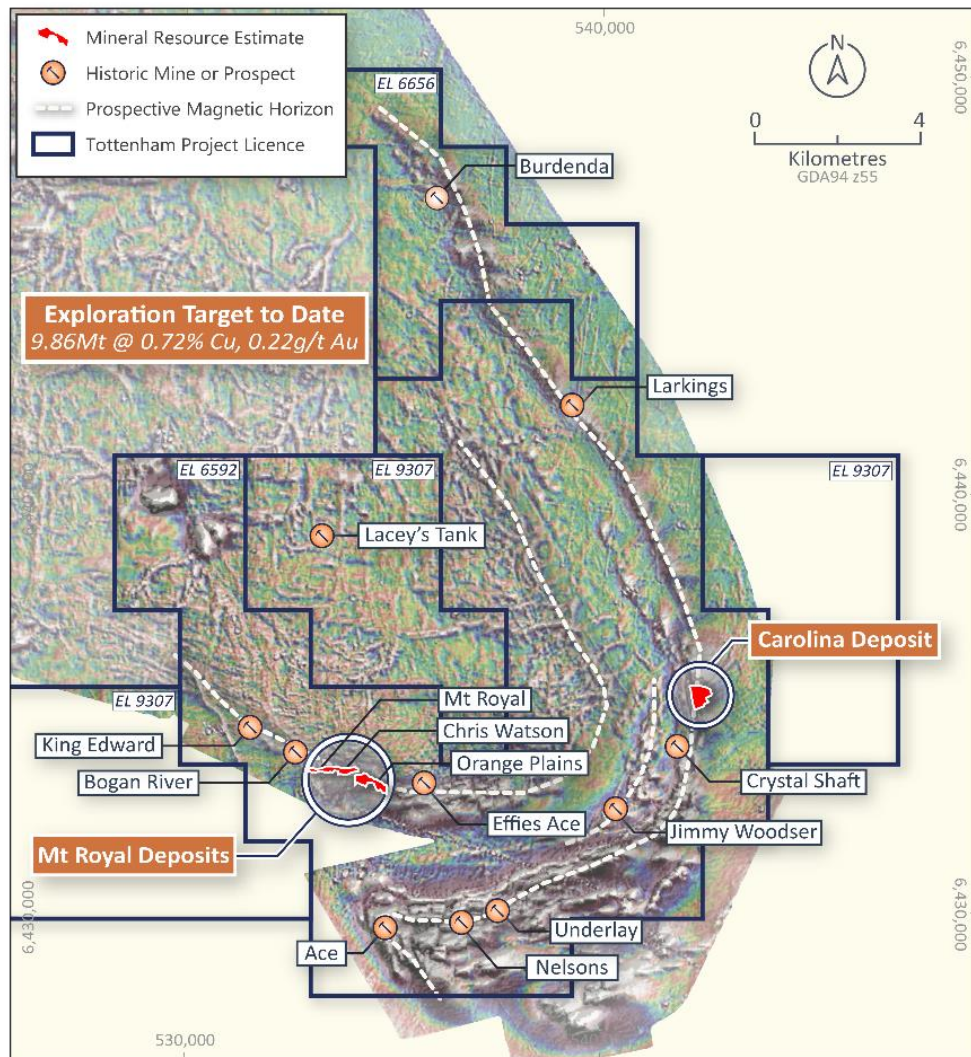


Figure 7. Tottenham Project overview on Airborne Magnetics RTP Image

Mount Royal – Orange Plains

Infill Drilling

Hole TORC030 was drilled within the Mount Royal – Orange Plains MRE and returned 8m @ 1.57% Cu and 0.16g/t Au with a higher-grade core of 2m @ 5.03% Cu and 0.53g/t Au.

TORC030 is interpreted to represent the portion of the deposit that displays high-grade 'lodes' or 'ribbons' within the broader global resource, with more drilling these 'ribbons' are open down plunge and have the potential to significantly increase the grade and tonnage of the overall resource.

Additional infill drilling within the Mount Royal – Orange Plains MRE included TORC031 which returned 10m @ 0.42% Cu and 0.35g/t Au, including 1m @ 1.19% Cu and 0.31g/t Au.



Directors' Report (continued)

Several holes (TORC036-039) were drilled to test interpreted west plunging sulphide ribbons, down plunge of the Orange Plains portion of the resource. Three of the four holes intersected significant copper, gold mineralisation:

- TORC036 – 2m @ 1.45% Cu and 1.15g/t Au from 158m
- TORC037 – 11m @ 0.56% Cu and 0.16g/t Au from 162m
 - Including 1m @ 1.43% Cu and 0.39g/t Au from 162m; and
 - Including 1m @ 1.70% Cu and 0.43g/t Au from 172m
- TORC038 – 2m @ 1.10% Cu and 0.20g/t Au from 152m; and
 - 1m @ 2.77% Cu and 0.95g/t Au from 176m

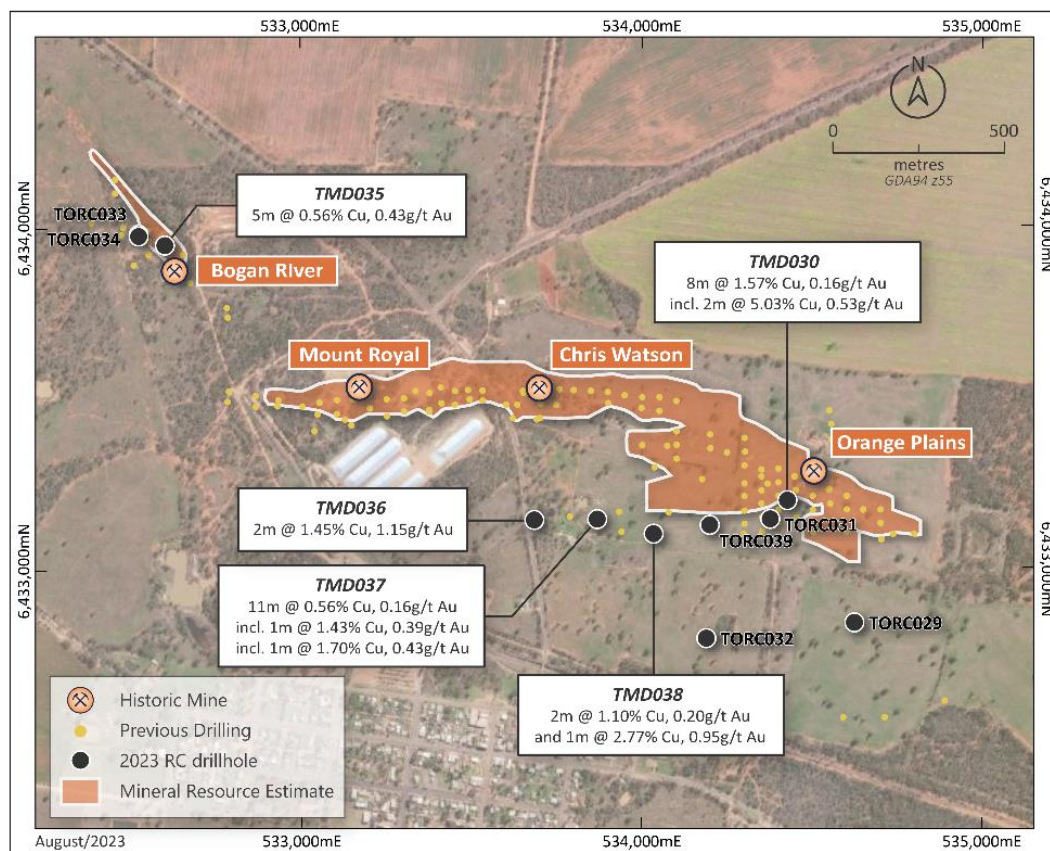


Figure 8. Plan view showing drilling locations relative to MRE domain outlines

Bogan River

The Bogan River prospect is approximately 600m north-west of Mount Royal – Orange Plains. Three (3) holes were drilled following up a previous drill intercept of 16m @ 6.94% Cu from 3m (TPRC043) 1 associated with historic underground workings.

All three holes were abandoned due to intercepting cavities located within historic mine workings, one hole (TORC035) returned 5m @ 0.89% Cu and 0.43g/t Au from 30m immediately prior to intersecting underground workings. The Bogan River prospect therefore remains open.



Directors' Report (continued)

Jimmy Woodser

The Jimmy Woodser Prospect lies approximately 5.5km east-south-east of Mount Royal – Orange Plains and 3.3km south-west of Carolina Deposits.

Four (4) holes were drilled to follow-up the previous drill intercept of 24m @ 0.73% Cu from 32m (TPRC057)1 spatially related to modelled EM conductors. Two (2) of the holes intercepted mineralisation JWRC002 returned 9m @ 0.29% Cu and 0.08g/t Au from 29m.

Mineralisation remains open at Jimmy Woodser and requires additional drilling to test down plunge of the known copper, gold mineralisation.

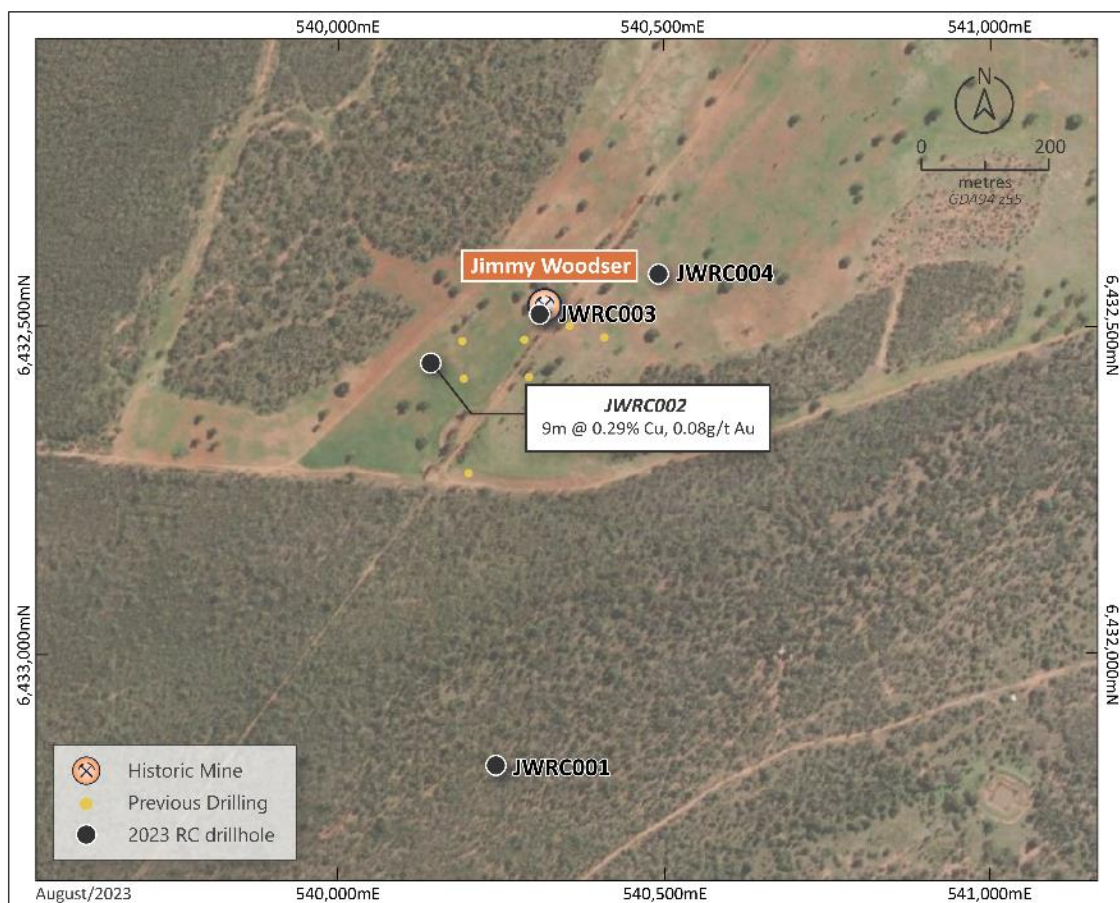


Figure 9. Jimmy Woodser Prospect – Plan view showing drilling locations

Electromagnetic (EM) Anomalies

Additional targets were identified in the latest geophysical HeliTEM² survey conducted over parts of EL6592, EL8384 and EL9307 during June 2022. The 1066.2-line km survey identified new additional anomalies located at Lacey's Tank, Jimmy Woodser Mine and Effies Ace Mine. Some of the identified electro-magnetic (EM) anomalies are located to the east of the Mount Royal-Orange Plains deposit with the potential to significantly increase the strike of the copper-gold trend.



Directors' Report (continued)

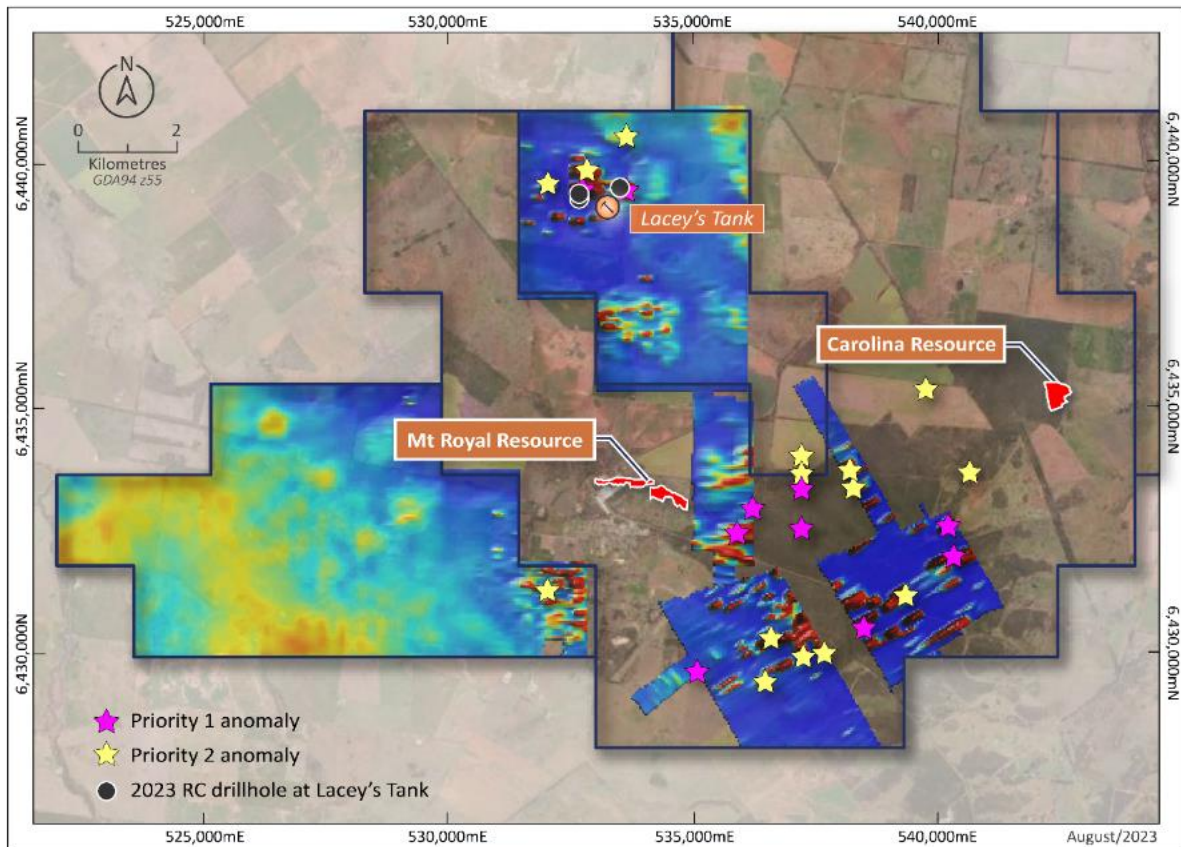


Figure 10. Tottenham Project – Historic drillholes and ranked HeliTEM² anomalies in the Tottenham area with current resources shown in orange

The HeliTEM² results indicate that a large portion of the central and southern areas of EL6592 contain multiple prospective EM conductors. Three (3) holes were drilled at Lacey's Tank (LTRC001-003) following up EM anomalies with surface indications of copper-gold mineralisation, the holes did not return any significant copper-gold anomalism, most of the generated EM anomalies from the 2022 survey remain untested.

Compliance Statements Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. No representation is made that, in relation to the tenements the subject of this presentation, the Company has now or will at any time the future develop resources or reserves within the meaning of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves.



Directors' Report (continued)

Competent Persons

The information in this document that relates to exploration targets, exploration results, mineral resources or ore reserves is based on information compiled by David Ward BSc, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM), (Member 238604). David Ward is a shareholder of Locksley Resources Ltd. David Ward has over 25 years of experience in metallic minerals mining, exploration and development and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaking to qualify as a 'Competent Person' as defined under the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Ward consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Significant Changes in State of Affairs

Corporate

On 21 August 2023, the Company issued 49,166,669 ordinary shares at an issue price of \$0.06 per share as part of the Placement announced to ASX on 15 June 2024.

On 28 August 2023, the Company announced that it had completed the acquisition of the Mojave REE Project through the acquisition of 100% of the issued capital of ESM. In consideration for the acquisition the Company issued 10,000,000 ordinary shares, 5,000,000 unlisted options exercisable at \$0.10 on or before 30 March 2026 and 30,000,000 Performance Rights to the vendors of ESM. The Company also paid \$500,000 to the vendors of ESM in reimbursement of historical expenditure incurred on the Enigma Project.

On 29 August 2023, the Company issued 1,200,000 unlisted options exercisable at \$0.10 and expiring on 30 March 2026 to employees pursuant to the Company's employee incentive scheme.

On 29 August 2023, the Company issued 3,500,000 unlisted options exercisable at \$0.10 and expiring on 30 March 2026 and 1,000,000 Class B Performance Rights to Directors which expire on 29 August 2026.

On 9 October 2023, The Company announced appointment of Mr Nathan Lude in the role of Non-Executive Chairman and advised Mr Adam Giles resign as a Director of the Company effective 27 October 2023.

On 27 October 2023, Mr Adam Giles resigned as a Director of the Company.

On 3 November 2023, the Company issued 11,500,000 unlisted Joint Lead Manager Options for brokerage services in conjunction with the Company's capital raising and 6,000,000 unlisted Facilitator Options for facilitation services rendered for the Company's Mojave Project acquisition. Both the options are exercisable at \$0.10 and expiring on 2 November, and issued upon the shareholders' approval at the General Meeting held on 10 August 2023.



Directors' Report (continued)

On 24 January 2024, the Company announced Mr Matt Hartmann in the role of President US Operations to oversee the Company's technical and commercial activities in the US.

On 31 March 2024, a total of 4,000,000 unlisted options exercisable at \$0.25 expired unexercised.

Other than those disclosed in this annual report, no significant changes in the state of affairs of the Company occurred during the financial year.

Events after Reporting Date

On 1 July 2024, a total of 5,000,000 unlisted options exercisable at \$0.25 expired unexercised.

No other matters or circumstances have arisen since the end of the financial year which 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 years.

Information on Directors

The names of directors who held office during the whole of the financial year and up to the date of this report are as follows. Directors were in office for this entire year unless otherwise stated.

- **Mr Nathan Lude**

Non-Executive Chairman (appointed 9 October 2023)

Mr Lude has broad experience working in Asset Management, Mining and the Energy Industry, and is well experienced in project identification and project development across multiple ASX listed companies. Nathan is the Founding Director of corporate advisory firm Advantage Management which specialises in business growth and project development of ASX listed companies or private companies aspiring to become listed. Previously Mr Lude worked for ATCO Gas Australia and has previously held Executive and Managing Director positions for various ASX listed companies. Mr Lude is currently the Executive Director for ASX listed, Hartshead Resources NL. Since 2007 Mr Lude has been involved in Asset and Fund Management and formerly operated a publicly unlisted business development fund. Mr Lude's business network spreads across Australia and Asia and has strong ties with Australian broking firms, institutions and also Asian Investors. Mr Lude has completed a Masters of Asset Management at Bond University, a Post Graduate Diploma in Asset Management and has a Bachelor of Business degree.

Directorships of other ASX listed companies in the last 3 years	Hartshead Resources NL (16 May 2016 – Present) GTI Energy Ltd (3 July 2018 – 4 June 2024)
Interest in securities	8,923,727 Ordinary Fully Paid Shares 630,040 Unlisted Options exercisable at \$0.10 on or before 30 March 2026 1,260,081 Class A Performance Rights 1,260,081 Class B Performance Rights 1,260,080 Class C Performance Rights



Directors' Report (continued)

- **Hon Adam Giles**

Non-Executive Chairman (resigned 27 October 2023)

Adam was the 10th Chief Minister of the Northern Territory and held office from 2013 until 2016. During his political career Adam held the portfolios of Northern Australia, Major Projects, Economic Development, Indigenous Affairs, Transport and Infrastructure and Treasury. Prior to politics, Adam had a long career in the Indigenous affairs, housing, training and employment sectors and previously worked as a social and economic policy adviser in the Department of Prime Minister and Cabinet and led Indigenous Economic Policy for the Australian Government. Adam now provides consultancy advice on agriculture and mining, politics, media, Indigenous policy and employment and training.

Directorships of other ASX listed companies in the last 3 years	Nil
Interest in securities	1,280,000 Ordinary Fully Paid Shares 500,000 Unlisted Options exercisable at \$0.10 on or before 30 March 2026

- **Mr Stephen Woodham**

Managing Director

Mr Woodham has over 16 years' experience in the mining and exploration industry in Western Australia and New South Wales. His area of specialisation includes field logistics and support and land access in rural and remote environments. He also has an extensive track record of tenement acquisition, mining investment and commercial and cross-cultural negotiation. Mr Woodham was a founding director of Centaurus Resources, Kingwest Resources and managing director of Tellus Resources.

Directorships of other ASX listed companies in the last 3 years	Coolabah Metals Ltd (28 July 2021 – Present)
Interest in securities	2,667,893 Ordinary Fully Paid Shares 2,000,000 Unlisted Options exercisable at \$0.10 on or before 30 March 2026 1,000,000 Class B Performance Rights



Directors' Report (continued)

- **Mr Stephen Brockhurst**
Non-Executive Director

Mr Brockhurst is the founding director of Mining Corporate Pty Ltd and has over 16 years' experience in the finance and corporate advisory industry and has been responsible for the preparation of the due diligence process and prospectuses on a number of initial public offers. His experience includes corporate and capital structuring, corporate advisory and company secretarial services, capital raising, ASX and ASIC compliance requirements.

Directorships of other ASX listed companies in the last 3 years	- Estrella Resources Ltd (3 April 2017 – 4 April 2022) - Firetail Resources Ltd (10 November 2021 – 5 April 2023) - Nelson Resources Ltd (1 February 2019 – 20 November 2022) - Kingfisher Mining Ltd (27 May 2024 – Present)
Interest in securities	2,325,001 Ordinary Fully Paid Shares 1,000,000 Unlisted Options exercisable at \$0.10 on or before 30 March 2026

Company Secretary

Mr Alan Armstrong is an experienced director and company secretary with a demonstrated history of working in the mining and metals industry. He has strong business development professional experience, holds a Grad Dip CA from The Institute of Chartered Accountants Australia and is a member of the Australian Institute of Company Directors.

Meetings of Directors

The number of Directors' meetings and the number of meetings attended by each of the Directors of the Company for the time the Director held office during the financial year are as follows:

Director	Number Eligible to Attend	Number Attended
Hon Adam Giles (resigned 27 October 2023)	1	1
Mr Stephen Woodham	3	3
Mr Stephen Brockhurst	3	3
Mr Nathan Lude (appointed 9 October 2023)	2	2

This report outlines the remuneration arrangements in place for the Directors of Locksley Resources Limited in accordance with the requirements of the Corporation Act 2001 and its Regulations. For the purpose of this report, Key Management Personnel ('KMP') of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.



Directors' Report (continued)

Remuneration Report (Audited)

Details of Key Management Personnel and their service agreements are as follows:

- Hon Adam Giles - Non-Executive Chairman (resigned 27 October 2023)
 - Base Chairman fee of \$60,000 plus superannuation per annum; and
 - Terms of agreement – no fixed term.
- Mr Nathan Lude - Non-Executive Chairman (appointed 9 October 2023)
 - Base Chairman fee of \$60,000 plus superannuation per annum; and
 - Terms of agreement – no fixed term.
- Mr Stephen Woodham - Managing Director
 - Base salary of \$195,000 plus superannuation per annum;
 - Motor vehicle allowance of \$30,000 per annum; and
 - Executive service employment agreement – no fixed term.
- Mr Stephen Brockhurst - Non-Executive Director
 - Base director's fee of \$48,000 plus superannuation per annum; and
 - Terms of agreement – no fixed term.

Remuneration Policy

The Board, in capacity as a Remuneration Committee, is responsible for determining and reviewing remuneration compensation arrangements for the Executive and Non-Executive Directors. The Remuneration Committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions and individual's experience and qualifications with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team. The Company does not directly link the nature and amount of the emoluments of such officers to the Company's financial or operational performance. The expected outcome of the remuneration policy is to attract and retain the best executives and directors to run and manage the Company, as well as create goal congruence between directors, executives and shareholders.

As part of its Corporate Governance Policies and Procedures, the Board has adopted a formal Remuneration Committee Charter. The rewards for Directors' have no set or pre-determined performance conditions or key performance indicators as part of their remuneration due to the current nature of the business operations. The Remuneration Committee determines appropriate levels of performance rewards as and when they consider rewards are warranted.

Directors' Fees

The Company's Constitution provides that the remuneration of Directors will not be more than the aggregate fixed sum per annum as may be determined by a general meeting. This amount of the aggregate fixed sum may only be increased with the approval of shareholders at a general meeting. Fees for Non-Executive Directors are not dependant on the satisfaction of performance conditions. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in the employee incentive plan.



Directors' Report (continued)

Remuneration Report (Audited) (continued)

Directors are entitled to be paid all travelling, accommodation and other expenses incurred in consequence of their attendance at meetings of Directors and otherwise in the execution of their duties as Directors. A Director may also be paid additional amounts as fees or as the Directors determine where a Director performs extra services or makes any special exertions, which in the option of the Directors are outside the scope of the ordinary duties of a Director.

The remuneration for each Key Management Personnel of the Company during the financial years ended 30 June 2024 and 30 June 2023 are as follows:

Key Management Personnel	Year	Short-Term Benefits	Post-Employment Benefits	Share based payments	Other Benefits	Total
		Cash Salary and Fees	Super-annuation	Unlisted options issued	Allowances	
Directors		\$	\$	\$	\$	\$
Hon Adam Giles (resigned 27 October 2023)	2024	12,000	1,320	13,163	-	26,483
	2023	48,000	5,055	-	-	53,055
Mr Nathan Lude (appointed 9 October 2023)	2024	45,000	-	-	-	45,000
	2023	-	-	-	-	-
Mr Stephen Woodham ¹	2024	120,000	13,250	52,651	30,000	215,901
	2023	141,250	14,881	-	27,500	183,631
Mr Stephen Brockhurst ²	2024	45,000	-	26,325	-	71,325
	2023	41,600	-	-	-	41,600
Management						
Ian Cooper (resigned 27 June 2023)	2024	-	-	-	-	-
	2023	179,156	17,883	-	-	197,039
Total	2024¹	222,000	14,570	92,139	30,000	358,709
	2023	410,006	37,819	-	27,500	475,325

Notes:

- 1) Mr Woodham is entitled to an allowance per his employment agreement for the use of a motor vehicle suitable for field work and other general use. During the 2024 financial year the Director temporarily reduced his salaries with which to conserve cash.
- 2) Excludes services provided by Mining Corporate Pty Ltd of which Mr Brockhurst is a Director.

Given the nature of the Company's present activity, no remuneration is performance related.



Directors' Report (continued)

Remuneration Report (Audited) (continued)

Number of Shares held by Key Management Personnel as at 30 June 2024

Key Management Personnel	1 July 2023	Net Change During the Year	30 June 2024
Directors			
Hon Adam Giles (resigned 27 October 2023)	1,280,000	-	1,280,000
Mr Nathan Lude (appointed 9 October 2023)	-	8,923,727	8,923,727
Mr Stephen Woodham	2,667,893	-	2,667,893
Mr Stephen Brockhurst	1,375,001	950,000	2,325,001
Total	5,322,894	9,873,727	15,196,621

Number of Options held by Key Management Personnel as at 30 June 2024

Key Management Personnel	1 July 2023	Net Change During the Year	30 June 2024
Directors			
Hon Adam Giles (resigned 27 October 2023)	1,000,000	(500,000)	500,000
Mr Nathan Lude (appointed 9 October 2023)	-	630,040	630,040
Mr Stephen Woodham	2,000,000	-	2,000,000
Mr Stephen Brockhurst	1,000,000	-	1,000,000
Total	4,000,000	130,040	4,130,040

During the year, Mr Stephen Woodham received 2,000,000 unlisted options, Mr Stephen Brockhurst received 1,000,000 unlisted options and Mr Giles received 500,000 unlisted options exercisable at \$0.10 and expiring on 30 March 2026 as non cash incentive remuneration upon shareholders approval. On 31 March 2024, the beginning balance of 4,000,000 Director's option holdings exercisable at \$0.25 expired unexercised. Of this total, 1,000,000 unlisted options were expired for Adam Giles, 2,000,000 unlisted options were expired for Stephen Woodham and 1,000,000 unlisted option expired for Stephen Brockhurst.



Directors' Report (continued)

Remuneration Report (Audited) (continued)

Number of Performance Rights held by Key Management Personnel as at 30 June 2024

Key Management Personnel	Net Change During		
	1 July 2023	the Year	30 June 2024
Directors			
Hon Adam Giles (resigned 27 October 2023)	-	-	-
Mr Nathan Lude (appointed 9 October 2023)	-	3,780,242	3,780,242
Mr Stephen Woodham	-	1,000,000	1,000,000
Mr Stephen Brockhurst	-	-	-
Total	-	4,780,242	4,780,242

Other Transactions with Key Management Personnel

During the year ended 30 June 2024, fees of \$148,782 (2023: \$142,935) were paid or due to be paid to Mining Corporate Pty Ltd, a company of which Mr Brockhurst is a Director of, for company secretarial, accounting and bookkeeping services.

During the 2024 financial year \$29,616 (2023: \$24,660) was paid to Locksley Holdings Pty Ltd, a company of which Mr Woodham is a Director of, for motor vehicle and trailer rentals, and travel and accommodation expenses.

During the year, following shareholder approval the Directors were issued 3,500,000 unquoted options exercisable at \$0.10 and expiring on 30 March 2026 as non cash incentive remuneration. Mr Stephen Woodham received 2,000,000 options, Mr Stephen Brockhurst received 1,000,000 options and Mr Giles received 500,000 options. Each option had a fair value of \$0.0263 per option (refer to Note 7). Mr Stephen Brockhurst also acquired 950,000 ordinary shares through market.

During the year Mr Stephen Woodham was also issued 1,000,000 Class B Performance Rights as a performance incentive. These Rights have the same vesting conditions as the ESM Performance Rights (refer to Note 7) and have been assessed to have a value of nil as at 30 June 2024.

During the year, Mr Nathan Lude received 1,260,081 consideration shares, 630,040 unlisted options exercisable at \$0.10 on or before 30 March 2026, and 3,780,242 Performance Rights as part of the Mojave Project (ESM) Acquisition. He also acquired 7,663,646 ordinary shares through the market.

There were no further transactions with KMPs including their related parties other than those disclosed above.

All transactions were made on normal commercial terms and conditions and at market rates.

End of Remuneration Report (Audited)



Directors' Report (continued)

Shares under Option

At the date of this report, Locksley Resources Limited has the following ordinary shares under option that have been issued to Directors:

	Expiry Date	Exercise Price	Number under Option
Unlisted Options	30 March 2026	\$0.10	4,130,040
Total			4,130,040

Dividends

No dividends have been paid, and the Directors do not recommend the payment of a dividend for the financial year ended 30 June 2024.

Environmental Regulation

The Directors are mindful of the regulatory regime in relation to the impact of the Company's activities on the environment. There have been no known breaches of any environmental regulation by the Company during the financial year.

Future Developments

Further information, other than as disclosed this report, about likely developments in the operations of the Company and the expected results of those operations in future periods, has not been included in this report as disclosure of this information would be likely to result in unreasonable prejudice to the Company.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors support, and adhere to, good corporate governance practices. Refer to the Company's Corporate Governance Statement at: <https://locksleyresources.com.au/corporate-governance>

Indemnification and Insurance of Officers

The Company has entered into deeds of indemnity with each Director whereby, to the extent permitted by the Corporations Act 2001, the Company agreed to indemnify each director against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

The Company paid insurance premiums in respect of Directors' and Officers' Liability Insurance contracts for current officers of the Company. The liabilities insured are damages and legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company. The total amount of insurance premiums paid has not been disclosed due to confidentiality reasons.

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.



Directors' Report (continued)

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company or any part of those proceedings.

Officers of Locksley who are Former Partners of Hall Chadwick WA Audit Pty Ltd

There are no officers of the Company who are former partners of Hall Chadwick WA Audit Pty Ltd.

Non-Audit Services

During this financial year, no fees were paid to Hall Chadwick WA Audit Pty Ltd for non-audit services.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Hall Chadwick WA Audit Pty Ltd to provide the Directors of the Company with an Independence Declaration in relation to the audit of this financial report. The Directors have received the Independence Declaration which has been included within this financial report.

Signed in accordance with a resolution of the Directors.

Nathan Lude
Non-Executive Chairman
Dated this 26th day of September 2024

To the Board of Directors

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

As lead audit director for the audit of the financial statements of Locksley Resources Limited for the financial year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully,


HALL CHADWICK WA AUDIT PTY LTD


D M BELL CA
Director

Dated at Perth this 26th day of September 2024



Consolidated Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2024

	Notes	2024 \$	2023 \$
Revenue		32,986	66,540
Expenses			
Exploration and evaluation expenses		(1,014,366)	(609,621)
Administration and other expenses		(460,189)	(635,730)
Depreciation and amortisation		(59,594)	(69,472)
Consulting fees		(158,861)	(83,325)
Directors' fees	15	(266,570)	(41,600)
Legal expenses		(24,175)	(43,242)
Travel expenses		(58,461)	(81,794)
Share based payments	14	(124,265)	-
Total expenses		(2,166,482)	(1,564,784)
Finance costs		(357)	(2,039)
Loss before income tax		(2,133,853)	(1,500,283)
Income tax expense	4	-	-
Net loss for the year		(2,133,853)	(1,500,283)
Other comprehensive income, net of income tax		-	-
Total comprehensive loss for the year		(2,133,853)	(1,500,283)
Basic and diluted loss per share (cents per share)	17	(1.54)	(2.49)

The accompanying notes form part of these financial statements.



Consolidated Statement of Financial Position As at 30 June 2024

	Notes	2024 \$	2023 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	2,302,591	2,272,641
Trade and other receivables	6	145,918	125,383
Prepayments	7	37,346	25,810
Total Current Assets		2,485,855	2,423,834
Non-Current Assets			
Exploration expenditure	8	6,003,573	4,574,500
Property, plant and equipment	9	140,819	155,842
Right-of-use asset	10	-	29,702
Total Non-Current Assets		6,144,392	4,760,044
Total Assets		8,630,247	7,183,878
LIABILITIES			
Current Liabilities			
Trade and other payables	11	172,422	303,466
Borrowings	12	1,805	1,805
Lease liabilities	10	-	29,699
Total Current Liabilities		174,227	334,970
Non-Current Liabilities			
Lease liabilities	10	-	-
Total Non-Current Liabilities		-	-
Total Liabilities		174,227	334,970
Net Assets		8,456,020	6,848,908
EQUITY			
Issued capital	13	14,036,154	11,064,438
Reserves	14	1,343,750	574,500
Accumulated losses		(6,923,884)	(4,790,030)
Total Equity		8,456,020	6,848,908

The accompanying notes form part of these financial statements.



Consolidated Statement of Cash Flows

For the Year Ended 30 June 2024

	Notes	2024 \$	2023 \$
Cash flows from operating activities			
Payments to suppliers and employees		(986,705)	(664,840)
Payments for exploration and evaluation expenditure		(1,052,738)	(813,272)
Other income		8,800	65,440
Interest received		-	-
Interest paid		(357)	(2,243)
Net cash used in operating activities	5	(2,031,000)	(1,414,905)
Cash flows from investing activities			
Payments for property, plant and equipment		(32,017)	-
Expenditure on exploration		(45,592)	-
Acquisition of subsidiary		(500,000)	-
Cash on acquisition of Subsidiary		2,585	-
Net cash used in investing activities		(575,024)	-
Cash flows from financing activities			
Proceeds from issue of ordinary shares		2,950,057	1,890,000
Payment for capital raising costs		(284,384)	(58,699)
Repayment of lease liabilities		(29,699)	(49,485)
Net cash from financing activities		2,635,974	1,781,816
Net increase in cash and cash equivalents		29,950	366,911
Cash and cash equivalents at the beginning of the year		2,272,641	1,905,730
Cash and cash equivalents at the end of the year	5	2,302,591	2,272,641

The accompanying notes form part of these financial statements.



Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2024

	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total \$
Balance at 1 July 2023	11,064,438	574,500	(4,790,030)	6,848,908
Loss for the year	-	-	(2,133,853)	(2,133,853)
Other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(2,133,853)	(2,133,853)
Transactions with equity holders in their capacity as owners				
Issue of ordinary shares	3,520,000	-	-	3,520,000
Issue of options	-	769,249	-	769,249
Capital raising costs	(548,285)	-	-	(548,285)
Total transactions with equity holders in their capacity as owners	2,971,715	769,249	-	3,740,964
Balance at 30 June 2024	14,036,154	1,343,749	(6,923,883)	8,456,020
Transactions with equity holders in their capacity as owners				
Issue of ordinary shares	1,890,000	-	-	1,890,000
Issue of options	-	-	-	-
Capital raising costs	(122,863)	-	-	(122,863)
Total transactions with equity holders in their capacity as owners	1,767,137	-	-	1,767,137
Balance at 30 June 2023	11,064,438	574,500	(4,790,030)	6,848,908

The accompanying notes form part of these financial statements.



Notes to the Financial Statements For the Year Ended 30 June 2024

Note 1. Corporate Information

This financial report of Locksley Resources Limited ('the Company') and its subsidiaries ("the Consolidated Entity") was authorised for issue in accordance with a resolution of the Directors on 26 September 2024.

Locksley Resources Limited is a publicly listed company, incorporated and domiciled in Australia.

Note 2. Summary of Material Accounting Policies

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets.

(b) Going Concern

The financial report has been prepared on the going concern basis which contemplates the continuity of normal business activity, the realisation of assets and the settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2024 the Consolidated Entity incurred a loss of \$2,772,840 (2023: \$847,117) including non-cash impairment expense of \$425,432 (2023: nil) and net cash outflows from operating and investing activities of \$5,864,937 (2023: \$2,242,211). As at balance date the Consolidated Entity had a working capital surplus of \$4,005,566 (2023: \$4,590,810) and minimum spend exploration commitments due within twelve months of \$1,706,381.

The directors have prepared a cash flow forecast, which indicates that the Consolidated Entity will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Consolidated Entity has the ability to defer discretionary expenditure in line with available funds.



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

(c) New and Amended Accounting Policies Adopted by the Company

During the year ended 30 June 2024, the Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(d) Segment Reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision makers to make decisions about resources to be allocated to the segments and assess their performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues.

Operating segments have been identified based on the information presented to the chief operating decision makers – being the Board of Directors.

Information about other business activities and operating segments that do not meet the quantitative criteria set out in AASB 8 "Operating Segments" are combined and disclosed in a separate category called "other".

(e) Trade and Other Receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days. The Company has applied the simplified approach to measuring expected credit losses.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(f) Plant and Equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation and Amortisation

The depreciable amount of all fixed assets including buildings is calculated using the straight line method, over their estimated useful lives to the economic entity commencing from the time the asset is held ready for use. The straight line depreciation and amortisation rates used for each class of assets are as follows:



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2024

(f) Plant and Equipment (continued)

- Computer equipment – 25%
- Computer software – 20%
- Office equipment – 10%
- Motor vehicle – 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss.

(g) Exploration and Evaluation Assets

Exploration and evaluation expenditure is expensed as incurred, with the exception of consideration for the acquisition of projects, which is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the capitalised costs for the relevant area of interest will be amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

(h) Trade and Other Payables

Liability for trade creditors and other amounts are carried at amortised cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed.

(i) Employee Benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

(j) Income Tax

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

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

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

Unrecognised deferred 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 tax assets and liabilities are measured at the tax rates that are expected to apply to the financial period 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.

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 tax authority.

(k) Earnings Per Share ('EPS')

Basic EPS is calculated by dividing the net profit/(loss) attributable to members of the Company for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.

Diluted EPS is calculated by dividing the basic EPS earnings/(loss), adjusted by the after tax effect of financing costs associated with dilutive potential ordinary shares and the effect on revenues and expenses of conversion to ordinary shares associated with dilutive potential ordinary shares, by the weighted average number of ordinary shares and dilutive ordinary shares adjusted for any bonus issue.



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

(l) New Accounting Standards for Application in Future Periods

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2024. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(m) Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company. In the opinion of the Directors, there are no critical accounting estimates or judgments in this financial report. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial period are discussed below.

Share-Based Payment Transactions

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to note 14 for further information.

(n) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent, Locksley Resources Limited and its subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Consolidated Entity from the date on which control is obtained by the Consolidated Entity. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Consolidated Entity.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Consolidated Entity are presented as “non-controlling interests”. The Consolidated Entity initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

(n) Principles of Consolidation (continued)

income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

Note 3. Segment Information

The Company has identified its operating segments based on the internal reports that are used by the Board (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Board as a whole will regularly review the identified segments in order to allocate resources to the segment and to assess its performance.

The Board considers that it has only operated in one segment, being mineral exploration.

Note 4. Income Tax Expense

Major components of income tax expense are:

	2024	2023
	\$	\$
Income tax expense reported in the statement of profit or loss and other comprehensive income	-	-

A reconciliation of income tax expense applicable to accounting loss before income tax at the statutory income tax rate to income tax expense at the Company's effective income tax rate is as follows:

Net loss before income tax	(2,133,853)	(1,500,283)
Corporate tax rate applicable	30.00%	30.00%
Income tax expense/(benefit) on above at applicable corporate rate	(640,156)	(450,085)
Increase in income tax due to tax effect of:		
- Share based payment expense	37,280	-
- Non-deductible expenses	237,442	601
- Current year tax losses not recognised	407,928	450,866
Decrease in income tax expense due to:		
- Movement in unrecognised temporary differences	-	(1,382)
- Deductible equity raising costs	(42,493)	-
Income tax expense attributable to entity	-	-



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

Note 4. Income Tax Expense (continued)

Availability of Tax Losses

The availability of the tax losses for future years is uncertain and will be dependent on the Company satisfying strict requirements with respect to continuity of ownership and the same business test imposed by income tax legislation.

The recoupment of available tax losses as at 30 June 2024 is contingent upon the following:

- the Company deriving future assessable income of a nature and of an amount sufficient to enable the benefit from the losses to be realised;
- the conditions for deductibility imposed by income tax legislation continuing to be complied with; and
- there being no changes in income tax legislation which would adversely affect the Company from realising the benefit from the losses.

Given the Company is currently in a loss making position, a deferred tax asset has not been recognised with regard to unused tax losses, as it has not been determined that the Company will generate sufficient taxable profit against which the unused tax losses can be utilised.

Note 5. Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash at bank and in hand	2,302,591	2,272,641

Cash at bank earns interest at floating rates based on daily at call bank deposit and savings rates.

Reconciliation from net loss after tax to net cash flows from operations:

	2024	2023
	\$	\$
Net loss for the year	(2,133,853)	(1,500,283)
<i>Non-cash flows in loss:</i>		
Depreciation and amortisation	59,594	69,472
Share based payment	124,265	-
<i>Changes in assets and liabilities:</i>		
Decrease / (Increase) in other receivables	49,046	390,452
Decrease / (Increase) in prepayments	(11,536)	(24,959)
(Decrease) / Increase in trade and other payables	(118,516)	(349,587)
Net cash used in operating activities	(2,031,000)	(1,414,905)



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

Note 6. Trade and Other Receivables

	2024	2023
	\$	\$
Interest receivable	23,743	-
Security deposits	92,533	92,533
GST receivable	17,085	31,704
Other receivables	12,557	1,146
	145,918	125,383

Note 7. Prepayments

	2024	2023
	\$	\$
Prepayments	37,346	25,810
	37,346	25,810

Note 8. Exploration Expenditure

	2024	2023
	\$	\$
Exploration and evaluation assets		
Balance at the beginning of year	4,574,500	4,574,500
Acquisition of the Mojave Project ¹	1,383,481	-
Option fee payment for the Nevada Select project ²	45,592	-
Balance at the end of the year	6,003,573	4,574,500

¹During the year the Company acquired exploration assets of \$1,383,481 being the Mojave Project through the acquisition of 100% of the issued capital of Enigma Strategic Metals Holdings Pty Ltd (ESM). Through its wholly owned subsidiaries ESM owns 201 mineral claims making up the North Block and South Block of the Mojave Project located in California USA, prospective for rare-earth elements. Consideration for the acquisition consisted of the issue of 10,000,000 ordinary shares, 5,000,000 unquoted options exercisable at \$0.10 on or before 30 March 2026, 30,000,000 Performance Rights and payment of \$500,000 cash to the ESM vendors as reimbursement of expenditure previously incurred as well as the issue of 6,000,000 unquoted options exercisable at \$0.10 and expiring 3 years from the date of issue to facilitators of the acquisition, refer below:



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

Note 8. Exploration Expenditure (continued)

Purchase consideration:	\$
10,000,000 ordinary shares	570,000
5,000,000 unquoted options	136,983
6,000,000 unquoted options	179,881
Cash reimbursement	500,000
Performance Rights ³	-
	<u>1,386,864</u>
Identifiable assets/(liabilities) acquired:	
Cash	2,585
Receivables	5,418
Exploration tenements	1,383,481
Trade and other payables	(4,620)
	<u>1,386,864</u>

²The USD 30,000 option fee was made according to the Option Agreement signed back to 9 June 2022 between Nevada Select Royalty, Inc and Locksley's subsidiary Enigma Strategic Minerals LLC. The Option Agreement grants Enigma Strategic the sole and exclusive right and option to purchase 100% of Nevada Select's right, title and interest in and to the Property, including the existing data in Nevada Select's possession and additional data, information and records regarding the Nevada Select Claims acquired by Nevada Select during the Option period. The option fee paid this year was on schedule before the second anniversary of the Effective date of the Agreement according to the Option payment terms.

³The Directors have determined that at this stage it is not considered likely that the vesting conditions of the performance rights will be met. As such, nil probability has been applied to the performance rights consideration. Refer note 14 for details.



Notes to the Financial Statements (continued)
For the Year Ended 30 June 2024

Note 9. Property, Plant and Equipment

	2024	2023
	\$	\$
Land – at cost	75,610	75,610
Plant and equipment – at cost	55,558	51,369
Less: Accumulated depreciation	(36,192)	(26,236)
	<u>19,366</u>	<u>25,133</u>
Motor vehicles – at cost	54,813	67,870
Less: Accumulated depreciation	(32,707)	(12,781)
	<u>22,106</u>	<u>55,089</u>
Exploration Assets – at cost	27,828	-
Less: Accumulated depreciation	(4,091)	-
	<u>23,737</u>	<u>-</u>
Total property, plant and equipment	<u>140,819</u>	<u>155,842</u>

Reconciliations

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

	Land	Plant and equipment	Motor vehicles	Exploration Assets	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2022	75,610	37,693	61,094	-	174,397
Additions	-	-	-	-	-
Depreciation expense	-	(12,550)	(6,005)	-	(18,555)
Balance at 1 July 2023	75,610	25,143	55,089	-	155,842
Additions	-	4,189	-	27,828	32,017
Disposals	-	-	(13,057)	-	(13,057)
Depreciation expense	-	(9,966)	(19,926)	(4,091)	(33,911)
Balance at 30 June 2024	<u>75,610</u>	<u>19,366</u>	<u>22,106</u>	<u>23,737</u>	<u>140,819</u>

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Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

Note 10. Leases

The Company has a lease contract for its office, which has a three-year lease term until March 2024. The Company's obligations under its lease are secured by the lessor's title to the leased assets.

Set out below is the carrying amount of the right-of-use asset recognised and the movements during the year:

	2024	2023
Right-of-Use Asset	\$	\$
Carrying amount at the beginning of the year	29,702	80,618
Additions	-	-
Modifications	-	-
Depreciation	(29,702)	(50,916)
Carrying amount at the end of the year	-	29,702

Set out below are the carrying amount of lease liabilities and the movements during the year:

	2024	2023
Lease Liabilities	\$	\$
Carrying amount at the beginning of the year	26,699	79,185
Additions	-	-
Modifications	-	-
Repayments	(26,699)	(49,486)
Carrying amount at the end of the year	-	26,699

Lease liabilities - current	-	29,699
Lease liabilities – non-current	-	-
Total lease liabilities	-	29,699

Depreciation expense for right-of-use asset	29,702	50,916
Interest expense on lease liabilities	357	2,040
Total amount recognised in statement of profit or loss	30,059	52,956



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

Note 11. Trade and Other Payables

	2024	2023
	\$	\$
Trade Payables	77,906	239,963
Accruals	46,679	44,704
Provision for annual leave	39,045	28,799
Other	8,792	-
	172,422	303,466

Trade creditors are expected to be paid on 30-day terms.

Note 12. Borrowings

	2024	2023
	\$	\$
Loans – Directors	1,805	1,805
Total Borrowings	1,805	1,805

All loans made to the Company by related and third parties are unsecured, non-interest bearing and are due and payable within 12 months. Amounts were loaned to the Company by Mr Woodham & Mr Brockhurst when the Company was first established.

Note 13. Issued Capital

	2024	2023
	\$	\$
146,666,665 Ordinary shares – issued and fully paid (2023: 87,499,996 Ordinary shares)	14,036,154	11,064,438

	Number of Shares	\$
Movement in Ordinary Shares on Issue		
On issue at 1 July 2023	87,499,996	11,064,438
ESM Consideration Shares	10,000,000	570,000
Placement	49,166,669	2,950,000
Share issue costs	-	(548,285)
On issue at 30 June 2024	146,666,665	14,036,154



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

Note 13. Issued Capital (continued)

Shares under Option

At 30 June 2024, Locksley Resources Limited had the following shares under option on issue:

- 5,000,000 unlisted options exercisable at \$0.25 on or before 1 July 2024;
- 9,700,000 unlisted options exercisable at \$0.10 on or before 30 March 2026; and
- 17,500,000 unlisted options exercisable at \$0.10 on or before 2 November 2026.

Note 14. Reserves

	2024	2023
	\$	\$
Share based payments reserve – options	<u>1,343,750</u>	<u>574,500</u>

The share based payment reserve is used to record the fair value of options issued.

	\$
Reconciliation of movement in share based payment reserve during the period:	
Opening balance	<u>574,500</u>
Issue of consideration options ¹	136,983
Issue of facilitator options ¹	179,881
Issue of director and employee options ²	124,265
Issue of joint lead manager options ³	328,121
Issue of performance rights ⁴	-
Closing balance	<u>1,343,750</u>

¹ The consideration options and facilitator options were issued to vendors and the facilitators respectively of ESM for the acquisition of the Mojave Project (refer to note 4).

² The director options were approved by shareholders at the general meeting on 10 August 2023 as non-cash incentive remuneration. The employee options were issued pursuant to the employee share option plan to employees as non-cash incentive remuneration.

³ The Joint Lead Manager options were approved by shareholders at the general meeting on 10 August 2023 and issued to the joint lead managers of the Placement completed in June 2023. The options were issued in November 2023 with an expiry date of 3 years from the date of issue

⁴ During the year the Company issued 30,000,000 Performance Rights to vendors of ESM for the acquisition of the Mojave Project (refer to note 4) which convert into fully paid ordinary shares (one for one basis) on the satisfaction of the milestone for each relevant class. The value of the Performance Rights is calculated with reference to the share price at grant date (\$0.057) multiplied by management's assessment of the probability of achieving the milestone, which is reassessed at each reporting date until the Performance Rights either vest or expire.



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

Note 14. Reserves (continued)

	Number of Instruments	Grant Date	Expiry Date	Exercise Price	Fair value per instrument \$	Value \$
Consideration Options	5,000,000	28/08/2023	30/03/2026	\$0.10	0.0274	136,983
Facilitator Options	6,000,000	28/08/2023	02/11/2026	\$0.10	0.0300	179,881
Director Options	3,500,000	10/08/2023	30/03/2026	\$0.10	0.0263	92,139
Employee Options	1,200,000	24/08/2023	30/03/2026	\$0.10	0.0268	32,126
Joint Lead Manager Options	11,500,000	10/08/2023	02/11/2026	\$0.10	0.0285	328,121

The options issued during the period were calculated using the Black-Scholes option pricing model with the following inputs:

	Options granted Range
Expected volatility (%)	100%
Risk free interest rate (%)	4.1%
Weighted average expected life of options (years)	2.6 - 3
Expected dividends	Nil
Option exercise price (\$)	\$0.10
Share price at grant date (\$)	\$0.055 - \$0.057

The options issued were deemed to vest immediately and there were no other vesting conditions.



Notes to the Financial Statements (continued)

For the Year Ended 30 June 2024

Note 14. Reserves (continued)

	Number of Instruments	Grant Date	Expiry Date	Vesting Condition	Value \$
Performance Rights – Class A	10,000,000	28/08/2023	28/08/2026	Rock chip sample of greater than 4% Total Rare Earth Oxide (RARE) from ESM Project or El Campo Prospect which supports a decision to commence drilling of over 2,000m	-
Performance Rights – Class B	10,000,000	28/08/2023	28/08/2026	Following completion of a minimum 2,000m drilling program, achievement of a drilling intersection from ESM Project or El Campo Prospect, greater than 5m with an average grade above 4% TREO	-
Performance Rights – Class C	10,000,000	28/08/2023	28/08/2026	Achievement of a drilling intersection from ESM Project, greater than 5m with an average grade above 4% TREO	-

During the year the Company also issued 1,000,000 Class B Performance Rights to Director Stephen Woodham as approved at the Company's General Meeting held 10 August 2023. As at 30 June 2024 Management has assessed the probability of achieving each of the vesting conditions as nil given the uncertainty involved in their achievement.

Note 15. Related Party Disclosures

a. Remuneration of Key Management Personnel

	2024 \$	2023 \$
KMP remuneration		
Directors' fees	90,000	41,600
Salaries and wages	132,000	386,406
Superannuation	14,570	37,820
Allowances	30,000	27,500
Share based payments	92,139	-
Total KMP remuneration	358,709	475,326



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

Note 15. Related Party Disclosures (continued)

b. Related Party Transactions

During the year ended 30 June 2024, fees of \$148,782 (2023: \$142,935) were paid or due to be paid to Mining Corporate Pty Ltd, a company of which Mr Brockhurst is a Director of, for company secretarial, accounting and bookkeeping services.

During the 2024 financial year \$29,616 (2023: \$24,660) was paid to Locksley Holdings Pty Ltd, a company of which Mr Woodham is a Director of, for motor vehicle and trailer rentals, and travel and accommodation expenses.

During the year, following shareholder approval the Directors were issued 3,500,000 unquoted options exercisable at \$0.10 and expiring on 30 March 2026 as non cash incentive remuneration. Mr Stephen Woodham received 2,000,000 options, Mr Stephen Brockhurst received 1,000,000 options and Mr Giles received 500,000 options. Each option had a fair value of \$0.0263 per option (refer to Note 7). Mr Stephen Brockhurst also acquired 950,000 ordinary shares through market.

During the year Mr Stephen Woodham was also issued 1,000,000 Class B Performance Rights as a performance incentive. These Rights have the same vesting conditions as the ESM Performance Rights (refer to Note 7) and have been assessed to have a value of nil as at 30 June 2024.

During the year, Mr Nathan Lude received 1,260,081 consideration shares, 630,040 unlisted options exercisable at \$0.10 on or before 30 March 2026, and 3,780,242 Performance Rights as part of the Mojave Project (ESM) Acquisition. He also acquired 7,663,646 ordinary shares through the market.

No loans have been made to any KMP or any of their related parties during the 2024 financial year.

There were no further transactions with KMPs including their related parties other than those disclosed above. Related party loans to the Company have been disclosed above in Note 12.

All transactions were made on normal commercial terms and conditions and at market rates.

Note 16. Auditor's Remuneration

	2024	2023
	\$	\$
Remuneration of the auditor for:		
Auditing the financial statements	33,044	29,710
Total auditor's remuneration	33,044	29,710



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

Note 17. Loss Per Share

	2024	2023
	\$	\$
Basic and diluted loss per share (cents per share)	(1.54)	(2.49)
Loss used to calculate basic and diluted loss per share	(2,133,853)	(1,500,283)
Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted loss per share	138,207,761	60,332,967

Note 18. Financial Risk Management Objectives and Policies

The Company's principal financial instruments comprise receivables, payables and cash which arise directly from its operations.

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.

The main risks arising from the Company's financial instruments are interest rate risk, liquidity risk, and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Risk Exposures and Responses

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. The Company's exposure to market risk for changes to interest rate risk relates primarily to its earnings on cash.

Interest rate sensitivity analysis

The Company has no material interest rate risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company's potential concentration of credit risk consists mainly of cash balances with banks. The Company's short term cash surpluses are placed with banks that have investment grade ratings. The maximum credit risk exposure relating to the financial assets is represented by the carrying value as at the reporting date. The Company considers the credit standing of counterparties when making deposits to manage the credit risk.



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

Liquidity risk

The responsibility with liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained. The Company's policy is to ensure that it has sufficient cash reserves to carry out its planned exploration activities over the next 12 months.

Fair values

Fair values of financial assets and liabilities are equivalent to carrying values due to their short terms to maturity.

Note 19. Controlled Entity

Name of Entity	Country of incorporation	Class of shares	Ownership	
			30 June 2024 %	30 June 2023 %
Parent entity				
Locksley Resources Limited	Australia			
Controlled entities				
Enigma Strategic Minerals Holdings Pty	Australia	Ordinary	100	-
Ltd Enigma Strategic Minerals Pty Ltd	Australia	Ordinary	100	-
Enigma Strategic Minerals LLC	USA	Ordinary	100	-

Note 20. Commitments

The Company's minimum expenditure commitments in relation to its tenements are as follows:

	2024	2023
	\$	\$
Within 1 year	212,000	181,667
Between 2 and 5 years	294,000	538,333
More than 5 years	-	-
Total commitments	506,000	720,000

Note 21. Contingent Assets and Liabilities

The Company acknowledges that, on and from settlement of the EL Campo Option Agreement, Enigma Strategic Minerals LLC grants Nevada Select Royalty Inc, a 2.5% Net Smelter Royalty over all minerals produced from the EL Campo Tenements (Nevada Select Royalty).

The Company has no other contingent liabilities as at 30 June 2024.



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

Note 22. Parent Entity Financial Information

Summary Financial Information

	Consolidated	
	2024	2023
	\$	\$
Balance Sheet		
Current assets	3,281,910	2,423,834
Total assets	9,425,776	7,183,878
Current liabilities	187,067	334,970
Total liabilities	187,067	334,970
Issued capital	14,036,153	11,064,438
Reserves	1,343,750	574,500
Accumulated losses	(6,141,194)	(4,790,031)
Total equity	9,238,709	6,848,908
Loss for the year	(1,351,163)	(1,500,283)
Total comprehensive loss for the year	(1,351,163)	(1,500,283)

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Guarantees entered into by the parent entity

The parent entity has provided no financial guarantees.

Contractual commitments

The parent entity had no contractual commitments as at 30 June 2024 (2023: \$nil), other than those disclosed in Note 21.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in Note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.



Notes to the Financial Statements (continued) For the Year Ended 30 June 2024

Note 23. Events after Reporting Date

On 1 July 2024, a total of 5,000,000 unlisted options exercisable at \$0.25 expired unexercised.

No other matters or circumstances have arisen since the end of the financial year which 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 years.



CONSOLIDATED ENTITY DISCLOSURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

Name of Entity	Country of incorporation	Entity Type	Ownership %	Tax residency
Parent entity				
Locksley Resources Limited	Australia	Body Corporate		Australia
Controlled entities				
Enigma Strategic Minerals Holdings Pty Ltd	Australia	Body Corporate	100	Australia
Enigma Strategic Minerals Pty Ltd	Australia	Body Corporate	100	Australia
Enigma Strategic Minerals LLC	USA	Body Corporate	100	USA

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Directors' Declaration

In accordance with a resolution of the directors of Locksley Resources Limited, I state that:

1. In the opinion of the directors:

- (a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of its performance for the year ended on that date.
 - (ii) complying with Australian Accounting Standards, International Financial Reporting Standards as issued by the International Accounting Standards Board and *Corporations Regulations 2001*.
- (b) There are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.
- (c) the attached Consolidated Entity Disclosure Statement is true and correct.

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*.

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

Nathan Lude
Non-Executive Chairman

Dated this 26th day of September 2024

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Locksley Resources Limited (“the Company”) and its subsidiaries (“the Consolidated Entity”), 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, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the director’s declaration.

In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Consolidated Entity’s financial position as at 30 June 2024 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 2(a).

Basis for Opinion

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

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

Key Audit Matters

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

Key Audit Matter

Exploration Expenditure

Exploration and evaluation expenditure is expensed as incurred, with the exception of acquisition costs which are capitalised and carried forward.

As disclosed in note 8 to the financial statements, as at 30 June 2024, the Consolidated Entity's exploration expenditure was carried at \$6,003,573, with a further \$1,014,366 expensed during the year.

The recognition of exploration and evaluation was considered a key audit matter due to:

- The carrying value represents a significant asset of the Consolidated Entity, we considered it necessary to assess whether facts and circumstances existed to suggest whether an impairment event has occurred; and
- Determining whether impairment indicators exist involves significant judgement.

How our audit addressed the Key Audit Matter

Our audit procedures included but were not limited to:

- Assessing management's determination of its areas of interest for consistency with the definition in AASB 6 Exploration and Evaluation of Mineral Resources ("AASB 6");
- Assessing the Consolidated Entity's rights to tenure for a sample of tenements;
- Testing the Consolidated Entity's exploration costs for the year by verifying a sample of recorded expenditure for consistency to underlying records;
- By testing the status of the Consolidated Entity's tenure and planned future activities, reading board minutes and discussions with management we assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised exploration costs:
 - The licenses for the rights to explore expiring in the near future or are not expected to be renewed;
 - Substantive expenditure for further exploration in the area of interest is not budgeted or planned;
 - Decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and
 - Data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recorded in full from successful development or sale; and
- Assessing the appropriateness of the related disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error, and the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error. In Note 2(a), the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability 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 Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

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

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

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Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

Auditor's Opinion

In our opinion, the Remuneration Report of Locksley Resources Limited, for the year ended 30 June 2024, complies with section 300A of the Corporations Act 2001.



HALL CHADWICK WA AUDIT PTY LTD



**D M BELL CA
Director**

Dated this 26th day of September 2024
Perth, Western Australia

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List of Tenements – As at 25 September 2024

Country	State	Project Name	Tenement/Claim Name	EL Number	Grant Date	Expiry Date	Group	Units/Claims
Australia	NSW	Tottenham Project	Tottenham	EL6592	29/06/2006	29/06/2026	GROUP 1	50
	NSW	Tottenham Project	Tottenham North	EL6656	27/10/2006	27/10/2026	GROUP 1	10
	NSW	Tottenham Project	Collerina	EL8384	28/07/2015	28/07/2026	GROUP 1	12
	NSW	Tottenham Project	Bulbodney Creek	EL9307	16/10/2021	16/10/2027	GROUP 1	90
USA	CA	Mojave Project	North Block-South Block-El Campo Lease					297



ASX Additional Information

Additional information required by the Australia Securities Exchange Ltd ('ASX') and not shown elsewhere in this report is as follows. The information is current as at 24 September 2024.

(a) Distribution of Shareholders

Range of Shares Held	Number of Shareholders	Number of Shares
1 – 1,000	14	2,846
1,001 – 5,000	27	96,773
5,001 – 10,000	105	991,127
10,001 – 100,000	240	10,583,936
100,001 and over	183	134,991,983
Total	569	146,666,665

The number of shareholders with an unmarketable parcel of shares is 204, with a total of 1,988,605 shares.

(b) Top 20 Shareholders

	Shareholder	Number of Shares	%
1	VANGUARD SUPERANNUATION PTY LTD <VANGUARD INVESTMENT A/C>	14,964,811	10.20
2	CITICORP NOMINEES PTY LIMITED	9,663,695	6.59
3	ING INVESTMENT FUND PTY LTD <ING INVESTMENT FUND A/C>	7,663,646	5.23
4	DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	6,150,000	4.19
5	BACCHUS RESOURCES PTY LTD	5,500,000	3.75
6	JETOSEA PTY LTD	5,197,720	3.54
7	MR JESSE COMINO	3,541,759	2.41
8	ROCK THE POLO PTY LTD <ROCK THE POLO A/C>	3,000,000	2.05
9	ALPHDA PTY LTD <ALPHDA FAMILY A/C>	2,500,000	1.70
9	HARSHELL INVESTMENTS PTY LTD <KAPLAN FAMILY A/C>	2,500,000	1.70
11	MAD FISH MANAGEMENT PTY LTD	2,000,834	1.36
12	MR CAMERON BEAU JONES	2,000,000	1.36
13	MR PETER MICHAEL HINEY	1,907,088	1.30
14	MS CHUNYAN NIU	1,868,617	1.27
15	CAVALLETTA HOLDINGS PTY LTD	1,775,000	1.21
16	MS PUI CHING ANGELOU YIP	1,500,000	1.02
17	MR MARK DAMION KAWECKI	1,433,333	0.98
18	MR STEPHEN MICHAEL BROCKHURST <SM BROCKHURST FAMILY A/C>	1,375,000	0.94
19	A22 PTY LIMITED <GROVER INVESTMENT A/C>	1,333,334	0.91
20	ADVANTAGE MANAGEMENT PTY LTD <THE ADVANTAGE MANAGEMENT A/C>	1,260,081	0.86
	Total Top 20	77,134,918	52.59
	Total Issued Capital	146,666,665	100.00



(c) Substantial Shareholder (Holding not less than 5%)

	Shareholder	Number of Shares	%
1	Bevan Nigel Tarratt	14,964,811	10.20
2	Nathan Rodric Lude	8,923,727	6.08

(d) Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares:

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

(e) Restricted Securities

The Company has no restricted securities on issue as at 24 September 2024.

(f) Unquoted Securities

The Company has the following unquoted securities on issue as at 24 September 2024:

Options	Number	Expiry Date	Exercise Price
Unlisted options	9,700,000	30 March 2026	\$0.10
Unlisted options	17,500,000	2 November 2026	\$0.10
Performance Rights – Class A	10,000,000	28 August 2026	N/a
Performance Rights – Class B	11,000,000	28 August 2026	N/a
Performance Rights – Class C	10,000,000	28 August 2026	N/a
Total	58,200,000		

(g) On-Market Buy Back

There is no current on-market buy back of ordinary shares.